



Mary Taylor, CPA  
Auditor of State



**BUTLER COUNTY**  
**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Accountants' Report.....	Under separate cover
Comprehensive Annual Financial Report .....	Under separate cover
Federal Awards Expenditures Schedule.....	1
Notes to the Federal Awards Expenditures Schedule .....	5
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing</i> Standards.....	7
Independent Accountants' Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133.....	9
Schedule of Findings.....	11

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**BUTLER COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2007**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i>	Pass Through Entity Number	Federal CFDA Number	Disbursements
<u>Program Title</u>			
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>			
Water & Waste Disposal Systems to Rural Communities	N/A	10.760	\$536,363
<i>Passed Through Ohio Department of Education:</i>			
<i>Child Nutrition Cluster:</i>			
School Breakfast Program	065888-05NP-2006/2007	10.553	54,279
National School Lunch Program	065888-LLN1-2006/2007	10.555	93,431
Total Child Nutrition Cluster			<u>147,710</u>
<b>Total U.S. Department of Agriculture</b>			<b><u>684,073</u></b>
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>			
Community Development Entitlement Grant	B-00-UC-39-0008	14.218	1,122,089
HOME Investment Partnerships Program	M-00-DC-39-0222	14.239	<u>1,025,627</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<b><u>2,147,716</u></b>
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>			
Public Safety Partnership & Community Policing Grant	2003UMWX0088	16.710	4,096
Byrne Memorial Grants (Domestic Violence Support)	2006-DJ-BX-0963	16.738	39,911
Byrne Memorial Grants (Domestic Violence Support)	2007-F3342-OH-DJ	16.738	58,523
Total Byrne Memorial Grants (Domestic Violence Support)			<u>98,434</u>
<i>Passed Through Ohio Office of Criminal Justice Services:</i>			
Juvenile Justice Substance Abuse	2003-DG-C0V-7163	16.593	32,202
Violence Against Women Act	2006-WF-VA2-8526	16.588	<u>62,327</u>
<i>Total Passed Through Ohio Office of Criminal Justice Services</i>			<u>94,529</u>
<i>Passed Through Ohio Department of Youth Services:</i>			
Juvenile Accountability Incentive Block Grant	2005-JB-015-A025	16.523	30,823
	2006-JB-015-A-025		<u>6,706</u>
Total Juvenile Accountability Incentive Block Grant			37,529

(Continued)

**BUTLER COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2007  
(Continued)**

<b>FEDERAL GRANTOR</b>			
<b><i>Pass Through Grantor</i></b>		Pass Through	Federal
Program Title		Entity	CFDA
<hr/>		Number	Number
			Disbursements
			<hr/>
Title V Delinquency Prevention Program	2005-JV-T50-6002		6,002
Total Title V Delinquency Prevention Program			6,002
<i>Total Passed Through Ohio Department of Youth Services</i>			<hr/> 43,531
<i>Passed Through Ohio Attorney General's Office:</i>			
Crime Victim Assistance	2007VAGENE103	16.575	84,740
	2008VADSCE464		25,142
	2007VADSCE464		<hr/> 8,382
Total Crime Victim Assistance			118,264
<i>Total Passed Through Ohio Attorney General's Office</i>			<hr/> 118,264
<b>Total U.S. Department of Justice</b>			<b><u>358,854</u></b>
 <b><u>U.S. DEPARTMENT OF TRANSPORTATION/FEDERAL HIGHWAY ADMINISTRATION</u></b>			
<i>Passed Through Ohio Department of Transportation:</i>			
Highway Planning and Construction	PID 24708	20.205	2,114,203
	PID 18961		308,035
	PID 14114		<hr/> 80,745
Total Highway Planning and Construction			2,502,983
<i>Total Passed Through Ohio Department of Transportation</i>			<hr/> 2,502,983
<i>Passed Through Ohio Department of Public Safety:</i>			
STEP Grant	HVEO-2008-9-00-00-00213-00	20.601	7,716
	HVEO-2007-9-00-00-00793-00		<hr/> 24,146
<i>Total Passed Through Ohio Department of Public Safety</i>			<hr/> 31,862
<b>Total U.S. Department of Transportation</b>			<b><u>2,534,845</u></b>
Workforce Investment Act - Adult	N/A	17.258	591,371
Workforce Investment Act - Dislocated Workers	N/A	17.260	<hr/> 1,186,527
<i>Total Workforce Investment Act</i>			<hr/> <b>1,777,898</b>

(Continued)

**BUTLER COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2007  
(Continued)**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
Employment Service	N/A	17.207	<u>7,000</u>
<i>Total Passed Through Ohio Department of Job and Family Services</i>			<u>1,784,898</u>
<b>Total U.S. Department of Labor</b>			<b><u>1,784,898</u></b>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION/ FEDERAL AVIATION ADMINISTRATION</u></b>			
Airport Improvement Grant	3-39-0039-1706	20.106	<u>212,434</u>
<b>Total Federal Aviation Administration</b>			<b><u>212,434</u></b>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>			
ACYF/Children's Bureau (CANSAFE)	90CU0028	93.087	3,076
<i>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</i>			
Head Substance Abuse Prevention Program	09-02965-00DFSCA-P-03-9083	84.186	42,289
<i>Passed Through Ohio Department of Mental Health:</i>			
PATH Federal Grant	N/A	93.150	68,210
FAST Federal Grant	N/A	93.556	27,727
<i>Passed Through Ohio Department of Mental Health:</i>			
Title XX Social Services Block Grant	N/A	93.667	209,974
<i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities</i>			
Title XX Social Services Block Grant	N/A	93.667	<u>210,732</u>
Total Title XX Social Services Block Grant			420,706
<i>Passed Through Ohio Department of Mental Health:</i>			
Title XIX Medical Assistance Program	N/A	93.778	6,525,353
<i>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</i>			
Title XIX Medical Assistance Program	N/A	93.778	925,002

(Continued)

**BUTLER COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2007  
(Continued)**

<b>FEDERAL GRANTOR</b> <b>Pass Through Grantor</b> Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities:</i>			
Title XIX Medical Assistance Program	N/A	93.778	3,875,518
TCM			1,835,580
Supported Employment			13,113
Administrative Fees			349,370
<i>Total Passed Through Ohio Department of Mental Retardation and Developmental Disabilities</i>			<u>6,073,581</u>
Total Title XIX Medical Assistance Program			13,523,936
<i>Passed Through Ohio Department of Mental Health:</i>			
Early Childhood Mental Health Consultation	N/A	93.590	55,641
Block Grant for Community Mental Health Services	N/A	93.958	126,426
Total Block Grant for Community Mental Health Services			<u>182,067</u>
<i>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</i>			
Block Grant for the Prevention and Treatment of Substance Abuse	N/A	93.959	2,710,939
<i>Passed Through Ohio Department of Mental Health:</i>			
State Children's Insurance Program (SCHIP)	N/A	93.767	394,742
<i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities:</i>			
State Children's Insurance Program (SCHIP)	N/A	93.767	20,391
Total State Children's Insurance Program (SCHIP)			415,133
<i>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</i>			
Comprehensive Conflict Management Grant	N/A	93.243	13,061
<b>Total U.S. Department of Health and Human Services</b>			<u><b>17,407,144</b></u>
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>			
<i>Passed Through Ohio Emergency Management Agency:</i>			
ODP Citizens Corps Program Grant	2004-GC-T4-0025	97.053	7,753
	2006-GC-T6-0051		4,546
State Homeland Security Program (SHSP)	2006-GE-T6-0051	97.073	<u>221,618</u>
<b>Total U.S. Department of Homeland Security</b>			<u><b>233,917</b></u>
<b>Total</b>			<u><u><b>\$ 25,363,881</b></u></u>

*The accompanying notes are an integral part of this schedule.*



**BUTLER COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED DECEMBER 31, 2007**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Federal Awards Expenditures Schedule (the Schedule) summarizes activity of the County's federal award programs. The schedule has been prepared on the cash basis of accounting.

**NOTE B - MATCHING REQUIREMENTS**

Certain Federal programs require that the County contribute non-Federal funds (matching funds) to support the Federally-funded programs. The County has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.

**NOTE C – WORKFORCE INVESTMENT ACT (WIA) FUNDING**

WIA funding is distributed to various areas of the State. Butler, Clermont, and Warren Counties belong to Area 12. Butler County receives all funding for Area 12, and, as fiscal agent, distributes amounts to Clermont and Warren Counties. The County distributed \$1,064,762 and \$1,013,669 to Clermont and Warren Counties, respectively during fiscal year 2007.

**NOTE D - CHILD NUTRITION CLUSTER**

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Butler County  
130 High Street  
Hamilton, Ohio 45011

To the Board of County Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Butler County, Ohio (the County), as of and for the year ended December 31, 2007, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 26, 2007. 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 the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the County's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the County's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider the following deficiency described in the accompanying schedule of findings to be significant deficiency in internal control over financial reporting: 2007-003.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the County's internal control will not prevent or detect a material financial statement misstatement.

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Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted certain matters that we reported to the County's management in a separate letter dated June 26, 2007.

### **Compliance and Other Matters**

As part of reasonably assuring whether the County's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed instances of noncompliance or other matters that we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2007-001 through 2007-004.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the County's management in a separate letter dated June 26, 2007.

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the County's responses and, accordingly, we express no opinion on them.

We intend this report solely for the information and use of the audit committee, management, Board of County Commissioners, and federal awarding agencies and pass-through entities. We intend it for no one other than these specified parties.



**Mary Taylor, CPA**  
Auditor of State

June 26, 2008



# Mary Taylor, CPA

## Auditor of State

### INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Butler County  
130 High Street  
Hamilton, Ohio 45011

To the Board of County Commissioners:

#### Compliance

We have audited the compliance of Butler County, Ohio (the County), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended December 31, 2007. The summary of auditor's results section of the accompanying schedule of findings identifies the County's major federal programs. The County's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, Butler County complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended December 31, 2007. In a separate letter to the County's management dated June 26, 2008, we reported other matters related to noncompliance not requiring inclusion in this report.

#### Internal Control Over Compliance

The County's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to administer a federal program such that there is more than a remote likelihood that the County's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the County's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we noted a matter involving the internal control over federal compliance not requiring inclusion in this report, that we reported to the County's management in a separate letter dated June 26, 2008.

The County's responses to the findings we identified are described in the accompanying schedule of findings. We did not audit the County's responses and, accordingly, we express no opinion on them.

#### **Federal Awards Expenditures Schedule**

We have also audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of Butler County as of and for the year ended December 31, 2007, and have issued our report thereon dated June 26, 2008. Our audit was performed to form an opinion on the financial statements that collectively comprise the County's basic financial statements. The accompanying federal awards expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of the audit committee, management, Board of County Commissioners, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



**Mary Taylor, CPA**  
Auditor of State

June 26, 2008

**BUTLER COUNTY**  
**SCHEDULE OF FINDINGS**  
**OMB CIRCULAR A -133 § .505**  
**DECEMBER 31, 2007**

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>
--

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	CFDA #93.778 Title XIX Medicaid Assistance Program CFDA #14.218 Community Development Block Grant-Entitlement Grants CFDA#17.258, 17.259, 17.260 Workforce Investment Act Cluster
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 777,393 Type B: all others> \$100,000
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

**FINDING NUMBER 2007-001**

**Finding for Recovery**

Karan Horan served as an attorney for the Butler County Juvenile Court representing indigent clients. While at the court Karan Horan intercepted reimbursement forms belonging to other attorneys. She covered the other attorney names with white out, wrote in the name of Jeffery Stone, a former local attorney, and submitted them to the County Auditor's office for payment. Karan Horan submitted falsified W-9 forms to re-establish Jeffery Stone as a vendor with the County Auditor's Office and had all of the payments for Jeffery Stone mailed to her personal address. Karan Horan also resubmitted her own previously approved and paid fee applications under the name of Jeffery Stone to the County Auditor for payment. Karan Horan submitted altered forms resulting in a total of \$6,301 in unearned payments for work performed by other attorneys or duplicate billings for her own cases that had been previously submitted for payment. On November 21, 2007, Karan Horan was indicted by the Grand Jury (Case Number CR2007-11-1972) for one count of Grand Theft, one count of Forgery, and 28 counts of Tampering with Records.

In accordance with the forgoing facts and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Karan Horan, in the amount of \$6,301 and in favor of the General Fund.

**Officials' Response:**

The Court would like to note that the reimbursement forms intercepted by Ms. Horan were taken by her removing the forms from other attorney mailboxes located at the Court. Ms. Horan then altered the forms, belonging to other attorneys, and delivered the forms to the Auditor for payment. The Court would also like to note that our process has been revised to where attorneys can no longer gain access to signed/approved reimbursement forms. The Court and the Auditor's Office have an agreement stating that the Auditor is to accept no reimbursement forms directly from attorneys. They are to accept forms only from the Juvenile Court Judicial Assistant, Director of Fiscal Services, Judge or Director of the Juvenile Justice Center.

Lastly, the Auditor's Office states that they will no longer make payment on any reimbursement forms where white out has been used. The Auditor's Office and the Court will coordinate efforts to ensure the accuracy of W-9 forms and attorney reimbursement forms (indigent fee applications).

**FINDING NUMBER 2007-002**

**Finding for Recovery Repaid Under Audit**

Adult Probation employee Jason Bellman was on paid vacation leave for the pay period of December 29, 2006. However, his vacation balance was depleted the previous pay period and he should have been on FMLA. This resulted in an overpayment of \$1,475.

In accordance with the forgoing facts and pursuant to Ohio Revised Code Section 117.28, a finding for recovery for public money illegally expended is hereby issued against Jason Bellman in the amount of \$1,475, in favor of the General Fund.

When informed of these facts, Mr. Bellman agreed to repay the County. He repaid this amount to the County by four equal wage garnishments beginning June 18, 2008.



**FINDING NUMBER 2007-002  
(Continued)**

**Officials' Response:**

In response to the finding for recovery pertaining to the Butler County Adult Probation Department, which was satisfied under audit; the report indicated that an employee was mistakenly paid for leave that he had not earned. Our contention is that the Butler County Auditor's office had received a payroll adjustment form to place that employee on "Leave Without Pay" status effective 12/19/06, since he had a direct deposit, we did miss the fact that he had been paid and we failed to recover the money until we found the mistake during the audit process.

Our office had started the process of purchasing and implementing a new record keeping system in mid 2007 which will prevent problems like this the one from occurring in the future. The Kronos record keeping system is approved by the Butler County Auditor's office and is presently used by other Butler County offices. Our leave records for 2008 have been kept on this new system and we recapitulated all employees leave for the entire year of 2007 to ensure no other mistake remain.

We feel it is important to note, that although there was a finding, the problem was identified by our office and brought to the attention of your auditors while this audit was being conducted. The money that was erroneously paid to our employee was recouped through a voluntary wage reduction on our employees behalf. When our employee learned of the mistake, he volunteered to repay the money. We feel certain that this issue is resolved and should not occur again.

**FINDING NUMBER 2007-003**

**Material Noncompliance/Significant Deficiency**

**Ohio Rev. Code, Section 5705.41(D)(1)**, prohibits a subdivision or taxing entity from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

- A. "Then and Now" Certificate** – If the fiscal officer can certify that both at the time that the contract or order was made ("then"), and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the County can authorize the drawing of a warrant for the payment of the amount due. The County has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts of less than \$100 may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the County.

**FINDING NUMBER 2007-003  
(Continued)**

**Blanket Certificate** – Fiscal officers may prepare “blanket” certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.

- B. Super Blanket Certificate** – The County may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

The County did not properly certify the availability of funds for purchase commitments for two of forty-four (4.5%) expenditures tested for 2007 totaling \$1,400,000 and \$8,417,074 for the Job and Family Services and General Fund opinion units respectively and none of the exceptions above applied. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

22 of our 44 disbursements tested were stamped as “Then and Now” and exceeded \$100. No “Then and Now” stamps greater than \$100 were approved by a resolution of the County Commissioners.

Unless the County uses the exceptions noted above, prior certification is not only required by statute but also is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the County’s funds exceeding budgetary spending limitations, we recommend that the Auditor certify that funds are or will be available prior to obligation by the County. When prior certification is not possible, “then and now” certification should be used.

We recommend the County officials and employees obtain the Auditor’s certification of the availability of funds prior to the commitment being incurred. The most convenient certification method is to use purchase orders that include the certification language 5705.41(D) requires to authorize disbursements. The Auditor should sign the certification at the time the County incurs a commitment, and only when the requirements of 5705.41(D) are satisfied. The Auditor should post approved purchase orders to the proper appropriation code to reduce the available appropriation.

**Officials’ Response:**

In order for the County to be compliant with ORC section 5705.41(D)(1), new procedures have been put in place to address the current year non-compliance issue. County departments are now required to obtain County Commissioner resolution prior to payment when an invoice is dated prior to a purchase order. The County Auditor will not make payment on any County obligation unless the obligation is properly certified to ensure the funds were available at the time of the commitment.

**FINDING NUMBER 2007-004**

**Material Noncompliance**

**Ohio Rev. Code, Section 5705.39**, states, in part, that the total appropriations from each fund shall not exceed the total estimated revenue. On an interim basis at October 31, 2007, the County had appropriations exceeding estimated revenue in the following funds:

**FINDING NUMBER 2007-004  
 (Continued)**

<b>Fund</b>	<b>Estimated Resource Amount</b>	<b>Appropriation Amount</b>	<b>Variance</b>
1250 Mtr Veh License Fund	\$37,194,934	\$39,634,646	\$(2,439,712)
1630 Comm. Mental Health	25,447,603	28,384,602	(2,936,999)

Failure to limit appropriations to the amount of estimated resources could result in overspending of funds and negative fund balances. We recommend that the County implement procedures to monitor appropriations and estimated resources. The Commissioners should approve amendments when necessary.

**Officials' Response:**

In order for the County to be compliant with ORC section 5705.41(D)(1), the County will more closely monitor the estimated revenues compared to the appropriations.

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
--

None



# *Butler County, Ohio*

## **Comprehensive Annual Financial Report**



**For the Year Ending  
December 31, 2007**

**In the Spotlight: Butler County  
Recorder's Office**



# **Butler County, Ohio**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2007**

**ISSUED BY:  
ROGER REYNOLDS, CPA  
BUTLER COUNTY AUDITOR**

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# INTRODUCTORY SECTION

## FOCUS

This year, the Butler County, Ohio, Comprehensive Annual Financial Report features the Butler County Recorder's Office.



**Recorder Danny N. Crank**

**D**anny Crank was appointed to serve as Butler County Recorder in January 2000 and has since been elected to two full terms of office. He sits on the Ohio Recorders' Association Legislative Committee, heads the Association Technology Committee and represents the Association in the Property Records Industry Association. Danny is currently the President of the Ohio Recorders' Association.

Denise Goll has worked in the Butler County Recorder's Office since 1992. She was promoted to second in command as Chief Deputy in 2003.



**Denise Goll  
Chief Deputy**



**Karen Steed  
Administrator**



**Toni Halsey  
Computer Operations Mgr.**



**Beth Willer  
Asst. Chief Deputy**

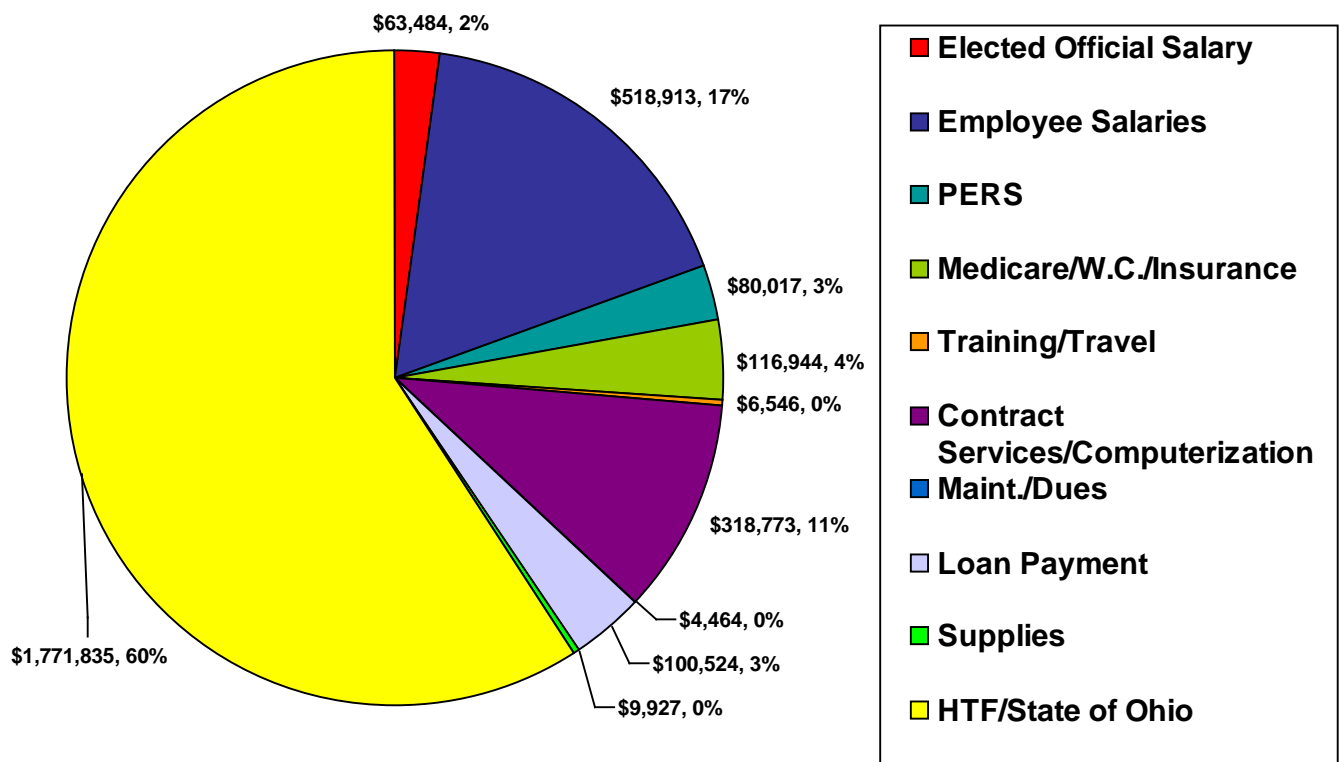


### Butler County Recorder's Office Staff

**Front row** – Fran Gelasi, Linda Schueler, Melanie Buell, Danny Crank, Jean Oerther, Melissa Long, Ashley Rich, Elizabeth Ponder

**Back row** – Jamie Collins, Sherry Alcorn, Wendy Huebner, Tami Follmer, Tamara Laubenstein, Sandy Pabst

## Recorder's Office Expenditures



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended December 31, 2007

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TABLE OF CONTENTS

	Page
<b>I. INTRODUCTORY SECTION</b>	
Table of Contents	i
Transmittal Letter	iv
Certificate of Achievement	xi
Butler County Elected Officials	xii
County Organizational Charts	xiii
<b>II. FINANCIAL SECTION</b>	
<b>INDEPENDENT ACCOUNTANTS' REPORT</b>	<b>1</b>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	<b>3</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>Government-wide Financial Statements</b>	
Statement of Net Assets	15
Statement of Activities	16
<b>Fund Financial Statements</b>	
Balance Sheet – Governmental Funds	18
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities	21
Statement of Revenues, Expenditures and Changes In Fund Balance-Governmental Funds	22
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	24
Statement of Revenue, Expenditures, and Changes in Fund Balances Budget and Actual (Budget Basis)	
General Fund	25
Mental Retardation Fund	26
Job and Family Services Fund	27
Children Services Agency Fund	28
Mental Health Fund	29
Motor Vehicle Fund	30
Statement of Fund Net Assets – Proprietary Funds	31
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds	32
Statement of Cash Flows – Proprietary Funds	33
Combining Statement of Fiduciary Net Assets –Agency Funds	35
Notes to the Basic Financial Statements	36
<b>REQUIRED SUPPLEMENTARY INFORMATION – INFRASTRUCTURE</b>	<b>95</b>

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended December 31, 2007

---

TABLE OF CONTENTS (continued)

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

Nonmajor Governmental Funds	100
Combining Balance Sheet – Nonmajor Governmental Funds	103
Combining Balance Sheet – Nonmajor Special Revenue Funds	104
Combining Balance Sheet – Nonmajor Capital Projects Funds	107
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	108
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	110
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	114
Internal Service Funds	115
Combining Statement of Fund Net Assets – Internal Service Funds	116
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets – Internal Service Funds	117
Combining Statement of Cash Flows – Internal Service Funds	118
Agency Funds	119
Combining Statement of Fiduciary Assets and Liabilities – Agency Funds	120
Combining Statement of Changes in Assets and Liabilities – All Agency Funds	121
Individual Fund Schedules of Revenues, Expenditures (Expenses) , and Changes in Fund Balance (Equity) – Budget (Budget Basis) and Actual Major Funds	
General Fund	123
Mental Retardation – Special Revenue Fund	130
Job and Family Services – Special Revenue Fund	131
Children Services Agency – Special Revenue Fund	132
Mental Health – Special Revenue Fund	133
Motor Vehicle – Special Revenue Fund	134
Buildings Construction and Renovations – Capital Projects Fund	135
Road Improvements – Capital Projects Fund	136
Sewer – Enterprise Fund	137
Water – Enterprise Fund	138
Government Services Center Parking Facility– Enterprise Fund	139
Nonmajor Funds	
Real Estate Assessment – Special Revenue Fund	140
All Other Legislative and Executive – Special Revenue Fund	141
All Other Judicial – Special Revenue Fund	142
All Other Public Safety – Special Revenue Fund	143

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended December 31, 2007

---

TABLE OF CONTENTS (continued)

Child Support Enforcement – Special Revenue Fund	144
All Other Conservation and Recreation – Special Revenue Fund	145
All Other Public Works – Special Revenue Fund	146
Alcohol and Drug Addiction – Special Revenue Fund	147
Residential Incentive District and Tax Incremental Financing – Special Revenue Fund	148
All Other Health – Special Revenue Fund	149
County Care Facility – Special Revenue Fund	150
Elderly Services Levy – Special Revenue Fund	151
All Other Human Services – Special Revenue Fund	152
Technology – Capital Projects Fund	153
Other Capital Improvements – Capital Projects Fund	154
Bond Retirement – Debt Service Fund	155
Health Insurance – Internal Service Fund	156
Workers Compensation Benefit – Internal Service Fund	157
County Fuel Depot – Internal Service Fund	158

III. STATISTICAL SECTION

Statistical Table Description	159
Net Assets by Component	160
Changes in Net Assets of Governmental Activities	161
Fund Balances, Governmental Funds	163
Changes in Fund Balances, Governmental Funds	164
Assessed and Estimated Actual Value of Taxable Property	165
Property Tax Rates, Direct and Overlapping Governments	166
Property Tax Levies and Collections	173
Principal Taxpayers, Real Estate Tax	174
Principal Taxpayers, Tangible Personal Property Tax	175
Principal Taxpayers, Public Utilities Tangible Personal Property Tax	176
Ratios of Outstanding Debt by Type	177
Ratios of General Bonded Debt Outstanding	178
Computation of Legal Debt Margin	179
Pledged Revenue Coverage	180
Demographic and Economic Statistics	182
Principal Employers	183
County Government Employees by Function/Activity	184
Operating Indicators by Function/Activity	185
Capital Asset Statistics by Function/Activity	187



Office Phone: 513-887-3154

Office Fax: 513-887-3149

130 High Street  
Hamilton, Ohio 45011



June 26, 2008

To the Citizens and  
Board of Commissioners of Butler County:

Butler County is required by Ohio law to prepare an annual financial report using generally accepted accounting principles. It is our pleasure to present the Butler County Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2007.

The CAFR is prepared in conformance with generally accepted accounting principles as set forth by the Government Accounting Standards Board (GASB) and other recognized authoritative sources and contains basic financial statements, supplemental statements, and other financial and statistical information, providing complete and full disclosure of all material financial aspects of Butler County for 2007. This report is presented in fulfillment of the financial reporting requirement and is representative of our continual commitment to provide accurate and timely financial information to the citizens of Butler County.

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

Our independent auditor, the Ohio Auditor of State, has issued an unqualified opinion on Butler County's financial statements for the year ended December 31, 2007. The independent accountants' report is presented as the first component of the financial section of this report.

Management provides an introductory overview, narrative, and analysis of the basic financial statements known as the Management's Discussion and Analysis (MD&A) to accompany the basic financial statements. This transmittal letter is intended to complement and be read in conjunction with the MD&A, which can be found immediately following the independent accountants' report.

#### **FORM OF GOVERNMENT AND REPORTING ENTITY**

Butler County, established in 1803, was one of Ohio's original eight counties. Located in Southwestern Ohio between Hamilton and Montgomery Counties, it shares its northern border with Preble County, and its eastern border with Warren County. To the west is the Indiana state line.

Butler County, with a 2007 estimated population of 357,276, ranks eighth largest of Ohio's 88 counties and third among the 14 counties comprising the Greater Miami Valley. The County encompasses 471 square miles with thirteen municipalities and thirteen townships. The City of Hamilton is the county seat and the largest of the incorporated areas with a population of 62,130. West Chester Township is the largest unincorporated area in the County and, with a population of 56,500, is Ohio's third-most populous township.

The County has only those powers conferred upon it by Ohio statutes. A three-member Board of County Commissioners, elected at large in the even numbered years for four-year, over-lapping terms, is the primary legislative and executive body of the County. An appointed County Administrator directs and supervises activities of departments directly responsible to the Board of County Commissioners. The Administrator's responsibilities include coordinating the annual budgetary process as primary liaison between the Board of County Commissioners and other County elected officials, designated boards, and other units of government.

The Auditor, who serves as the chief fiscal officer and real estate property assessor for the County, and the Treasurer, who collects property taxes and is the custodian of all funds, are also elected to four-year terms. Other elected officials serving four-year terms include the Prosecuting Attorney, Sheriff, Engineer, Clerk of

Courts, Recorder, and Coroner. Judges presiding over the Court of Common Pleas, Domestic Relations Court, Juvenile Court, Probate Court, and the County Court are also elected on a countywide basis.

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

For financial reporting purposes, the County includes all funds, agencies, boards, and commissions making up Butler County (the Primary Government in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity." The Primary Government includes the financial activities of the County Board of Mental Retardation and Developmental Disabilities, Butler County Community Mental Health Board, Butler County Planning Commission, Butler County Veterans Service Commission, Board of Elections, and Butler County Alcohol and Drug Addiction Services Board.

The County serves as fiscal agent but is not financially accountable for the following agencies: Emergency Management Agency, Regional Transit Authority, Butler County General Health District, Butler County Soil and Water Conservation District, Metroparks of Butler County, the Twelfth District Court of Appeals, and the Workforce Investment Area (WIA) #12; therefore, they are reflected as agency funds within the County's financial section.

Excluded from the reporting entity because they are legally separate and fiscally independent of the County are the following agencies: Butler County Education Services Center, Butler County Technology and Career Development School (Joint Vocational School District), Butler County Historical Society, Butler County Law Library, Butler County Agricultural Society, Butler County Humane Society, Alcoholism Council of Butler County, Inc., Certified Development Corporation of Butler County, Inc., House of Calm, Inc. (dba Sojourner Home), Southwestern Ohio Serenity Hall, Drug Counseling Services of Butler County Ohio Inc., Pastoral Counseling Service of Middletown Inc., and the Center for Forensic Psychiatry, Inc.

The Butler County Convention and Visitor Bureau, Butler County Port Authority, and Regional Transit Authority are disclosed as related organizations. The Butler County Emergency Management Agency, Transportation Improvement District of Butler County, Butler Clermont Warrant Workforce Policy Board and Ohio Kentucky Indiana Regional Council of Governments are disclosed as jointly governed organizations. The County Risk Sharing Authority is disclosed as a risk sharing pool and County Employee Benefits Consortium (CEBCO) as an insurance purchasing pool.

A complete discussion of the County's reporting entity is provided in Notes 1 and 21 to the Basic Financial Statements.

## **ECONOMIC CONDITION AND OUTLOOK**

Butler County has been one of the fastest growing counties in Ohio over the last two decades. Recent census returns indicate that Butler County ranks fourth among Ohio's 88 counties in population growth. Considered the center of a "metroplex" connecting Cincinnati and Dayton, Butler County is at the center of a population and market of 2.8 million people. Butler County is the fastest growing of the 10 largest counties in Ohio since 2000, according to census estimates. Eighth largest among the state's 88 counties, Butler County's population increased at a rate of 7.5 percent through 2007. Ranking 178th out of 3,141 counties in the nation, Butler is among the top six percent of counties in terms of total population. Hamilton County to the south ranks 59th and Montgomery to the north along the I-75 corridor ranks 112th. Served by rail lines, interstate highways, two nearby international airports, and a high-speed fiber-optic data communications infrastructure, Butler County is an ideal location for businesses to locate and prosper.

There is a wide diversity of industry in Butler County. Butler County contains growing new industries and is a magnet for consumer and pharmaceutical Research and Development, manufacturing technology, supply chain management, and healthcare and medical technology. Southwest Ohio also attracts the pharmaceutical sector of the bioscience industry. Regional anchor, Cincinnati, is home to the headquarters of consumer and pharmaceutical product developer and manufacturer Procter & Gamble Co. and the Genome Research

Institute. During 2007, Amylin Pharmaceuticals announced its plans to locate a packaging plant in Butler County bringing 500 to 600 new jobs to the area in the near future.

A total of 40,000 working scientists and engineers live within a 50 mile radius of Butler County and 58% of the County's population 25 and older has some college, an associate degree, a bachelor's degree, or graduate or professional degrees. Because of its location in the center of a region with a workforce of 1.547 million, Butler County has a distinct advantage in labor resources. Businesses in the County can draw employees with specialized skills locally as well as from the Cincinnati and Dayton metropolitan areas.

Butler County leads the region in job growth netting record numbers of new jobs in recent years. This pace has been sustained despite the fact that the rate of job growth in the State of Ohio is lagging behind other states. The majority of the growth in jobs was in medical or bio-tech related positions. Management expects the medical or bio-tech job growth to continue at least through to 2009 as a result of economic development activity that has created growth opportunities in the eastern sections of Butler County.

Medical facility additions and expansions were most noticeable across the County in 2007 and its expected growth will continue in this field. The Middletown Regional Hospital moved to the Atrium Medical Center near the intersection of I-75 and Ohio 122 at the end of 2007. The \$195 million hospital sits on a 200-acre health campus that is home to nine health care facilities, and additional facilities are on the way in 2008 and 2009. The McCullough-Hyde Memorial Hospital in Oxford expanded to the south, opening the Ross Medical Center in Ross Township along U.S. 27. The new 18,000 square foot, two-floor building includes space for primary care physicians and an array of specialty physicians. Cincinnati Children's Hospital is in the process of building a new \$83 million, 230,000-square-foot Liberty Twp. pediatric outpatient center due for completion in 2008. Construction began in 2006 on a five-story, \$224 million West Chester Medical Center and is on pace to open in 2009. When fully staffed, hospital officials say the 380,000 square-foot facility will bring about 1,000 jobs to the community. Fort Hamilton Hospital more than quadrupled the size of its cardiology unit, expanding from 3,000 square feet to 16,000 square feet in 2007. The \$10 million project included renovating the first floor and adding state-of-the-art equipment that, according to hospital officials, will allow surgeons to use innovative methods to unblock arteries. Mercy Hospital Fairfield opened an orthopedic floor in 2007 and plans are for the hospital to open a medical facility in the Liberty Falls Retail and Office Center in Liberty Twp. in 2008. Mercy will occupy about half of the 40,000-square-foot building.

It has been reported that nearly half of the capital investment in the U.S. is now spent on enhancing information technology. Regions that can attract, grow, and retain firms and industries proficient at deploying information technology, in addition to producing it, will be at a competitive advantage. Butler County believes these market realities provide a basis for restructuring economic development strategies and therefore has invested heavily in broadband technology.

The County's fiber optic backbone network, consisting of 96 strands of fiber extending nearly 100 miles throughout the County, is a multi-million dollar network. Operational since 2002, the County has opened the door to high-speed connectivity for business, industry, and education and could soon be helping residents enjoy more efficient delivery of public services in their homes. The "open-access" fiber system assures market competition by allowing access to the system to anyone wanting to offer telecommunications and information services to our community. Various telecommunication and technology companies have invested heavily in fiber optic transport. The potential for competition among cable television and telephone providers is good news for the County's resident consumers.

## **MAJOR INITIATIVES**

### **Water System**

The water system serves more than 120,000 Butler County residents and businesses. The water system consists of five pump stations, numerous elevated storage tanks and reservoirs and 606 miles of water mains.

Five (5) major water main construction projects took place in 2007. The County installed 6,000 feet of 36-inch pipe and several valve and meter vaults from Rialto Road to Muhlhauser Drive in order to guarantee sufficient water supply for County residents for the next 15 to 20 years. The County also installed approximately 3,000 feet of 8-inch open-cut ductile iron water mains on Greenlawn Road which replaced old cast-iron pipes and extended the life of these water lines to 50 – 100 years.



Existing cast iron water mains along Cincinnati-Dayton, between Monroe and Kyles Station Road were replaced during 2007. The water mains for this project at the intersection of Linn Road were designed and installed to accommodate the storm and roadway improvements performed after the water project by the County Engineer's Office. Water mains were also replaced along SR 747, Tylersville Road to the Regional Highway to replace cast iron mains and also accommodate the widening of the road in that area. Approximately 4,150 feet of old cast iron water mains were replaced with durable, longer lasting ductile iron pipes on Cincinnati-Dayton, from I-75 to LeSourdesville-West Chester Road.

### **Sewer System**

The sewer system consists of two (2) regional water reclamation facilities, four (4) satellite treatment plants, 34 lift stations and 720 miles of sewer mains that return clean water to our rivers and streams.

The Mt. Pleasant Lift Station in Monroe was replaced by a gravity sewer system during 2007 saving thousands of dollars in operating and maintenance costs of the old lift station. The County repaired and rehabilitated several existing manholes and sewers in the Cherokee Park subdivision of New Miami to eliminate inflow and infiltration. This project was funded by a USDA-RD grant.

The existing sewer in the Queen Acres Water Reclamation Facility was replaced and upsized. This project eliminated any suspected infiltration/inflow from the adjacent creek. Approximately 3,000 feet of new sewer lines were installed in the Liberty-Fairfield and Millikin Roads area which provided sewer service to 30 properties and eliminated aging septic systems.

### **Recycling Programs**

The Solid Waste District offers award winning, innovative recycling programs to all County residents such as on-demand freon appliance collection, bi-monthly electronic waste recycling program, weekly household hazardous waste programs and approximately 22 recycling drop boxes.

### **Roads and Bridges**

According to Ohio Law, the County Engineer is responsible for the construction, reconstruction, maintenance, and repair of all bridges and highways within the County that fall under the jurisdiction of the Board of County Commissioners. As of December 31, 2007, this responsibility included oversight over 268 miles of County roadways, 376 bridges, and 1,072 culverts. Additionally, the County Engineer is also responsible for the construction, reconstruction, resurfacing, or improvement of township roads falling under the jurisdiction of the various boards of township trustees in the County.

Gasoline taxes and license plate fees serve as the primary sources of funding for projects scheduled by the Engineer each year. These funds serve as an important source of local match money used for leveraging additional outside dollars from State and federal sources. In 2007, the County received \$8,961,938 of such revenues.

During 2007, the Engineer was involved with over \$20 million in roadway construction, maintenance, and repair in Butler County. Additionally in 2007, the Engineer's office completed 6 bridge projects, 18 culvert projects, 5 roadway improvements, over 55 miles of resurfacing, and 12 intersection improvement projects. \$2,437,892 was spent on general roadside maintenance and snow and ice control.

### **Capital Improvements**

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

Due to the area wide shortage of detention facilities and the interest expressed by various jurisdictions in leasing detention space in Butler County, the County completed a major renovation and rehabilitation of the Court Street Jail during 2007 with the intention of housing additional inmates from other law enforcement agencies.

A substantial amount of construction was completed on the emergency communications system during 2007. This system will be fully operational during 2009 to the benefit of the entire County. Design work was

completed in 2007 for the renovation of an existing County building to accommodate an operations center for this emergency communications system.

To accommodate departments displaced from this building and fulfill the County's need for additional space, construction began in late 2007 on the new Princeton Road Administration building. This building will house the County's Board of Elections offices and voting machine storage and will also accommodate the Soil and Water Conservation District, Butler County Port Authority and the Ohio State University Extension Office. Initial occupancy is expected by mid 2008 with full occupancy by the fall of 2008. The County also began a major renovation of the court facilities located in the Government Services Center in order to facilitate the addition of a Common Pleas Judge that was elected in 2006. Completion of the remodeling project is expected by mid 2008.

In the final planning stages at the end of 2007 was a new animal shelter to be built and owned by the County and operated by the local humane society. Occupancy is expected by the end of 2008.

During 2007, the Butler County Engineer, to accommodate an increasingly crowded and outdated work environment, last remodeled in the 1980's, expanded and remodeled the Fairgrove Avenue facility. Additional employee parking and improved auto access was also added.

## **FOCUS ON THE BUTLER COUNTY RECORDER'S OFFICE**

Below is a brief overview of the individual services the Butler County Recorder's Office provides:

### **Danny N. Crank, Butler County Recorder**

Danny was appointed to serve as Butler County Recorder in January of 2000 and has since been re-elected to two more terms. He is currently serving his ninth year in office. Since becoming County Recorder, Danny has served as the Ohio Recorders' Association Secretary, Treasurer, Vice-President and was elected President for the 2007-2008 term and is also a member of the ORA Legislative Committee. His affiliation with this organization helps Butler County gain recognition throughout the state and keeps him apprised of any changes or additions in recording laws that could affect Butler County. Danny also represents the ORA in the Property Records Industry Association (PRIA), a national association. He was recently appointed chair of a national committee within PRIA. Prior to being elected Recorder, Danny served 11 years as a Hamilton City Councilman. Danny was also a Realtor for 23 years which gave him a wide real estate background for becoming Recorder.

### **Office Information**

In Ohio, it is the County Recorder who has the important and indispensable task of keeping the vital records pertaining to ownership in real estate (land) and to all encumbrances or liens upon it. Without the work of the County Recorder in recording, safekeeping and organizing all documents in a competent and logical manner, it would be nearly impossible to purchase land and be assured of a clear title or to lend money with land as security.

The County Recorder keeps and maintains accurate land records that are current, legible and easily accessible. An important aspect of the Recorder's work is to index each document so it may be readily located. Accurate indexing makes it possible for persons searching land records to find the documents necessary to establish a "chain of title" (history of ownership) and ensures that any debts or encumbrances against the property are evident. These invaluable records are utilized by the general public, attorneys, historians, genealogists, and land title examiners.

### **Registered Land Department**

Registered Land is real property which formerly had serious record title problems rendering the title to premises unmarketable and unable to be sold. In order to clear the title to the premises, an owner can "register" the title in court and wipe out any and all adverse claims to the title once and for all. The process is called Registration or Confirmation of Title. Once the court issues a decree, the title to the premises is now guaranteed by the State of Ohio. The majority of real property is not Registered due to the high legal and surveying expenses and time involved. Unregistered real property is guaranteed only by an attorney who so certifies that the title is

marketable. The Torrens System was enacted in Ohio in 1913. Only 13 of the 88 Ohio Counties have Registered Land.

### **Military Discharge Records**

Veterans are encouraged to have their military discharge papers (DD214) recorded in the County Recorder's Office. The Recorder will copy and index the DD214 and give the original back to the veteran. If the original is ever lost, destroyed or damaged, the veteran can always get a certified copy from the Recorder's Office. These records are filed as a courtesy to our veterans and there is no charge for filing or to receive certified copies. Military discharge papers are valuable to veterans because they may be required to prove eligibility for certain benefits and programs.

### **Ohio Housing Trust Fund**

In 2003, legislation was passed to create the Ohio Housing Trust Fund. This legislation required the County Recorder to double the recording fees and send half of them to the Trust Fund. The Ohio Housing Trust Fund is a flexible state funding source that provides affordable housing opportunities, expands housing services, and improves housing conditions for low-income Ohioans. The Trust Fund is targeted to those who need help the most: low-income working Ohioans. A broad range of organizations are eligible to apply for money from the Ohio Housing Trust Fund including local governments, housing authorities, nonprofit organizations, private developers and private lenders.

Since being enacted in 2003, Butler County has received back over \$4.2 million in financial assistance grants. These grants have provided for emergency home repairs for the handicapped, disabled and elderly, transitional housing for the homeless, emergency shelters, rent and utility payments for low-income families, and foreclosure prevention counseling.

## **FINANCIAL INFORMATION**

### **Basis of Accounting**

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

### **Internal Control**

The County's system of internal accounting controls is designed to provide reasonable, but not absolute, assurance that (1) financial transactions are processed in accordance with management's authorization, (2) transactions comply with County policies and Ohio law, and (3) financial records are reliable for preparing financial statements and maintaining accountability for assets and obligations. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived from their implementation and that the evaluation of costs and benefits require estimates and judgments by management.

### **Budgetary Control**

By early January, the Board of County Commissioners adopts the annual appropriation measure for all funds, except for agency funds. All disbursements and transfers of cash between funds other than agency funds require appropriation authority from the Commissioners. The legal level of control has been established by the County Commissioners at the fund, program, department, and object level. All purchase orders and contracts must be approved by a majority of the Board of County Commissioners except where another board or elected official is given this responsibility by statute. As contracts and purchase orders are issued to vendors, corresponding amounts of appropriations are reserved by the use of encumbrances to ensure that appropriations are not overspent. Contracts or purchase orders that exceed available appropriations are rejected by the accounting system until additional appropriations are obtained. A description of the various funds and the basis of accounting are included in Note 2 to the basic financial statements.

rejected by the accounting system until additional appropriations are obtained. A description of the various funds and the basis of accounting are included in Note 2 to the basic financial statements.

## **OTHER INFORMATION**

### **Independent Audit**

Included in this report is the Auditor of State's unqualified opinion rendered on the County's basic financial statements as of and for the year ended December 31, 2007. An independent audit of the County's financial statements is part of the annual preparation of the CAFR. This annual independent audit will continue to review, comment on, and thereby strengthen the County's accounting and budgetary controls.

### **GFOA Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Butler County for its comprehensive annual financial report for year ended December 31, 2006. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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

### **Acknowledgments**

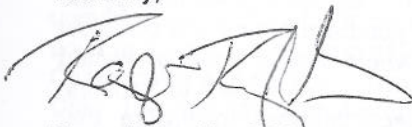
We would like to thank the Butler County Commissioners and all elected and appointed County officials for their support and assistance in this endeavor. It is truly a group effort that would not be possible without the cooperation of all County departments.

A special word of thanks is offered to Danny Crank, County Recorder, and Denise Goll, Chief Deputy, with the Butler County Recorder's Office, Ralph Statzer, with the Department of Environmental Services, David Brown, with the Auditor's Office and Tim Williams and Bob Lowery with the Commissioners' Office, whose efforts are greatly appreciated. The Auditor of State's Local Government Services Division was invaluable once again in adding their expertise and dedication to the project.

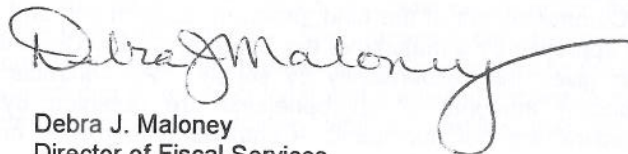
This report would not have been possible if not for the significant efforts and dedication of the Fiscal Services staff. We offer our sincere thanks to the following members of the Fiscal Services staff, each of whom were invaluable contributors committed to this project. To Janie Adkins, Vicki Birri, Lavonne Brandenburg, Jacquie Ferguson, Anne Gaw, Beverly Hoskins, Ashley Kuemmerling, Dona Morningstar-Blizzard, Jodi Rhoads, Angie Shelton, Mimi Sullivan, and Doug Lewan we offer thanks for a job well done. We would like to especially recognize Jill Cole, Hailey Long, Dawn McClure and Rachel Sandlin for their untiring commitment to this project. Well done, once again.

It is the mission of the Auditor's office to bring a high level of professionalism to Butler County government and to better inform and educate its citizens. Through the issuance of this Comprehensive Annual Financial Report, the County remains accountable to the public, and the public trust with which we have been provided, is retained. This report provides a fair representation of the financial condition of the County as of and for the year ended December 31, 2007. We ask for your continuing support of this project and in our efforts to best serve the citizens of Butler County.

Sincerely,



Roger Reynolds, CPA  
Butler County Auditor



Debra J. Maloney  
Director of Fiscal Services

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Butler County  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2006

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.



*Oliver S. Cox*

President

*Jeffrey R. Emer*

Executive Director

Elected Officials:

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Board of County Commissioners	Charles R. Furmon Donald L. Dixon Gregory V. Jolivette	President Vice-President Member
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Other Elected Officials	Gregory J. Wilkens, PE, PS * Roger Reynolds, CPA Nancy Nix, CPA Danny N. Crank Richard K. Jones Dr. Richard Burkhardt Cindy Carpenter Robert N. Piper III	Engineer Auditor Treasurer Recorder Sheriff Coroner Clerk of Courts Prosecutor
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Common Pleas Court	Honorable Patricia S. Oney	Administrative Judge
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General Division:

Honorable Noah E. Powers II	Judge
Honorable Andrew Nastoff	Judge
Honorable Charles L. Pater	Judge
Honorable Michael J. Sage	Judge
Honorable Keith M. Spaeth	Judge
Honorable Craig Hedric	Judge

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Domestic Relations Division:

Honorable Sharon Kennedy	Judge
Honorable Eva D. Kessler	Judge

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Juvenile Division:

Honorable David J. Niehaus	Presiding Judge
Honorable Ronald R. Craft	Judge

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Probate Division:

Honorable Randy T. Rogers	Judge
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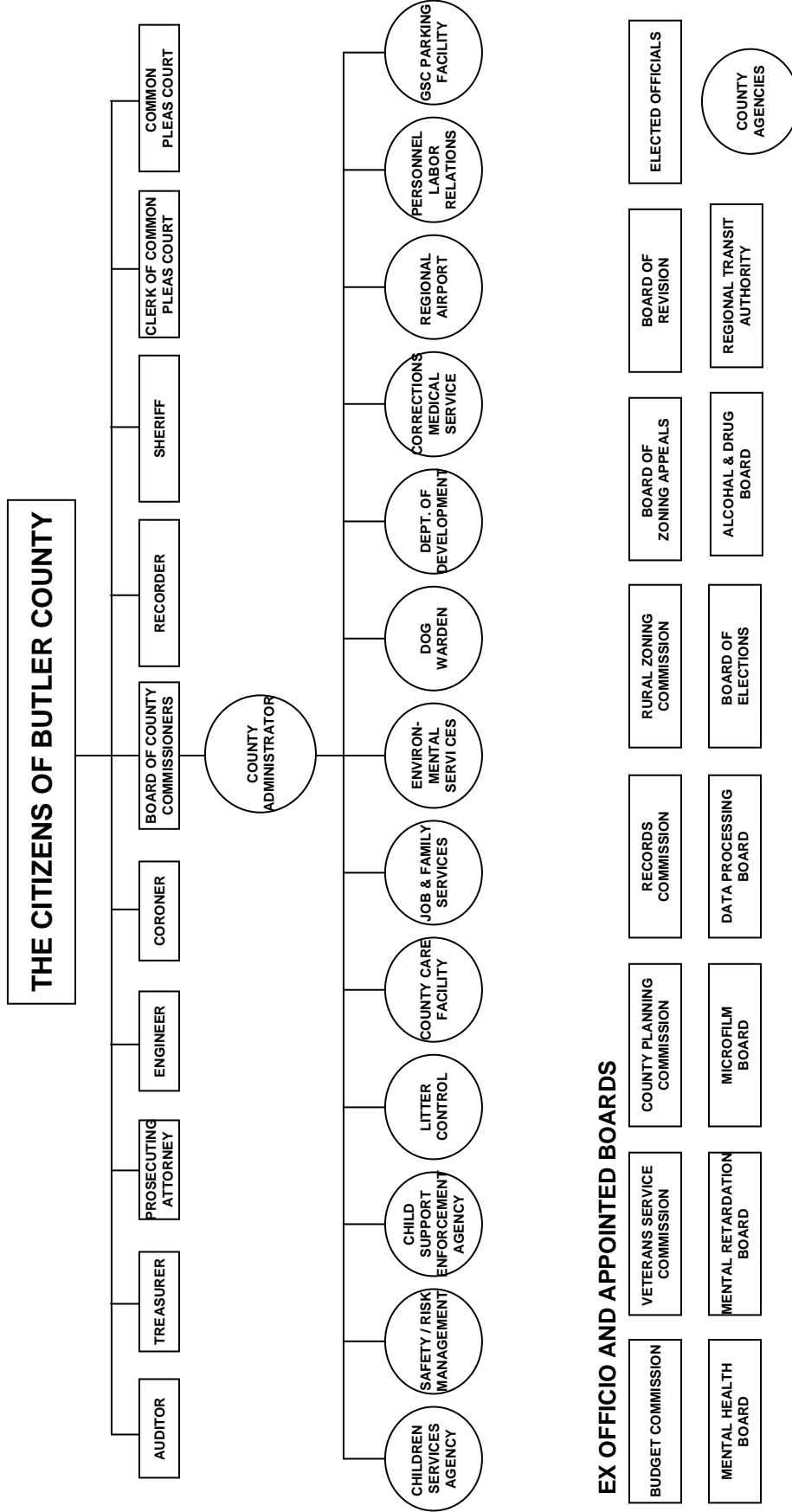
Area Court I	Honorable Robert Lyons	Presiding Judge
Area Court II	Honorable Kevin McDonough	Presiding Judge
Area Court III	Honorable Robert Hendrickson	Presiding Judge

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\* Roger Reynolds was appointed Auditor on April 15,2008

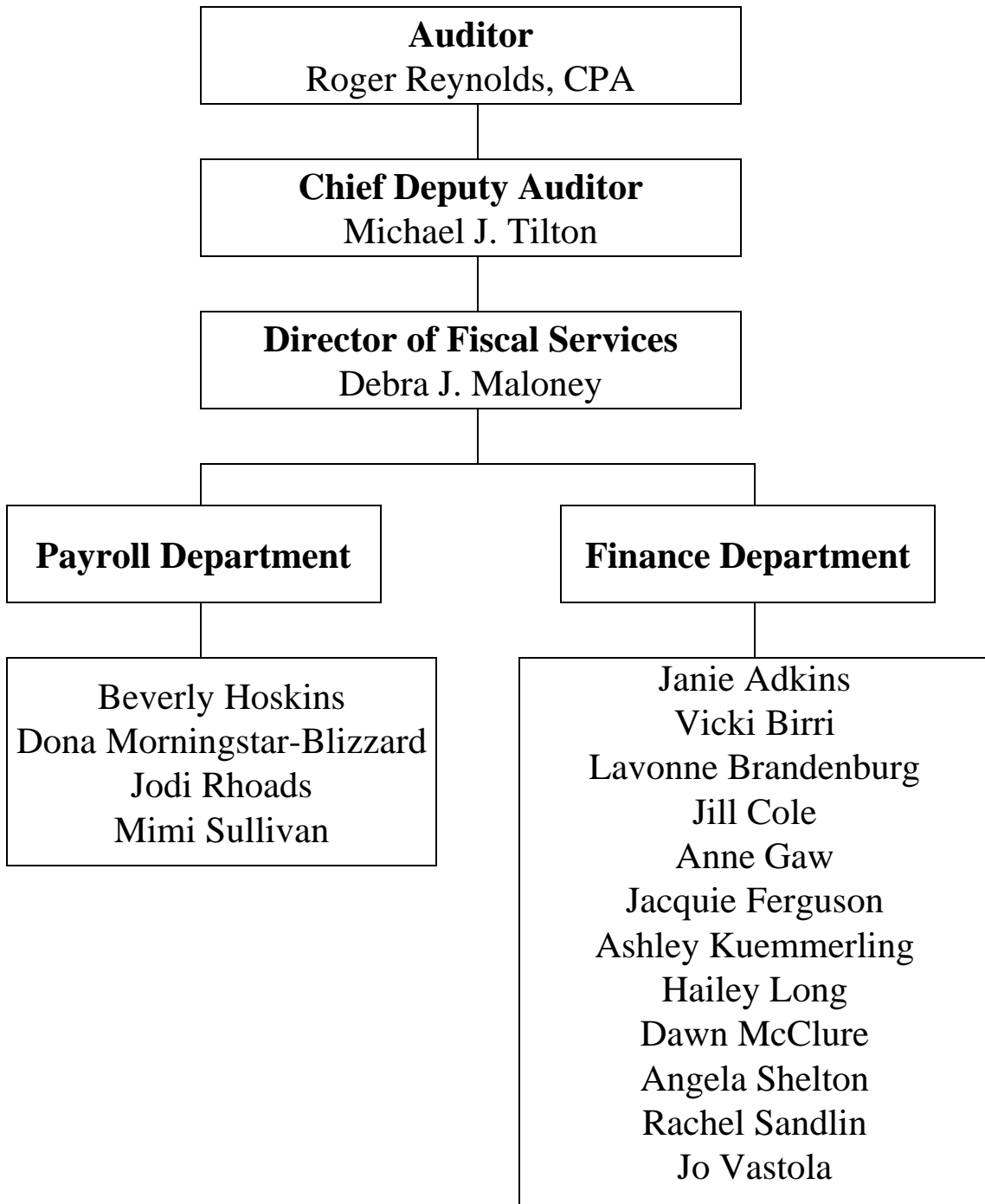
# Butler County, Ohio

## Organizational Chart



# Butler County, Ohio

## Auditor's Office - Fiscal Services Division *Organization and Representative Duties*





# FINANCIAL SECTION



Records in the Recorder's Office date back to 1803. All real estate documents filed from that year forward are kept on-site in the office.



Melanie Buell works the copy department of the Butler County Recorder's Office.

In Ohio it is the County Recorder who has the important and indispensable task of keeping the vital records pertaining to ownership in real estate (land) and to all encumbrances or liens upon it. Without the work of the County Recorder in recording, safekeeping and organizing all documents in a competent and logical manner, it would be nearly impossible to purchase land and be assured of a clear title or to lend money with land as security.

The County Recorder keeps and maintains accurate land records that are current, legible and easily accessible. An important aspect of the Recorder's work is to index each document so it may be readily located. Accurate indexing makes it possible for persons searching land records to find the documents necessary to establish a "chain of title" (history of ownership) and ensures that any debts or encumbrances against the property are evident. These invaluable records are utilized by the general public, attorneys, historians, genealogists, and land title examiners.

Under Danny Crank's leadership, customer service is the number one priority in the Recorder's Office.

The office has a full-service Customer Service Department that assists those who visit the office, as well as those who contact the office by phone.

In 2007, over 320,000 copies of real estate documents were produced for customers of the office.



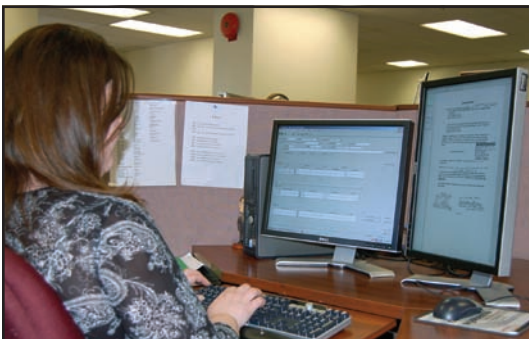
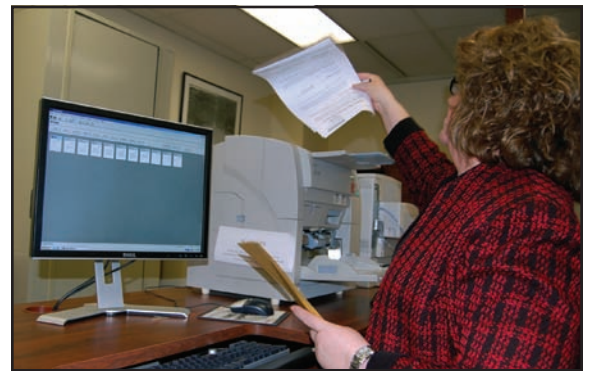
# The Process



Documents can be presented in the office in person, by mail or by eRecording. A deputy checks the document for numerous items that are required to be present according to the Ohio Revised Code. This information includes, but is not limited to, signatures, notary, legal description, prepared by statement and legibility.

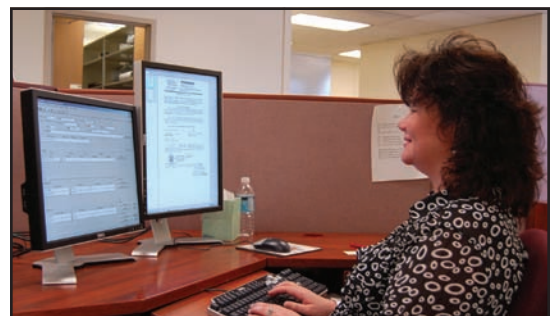
If a document meets the recording criteria, it is recorded and immediately available to the public for searching.

Every document recorded receives a book and page and barcode. These documents are scanned into the computer system and checked for accuracy. After all of the images are checked and reconciled in the system, they are extracted to the Butler County Records Center to have microfilm created. A copy of the microfilm is stored in two locations within the county, as well as the original film being stored underground in Pennsylvania.



After scanning, documents are entered into the computer system, being indexed under the names and legal description of the real estate. Butler County is one of few true geographic counties. What this means is that in addition to having a grantor/grantee (name) index, we also provide a full geographic index. You can search the records in the office by city, village, condominium, township or subdivision.

To ensure accuracy, a second deputy re-enters the exact information off of the document. The computer system will show the deputy any discrepancies between what the inputter indexed and what the verifier indexed. A decision is made by the deputy on which information is correct and what should be discarded in the index.





# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Butler County  
130 High Street  
Hamilton, Ohio 45011

To the Board of County Commissioners:

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 Butler County, Ohio (the County), as of and for the year ended December 31, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County'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 reasonably assure 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 and the report of the other auditors provide 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 Butler County, Ohio, as of December 31, 2007, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General Fund, Mental Retardation Fund, Job and Family Services Fund, Children Services Agency Fund, Mental Health Fund, and the Motor Vehicle 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 26, 2008, on our consideration of the Government'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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

The Management Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining financial statements and schedules and statistical section tables provide additional information and are not a required part of the basic financial statements. We subjected the combining financial statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory and statistical sections to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



**Mary Taylor, CPA**  
Auditor of State

June 26, 2008

**Butler County, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2007**  
**Unaudited**

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Management's Discussion and Analysis offers the users of these financial statements an introspective look at the finances of Butler County for the year ended December 31, 2007, providing an easily readable overview of the County's financial performance as a whole while assisting readers in interpreting the basic financial statements. In addition to the information presented here, readers are also encouraged to review the transmittal letter, found on page iv, and the County's financial statements, beginning on page 15, for a more complete picture of Butler County's financial performance.

### **Financial Highlights**

- Total net assets for Butler County increased \$48.8 million, or 7%, \$42.7 million of which came from governmental activities.
- General revenues accounted for 47% of total revenues for governmental activities, totaling \$150.7 million. Tax revenues were 79%, or \$119.0 million, of these general revenues, a 10% increase over 2006 due to sales and property tax receipts in the General Fund, Mental Health Fund and the Animal Shelter levy which were collected during 2007.
- The unreserved, undesignated portion of the fund balance in the General Fund at year-end increased from \$5.3 million in 2006, to \$13.3 million in 2007, and is 35% of the fund balance at December 31, 2007.

### **Overview of the Financial Statements**

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

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

The County's financial activities are identified in the government-wide financial statements as *governmental activities* or *business-type activities*. *Governmental activities* constitute the majority of the County's operations and are financed primarily by operating grants, taxes, charges for services, capital grants, and other intergovernmental revenues. Butler County's governmental activities are accounted for in governmental funds and are classified as follows:

*Legislative and Executive* - general government operations including the offices of the commissioners, auditor, treasurer, prosecutor, recorder, the department of development, information services, the board of elections, maintenance department, economic development, and records center.

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

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

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

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

*Human Services* - activities related to the provision of various forms of services and assistance to individuals, children, and families, including services provided or funded by the County Care Facility, Elderly Services Levy,

**Butler County, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2007**  
**Unaudited**

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Veterans Services Board, Children Services Agency, Child Support Enforcement Agency, and the Department of Job and Family Services.

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

*Business-type activities* are those activities accounted for in enterprise funds, including the County's water and sewer operations, and the Government Services Center Parking Garage operations. Business-type activities rely on user fees and other charges to wholly, or to a large extent, fund their operations.

The **Statement of Net Assets** reports all assets and liabilities of the County, with net assets being the difference between the two. This statement is useful when evaluating the financial condition of the County. Monitoring the changes to net assets over time is one indication of whether the County's financial condition is improving or deteriorating.

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

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

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

In the County's Statement of Activities, resources used to fund service activities are identified as either program revenues (resources received from people receiving services or in the form of operating and capital grants and contributions) or general revenues (all non-program revenues, including taxes). Butler County operations have also been classified into distinct governmental or business-type service activities. These activities are reported in a format that allows the reader to see the extent to which each activity is supported or self-financed by program revenues or draws on the general resources of the County. The Statement of Activities is therefore useful in assessing the level of self-sufficiency of the various governmental or business type activities versus management established performance benchmarks.

The government-wide financial statements begin on page 15 of this report.

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

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

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

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

**Butler County, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2007**  
**Unaudited**

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that incorporate a longer-term focus. A reconciliation included in the governmental fund financial statements compares the *governmental funds* information to the *governmental activities* information as reported in the government-wide financial statements.

Butler County maintains numerous individual governmental funds, the following of which are considered major funds: General, Mental Retardation, Job and Family Services, Children Services Agency, Mental Health, Motor Vehicle, Buildings Construction and Renovations, and Road Improvement. The basic governmental fund financial statements begin on page 18 of this report.

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

Enterprise funds are used to account for the County's water and sewer operations and the operations at the Government Services Center parking garage, which are the business-type activities as reported in the government-wide financial statements. Internal service funds are used to account for the financing of services provided by one department to other departments in the County on a cost-reimbursement basis. The County uses internal service funds to account for its health insurance, workers' compensation, and the County fuel depot. Since these programs mostly benefit governmental rather than business functions, they have been included in the governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements begin on page 31 of this report.

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

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

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

### **Government-wide Financial Analysis**

The County realized a 7%, \$48.8 million increase in total net assets in 2007 from the combined 2006 governmental and business-type activities. The invested in capital assets (net of related debt issued to acquire the assets) of \$527.5 million represents 73% of total net assets of the County. Capital assets are used to provide services to residents and do not represent assets that may be used for future spending.

Sixty-three percent (63%) of the County's net assets are used providing governmental activities. Net assets used in governmental activities increased ten percent (10%) from 2006 to 2007 while net assets used in business-type activities increased by two percent (2%).

**Butler County, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2007**  
**Unaudited**

	Governmental Activities 2007	2006 Restated	Business-type Activities 2007	2006	Total 2007	2006
<b>Assets</b>						
Current and other assets	\$ 298,142,435	\$ 253,966,464	\$ 95,747,301	\$ 94,892,113	\$ 393,889,736	\$ 348,858,577
Capital assets	389,155,690	372,902,787	312,873,582	313,408,854	702,029,272	686,311,641
<b>Total Assets</b>	<b>687,298,125</b>	<b>626,869,251</b>	<b>408,620,883</b>	<b>408,300,967</b>	<b>1,095,919,008</b>	<b>1,035,170,218</b>
<b>Liabilities</b>						
Current and other liabilities	118,977,881	98,510,477	2,818,352	3,309,961	121,796,233	101,820,438
Long-term liabilities:						
Due within one year	10,748,079	9,050,811	7,952,005	7,250,346	18,700,084	16,301,157
Due in more than one year	102,711,408	107,224,206	127,929,787	133,801,203	230,641,195	241,025,409
<b>Total Liabilities</b>	<b>232,437,368</b>	<b>214,785,494</b>	<b>138,700,144</b>	<b>144,361,510</b>	<b>371,137,512</b>	<b>359,147,004</b>
<b>Net Assets</b>						
Invested in capital assets, net of related debt	307,427,268	290,996,712	220,104,614	218,544,211	527,531,882	509,540,923
Restricted for:						
Capital projects	13,390,047	7,075,705	-	-	13,390,047	7,075,705
Debt service	4,081,955	3,314,563	5,791,705	6,615,860	9,873,660	9,930,423
Replacement and Improvement	-	-	6,000,000	6,000,000	6,000,000	6,000,000
Other purposes	114,336,558	99,304,669	-	-	114,336,558	99,304,669
Unrestricted	15,624,929	11,392,108	38,024,420	32,779,386	53,649,349	44,171,494
<b>Total Net Assets</b>	<b>\$ 454,860,757</b>	<b>\$ 412,083,757</b>	<b>\$ 269,920,739</b>	<b>\$ 263,939,457</b>	<b>\$ 724,781,496</b>	<b>\$ 676,023,214</b>

Current assets and current liabilities increased in 2007 by \$45.0 million and \$20.0 million, respectively, due in large part to the receipt and accrual of tax revenues from voted property tax increases for the Mental Health and Animal Shelter, and the half (0.5%) percent sales tax in the General Fund which also affected unrestricted net assets, with an increase of \$9.5 million in 2007. Other significant changes in assets, liabilities, and net assets of the County are the result of activity analyzed at the fund level in the Fund Analysis section beginning on page 9.

**Governmental Activities:** The County's governmental activity expenses exceeded program revenues in 2007 by \$107.9 million and, with an infusion of \$150.7 million of general revenues, resulted in a \$42.8 million increase to governmental activity net assets. Total net assets used in governmental activities now total \$454.9 million.

Program revenues supporting governmental activities increased 2% from 2006 to \$170.8 million. Program revenues consisting of charges for services and operating and capital grants and contributions constitute 53% of total revenues associated with governmental activities, while 47% are general revenues. Of the general revenues, 79% come from property taxes and sales taxes, an increase of 10% over 2006 property and sales taxes, largely attributable to the additional property and sales taxes realized in 2007 from the half (0.5%) percent sales tax and Mental Health and Animal Shelter tax levies.



**Butler County, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2007**  
**Unaudited**

	Governmental Activities		Business-type Activities		Total	
	2007	2006 <small>Restated</small>	2007	2006	2007	2006
<b>Revenues</b>						
<b>Program Revenues:</b>						
Charges for Services	\$ 48,509,442	\$ 39,690,395	\$ 47,205,726	\$ 41,114,818	\$ 95,715,168	\$ 80,805,213
Operating Grants and Contributions	115,479,918	115,383,653	-	-	115,479,918	115,383,653
Capital Grants and Contributions	6,785,122	12,307,138	14,010,237	22,321,495	20,795,359	34,628,633
<b>Program Revenues Subtotal</b>	<b>170,774,482</b>	<b>167,381,186</b>	<b>61,215,963</b>	<b>63,436,313</b>	<b>231,990,445</b>	<b>230,817,499</b>
<b>General Revenues:</b>						
Property Taxes	75,231,786	65,278,505	-	-	75,231,786	65,278,505
Other Local Taxes	2,450,378	2,699,651	-	-	2,450,378	2,699,651
Sales Taxes	41,317,071	40,662,394	-	-	41,317,071	40,662,394
Payments in Lieu of Taxes	3,620,542	93,487	-	-	3,620,542	93,487
Gain on Sale of Capital Assets	281,924	-	-	-	281,924	-
Grants and Entitlements Not Restricted to Specific Programs	7,659,749	6,276,571	-	-	7,659,749	6,276,571
Interest	14,879,642	9,258,342	462,058	635,202	15,341,700	9,893,544
Other	5,238,068	4,138,504	1,123,014	1,135,722	6,361,082	5,274,226
<b>General Revenues Subtotal</b>	<b>150,679,160</b>	<b>128,407,454</b>	<b>1,585,072</b>	<b>1,770,924</b>	<b>152,264,232</b>	<b>130,178,378</b>
<b>Total Revenues</b>	<b>321,453,642</b>	<b>295,788,640</b>	<b>62,801,035</b>	<b>65,207,237</b>	<b>384,254,677</b>	<b>360,995,877</b>
<b>Program Expenses</b>						
<b>General Government:</b>						
Legislative and Executive	35,086,479	31,211,969	-	-	35,086,479	31,211,969
Judicial	16,766,093	15,952,902	-	-	16,766,093	15,952,902
Public Safety	51,218,782	44,865,490	-	-	51,218,782	44,865,490
Public Works	24,981,832	20,803,499	-	-	24,981,832	20,803,499
Health	54,781,525	56,672,547	-	-	54,781,525	56,672,547
Human Services	89,695,591	82,199,251	-	-	89,695,591	82,199,251
Conservation and Recreation	686,496	589,151	-	-	686,496	589,151
Interest and Fiscal Charges	5,459,844	5,351,240	-	-	5,459,844	5,351,240
Sewer	-	-	27,027,272	26,108,534	27,027,272	26,108,534
Water	-	-	29,630,418	25,975,558	29,630,418	25,975,558
Parking Garage	-	-	162,063	170,220	162,063	170,220
<b>Total Expenses</b>	<b>278,676,642</b>	<b>257,646,049</b>	<b>56,819,753</b>	<b>52,254,312</b>	<b>335,496,395</b>	<b>309,900,361</b>
<b>Increase in Net Assets</b>	<b>42,777,000</b>	<b>38,142,591</b>	<b>5,981,282</b>	<b>12,952,925</b>	<b>48,758,282</b>	<b>51,095,516</b>
<b>Net Assets January 1, 2007 (Restated)</b>	<b>412,083,757</b>	<b>373,941,166</b>	<b>263,939,457</b>	<b>250,986,532</b>	<b>676,023,214</b>	<b>624,927,698</b>
<b>Net Assets December 31, 2007</b>	<b>\$ 454,860,757</b>	<b>\$ 412,083,757</b>	<b>\$ 269,920,739</b>	<b>\$ 263,939,457</b>	<b>\$ 724,781,496</b>	<b>\$ 676,023,214</b>

Capital grants decreased \$5.5 million (45%) due to the Engineer's Office receiving less Local Public Agency (LPA) funding, the County airport also received less federal funding and the County did not receive any donated roadways in 2007 unlike the donation of a \$3.5 million roadway in 2006. Interest revenue at \$14.9 million significantly increased as the additional property and sales tax revenues provided a larger investment pool and the County again took advantage of the inverted yield curve by realizing income in the two to three year maturity range.

**Butler County, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2007**  
**Unaudited**

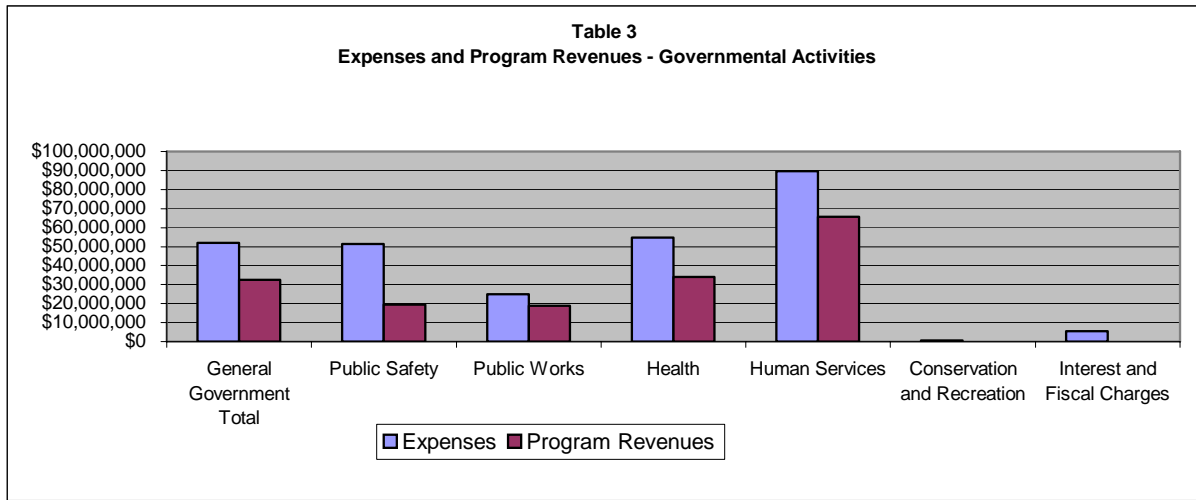
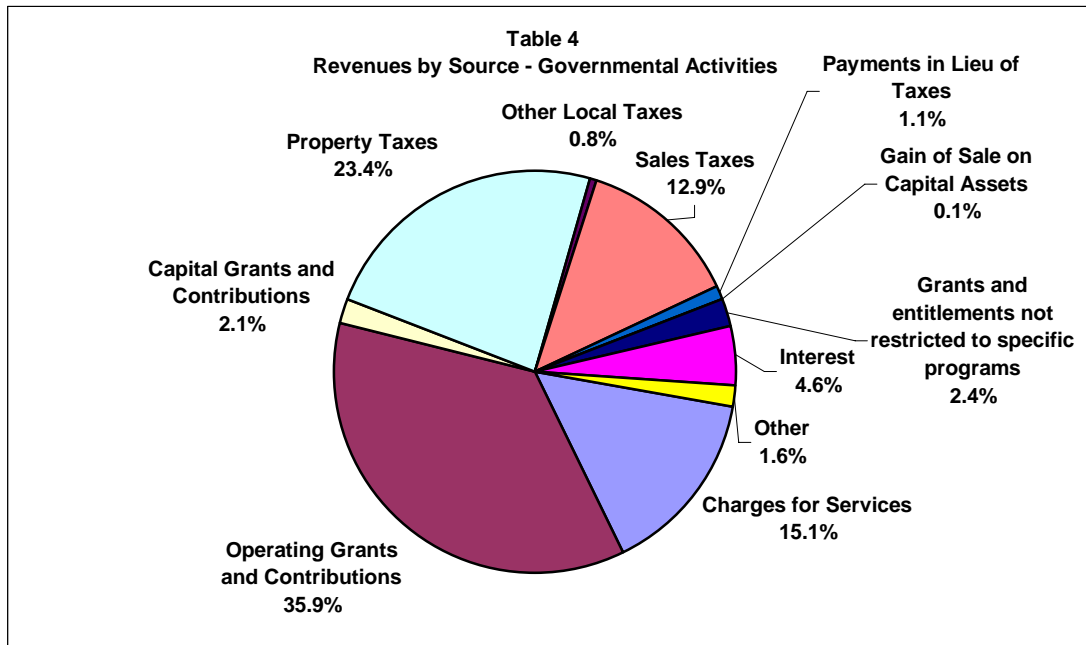


Table 3 provides a comparison of governmental activity expenses with program revenues. Table 4 provides a breakdown of the sources of governmental activity revenues.



**Business-type Activities:** The County's sewer and water system operations constitute 99% of the business-type activities. Butler County management has established sound fiscal plans and mechanisms in order to respond to the challenges of delivering efficient and cost effective services to a large service area whose capacity has been continually expanding due to the tremendous growth the County has seen over the years. Net assets of the business-type activities increased \$6.0 million in 2007, a two (2%) percent increase over 2006, further improving the County's already excellent financial position. Further detail regarding the financial condition of the sewer and water systems are provided in the *Fund Analysis* section that follows.

**Butler County, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2007**  
**Unaudited**

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## **Fund Analysis**

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

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

At year-end, the governmental funds combined ending fund balance of \$127.7 million was \$23.6 million greater than the same balance just one year ago, a 23% increase overall. Much of this increase can be attributed to the General Fund, Mental Retardation, and Mental Health Funds whose fund balances increased \$7.8 million (25%), \$5.6 million (27%) and \$5.6 million (113%), respectively. Equity in pooled cash and cash equivalents showed an increase in 2007 from \$105.4 million in 2006 to \$145.0 million, a \$39.7 million increase largely attributable to the 0.5% permanent sales tax which the County approved in 2005, improving the cash availability for the General Fund and the additional tax levies received by Mental Health and Animal Shelter Funds.

The economic growth that has continued in Butler County in 2007 plays an important supportive role for the County's financial position. The continued growth in the tax base supports the level of financial strength of the County. The overall financial position for Butler County's principal operating fund, the General Fund, increased due to the permanent 0.5% sales tax, higher investment earnings and additional revenues received for the boarding of prisoners. Property and sales taxes increased \$1.0 million (2%) and interest earned was up \$3.9 million (45%) over the prior year, revenues and other financing sources substantially exceeded expenditures and other financing uses resulting in a fund balance increase from \$30.5 million in 2006 to \$38.3 million in 2007. The General Fund's unreserved/undesignated fund balance, at \$13.3 million was 152% greater than the previous year and now represents 13% of 2007 General Fund expenditures and 12% of the General Fund actual revenues and still remains aligned with management's strategic target.

The Public Safety expenditures of the General Fund increased \$11.1 million (29%) from 2006 due in large part to the continuing construction of the county wide 800 megahertz public safety radio communications system and the renovation of the Court Street Jail project. Legislative and Executive expenditures also increased \$3.6 million (17%) as the County renovated the courtrooms in the Government Services Center in order to accommodate an additional Common Pleas judge.

The Mental Retardation Fund's intergovernmental revenue decreased \$2.8 million (18%) during 2007 due to the fact that a large Community Alternative Funding Source (CAFS) settlement was received during 2006 but not in 2007. The CAFS settlement was used for a one-time only expenditure in 2006, therefore, 2007 expenditures decreased by \$3.0 million (10%). The Job and Family Services Fund received additional entitlement grant funding and several one-time only grants (i.e. student intervention TANF grant, mass layoff grant and veteran assistance grant) which increased Intergovernmental revenue by \$8.4 million (28%) during 2007. Thereby increasing Human Services by \$5.2 million (16%) for services such as child care, transportation, job training for displaced workers to the clients of Job and Family Services. The Children Services Agency's revenues remained fairly consistent from 2006 to 2007, however, Human Services expenditures increased by \$1.8 million (7%) resulting in a net loss of \$2.4 million. The voters of Butler County approved an additional 1 mil levy for the Mental Health Fund generating an increase of \$6.9 million in property taxes resulting in a \$5.6 net gain unlike the \$0.5 net loss recognized during 2006.

Although Motor Vehicle revenues increased slightly during 2007, the expenditures for Public Works increased \$3.8 million (23%) as the Engineer's Office completed the widening of Cincinnati-Dayton Road between Crescentville Road and West Chester Road and the relocated section of Kyles Station Road along with several bridge replacements, road maintenance and culvert projects. In the County's other funds reported in All Other Governmental Funds, the ending fund balance had an overall increase of \$8.3 million (29%).

Buildings, Construction and Renovations Fund received the Animal Shelter levy monies collected during 2007, thereby increasing Property Taxes by \$3.3 million. Construction on the Animal Shelter will not begin until 2008. However, construction began on the Princeton Road Administration Building and was completed on the Court Street Jail and Government Services Center courtrooms which significantly increased Capital Outlay by \$3.8 million. The Road

**Butler County, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2007**  
**Unaudited**

---

Improvement Fund received additional Ohio Public Works funding and a reimbursement from the Butler County Transportation Incentive District for area road improvements which increased total revenue by \$2.9 million.

Only a portion of the \$127.7 million fund balance in the governmental funds is available for spending in next year's budget, however. This is referred to as the *unreserved fund balance*, and at December 31, 2007, the unreserved fund balance for the governmental funds had increased to \$111.2 million, or 87% of the total fund balance. The *reserved fund balance* indicates what monies have already been committed and is not an available expendable resource. The reserved governmental funds balance of \$16.5 million represents 13% of the total fund balance and has either been committed for the payment of current contracts and purchase orders (\$10.4 million), long-term receivable (\$4.5 million), debt service, or has been reserved until loans or advances have been repaid to the General Fund (\$1.6 million).

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

*Sewer Fund:* The Sewer Fund's \$29.7 million in current assets at the end of 2007, principally (\$23.4 million) composed of equity in pooled cash and cash equivalents, as compared with current liabilities of \$5.5 million at year end, resulted in a current ratio of 5.4 to 1 at year-end, meaning that less than one-fifth of current assets would have been required to liquidate current liabilities at year end, leaving a \$24.3 million safety margin of working capital (current assets less current liabilities) for ongoing operations, additional debt service (had there been any), and contingencies (had there been any).

2007 marked the third consecutive year of a relatively modest sewer rate increase, *following three consecutive years of no rate increase at all*. There was an unavoidable 4% rate increase for 2005, a 2% rate increase for 2006, and a 2% rate increase for 2007. All of these rate increases were effective on January 1 of those respective years. However, based on current assumptions, projected annual rate increases over the next few years are not expected to exceed 3%; and the operating and financial feasibility of a significant rate *decrease* in an upcoming year is not out of the question.

Operating revenues during 2007 of \$21.0 million were \$1.8 million (9%) higher than the \$19.2 million in 2006, while operating expenses were \$1.1 million (5%) higher than in 2006, resulting in an operating loss of \$2.9 million for 2007. In comparing 2007 to 2006, Depreciation and Amortization Expense continues to be the largest category and, for 2007, at \$9.5 million, exceeded the prior year by slightly more than 10%, reflecting the growth-driven additions in recent years to sewer system infrastructure capital assets. The next-largest category, Personal Services, comprising employees' salaries and fringe benefits, for the second consecutive year, declined nearly \$0.3 million or 4%, which was approximately the same decline in both dollars and percentage as was the case from 2005 to 2006. However the 2007 decline was due in large part to the overall financial effect of study-based revisions to water and sewer salary allocations and in fact, without such allocation revisions, there would have been somewhat of an increase from 2006 to 2007. Contractual Services for 2007, \$5.9 million, exceeded 2006 by \$0.9 million (19%), and materials and supplies, at \$1.6 million for 2007, exceeded 2006 by 6%.

Although the Sewer Fund had a \$2.9 million operating loss for 2007, the net assets actually increased by \$1.9 million, (1%) due to a \$1.8 million net positive effect from a host of non-operating items including: a positive \$3.4 million from capital grants; a positive \$3.9 million from sewer capacity fees for new connections to finance growth; a positive \$0.3 million from interest income on sewer debt proceeds; a positive \$0.3 million from various non-operating revenues; and a negative \$3.2 million from interest expense and other fiscal charges.

*Water Fund:* The Water Fund's current assets of \$27.1 consisted of largely of equity in pooled cash and cash equivalents at \$20.3 million or nearly 75%. The ratio of the current assets to current liabilities of \$5.4 million at year end was 5.1 to 1, meaning that less than one-fifth of current assets would have been required to liquidate current liabilities as of year-end, leaving a substantial safety margin of working capital of \$21.7 million for ongoing operations, additional debt service (had there been any), and contingencies (had there been any).

A 3% water rate increase was effective January 1, 2007 and the Water Fund's operating income of \$81,357 was 0.3% of operating revenues. Operating revenues of \$26.4 million during 2007 were \$4.2 million (19%) more than 2006 operating revenues of \$22.1 million, while operating expenses of \$26.3 million for 2007 were \$4.0 million (18%) more than 2006 operating expenses of \$22.2 million. The largest category of operating expenses, Contractual Services, at \$13.9 million for 2007, was \$2.8 million (25%) more than \$11.1 million from 2006, \$1 million of which was mostly due to greater usage of electric power to pump water in 2007, while the rest of the increase, \$1.8 million, was due to price and usage increases across various other contract services. Depreciation and Amortization increased nine percent (9%),

**Butler County, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2007**  
**Unaudited**

---

from \$5.7 million in 2006 to \$6.1 million in 2007, reflecting the growth-driven additions in recent years to water system infrastructure capital assets. Personal Services, comprising employees' salaries and fringe benefits, increased by \$0.8 million (20%) from 2006 to 2007, due largely to study-based revisions to water and sewer salary allocations.

Net assets increased by \$4.1 million (5%), due to a \$4.1 million net positive effect from a positive \$2.0 million from capital grants; a positive \$4.7 million from water capacity fees for new connections to finance growth; a positive \$0.2 million from interest income on water debt proceeds; a positive \$0.5 million from various non-operating revenues; and a negative \$3.3 million from interest expense and other fiscal charges. Water capacity fees for 2007 were less than in 2006, reflecting the same housing decline which has continued since mid-2006 to have an adverse effect on the department's capacity fees, generally, including the sewer capacity fees previously noted. While the timing of a housing recovery is too uncertain to predict, it is widely expected that such a recovery will begin in 2009.

Annual water rate increases since 2002, the year in which there was a 12% decrease in water rates, have averaged only about 3%, which also happens to have been the water rate increase for 2007. There is no water rate increase for 2008 and, based on current assumptions, only modest rate increases are expected for a number of years henceforth; in fact, depending on the operational and financial feasibility of effectuating certain significant cost reductions in 2008 and beyond, such cost reductions having been identified in recommendations to the county commissioners in April 2008, a significant rate *decrease* in water rates in an upcoming year is not out of the question.

### **General Fund Budget Analysis**

Several events influenced the budgetary process and actual results for the year of 2007. The General Fund's final 2007 appropriation budget, at \$105.5 million, was 25% higher than the original appropriation budget and the final revenue budget at \$104.9 million, was 29% higher than the original revenue budget filed at the beginning of the year. The primary reason for the significant variances was that the Commissioners chose to be conservative when preparing the original budget and sales tax revenue for the construction of the emergency radio system was segregated (\$18.5 million). In addition, the County experienced \$3.6 million greater investment income than originally planned. Once the final revenue estimates for the sales tax were projected, the Commissioners certified the final budget.

The final budget included an additional \$17.6 million budgeted in Public Safety for the continuing construction of the county-wide communications system (originally segregated) and an additional \$1.6 million increased Legislative and Executive appropriations for the final construction of the courtrooms in the Government Services Center. The Judicial final budget increased \$1.1 million (8%) over the original budget due to increased costs to personal services in the Area Courts, Clerk of Courts, Common Pleas Court and Domestic Relations Court and increased costs to Contractual Services in the Juvenile Court.

The General Fund cash reserves increased during 2007. While the final budget projected a \$2.5 million (11%) decrease to the General Fund balance, actual expenditures were \$2.2 million less than budgeted and other financing sources/uses were \$0.6 million more than anticipated. Actual public safety expenditures were slightly lower than budgeted as the county-wide communication system was still under construction at the end of 2007. As a result of the above, an actual net change in fund balance of \$1.1 million occurred.

### **Capital Asset and Debt Administration**

#### **Capital Assets**

Capital assets include County owned land, land improvements, buildings, furniture and equipment, vehicles, water and sewer mains, and infrastructure. Butler County's total investment in capital assets for governmental and business-type activities (net of accumulated depreciation) amounts to \$702.0 million as of December 31, 2007, an increase of 2% over the previous year. Table 5 contains a summary of capital assets as of December 31, 2007, compared to assets owned by the County at year-end 2006.

**Butler County, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2007**  
**Unaudited**

**Table 5**  
**Butler County Capital Assets**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Land	\$ 10,435,786	\$ 10,140,092	\$ 1,656,490	\$ 1,263,110	\$ 12,092,276	\$ 11,403,202
Land Improvements	7,303,304	6,121,362	1,757,145	1,722,362	9,060,449	7,843,724
Buildings and Improvements	86,086,106	86,853,036	48,827,201	46,377,087	134,913,307	133,230,123
Furniture, Fixtures and Equipment	17,583,159	18,248,068	28,958,595	24,514,845	46,541,754	42,762,913
Vehicles	1,949,543	2,295,075	587,713	489,191	2,537,256	2,784,266
Infrastructure	244,210,205	239,711,804	-	-	244,210,205	239,711,804
Water and Sewer Mains	-	-	200,019,488	187,577,122	200,019,488	187,577,122
Construction in Progress	21,587,587	9,533,350	31,066,950	51,465,137	52,654,537	60,998,487
<b>Total</b>	<b>\$ 389,155,690</b>	<b>\$ 372,902,787</b>	<b>\$ 312,873,582</b>	<b>\$ 313,408,854</b>	<b>\$ 702,029,272</b>	<b>\$ 686,311,641</b>

Significant capital asset activity occurring during 2007 included the following:

- Governmental Activity Construction in Progress increased by \$12.1 million primarily due to the continued construction of the county-wide 800 megahertz public safety radio communications system.
- The completion of the New Miami Water Reclamation Facility and Seven Mile Pump Station significantly increased Buildings and Improvements by \$2.5 million (5%) and Furniture, Fixtures and Equipment \$4.4 million (18%) in the Sewer Department subsequently reducing Construction in Progress.
- Water and sewer mains totaling \$19.7 million were added, 26% of which were donated lines. After accounting for depreciation and the loss on disposal of fixed assets, a net increase of \$12.4 million in water and sewer mains was realized.

Infrastructure Assets: Infrastructure assets refer to County roads, bridges, and culverts, and are reported in the governmental activities. Butler County, through the engineer's office, maintains an Infrastructure Asset System that incorporates the "modified approach" method of reporting infrastructure as provided for in Governmental Accounting Standards Board Statement No. 34. Under the modified approach, the County does not use historical cost-based depreciation as a measure of the cost of use for infrastructure assets. Instead, all expenditures made for infrastructure assets that preserve the useful life of the assets are expensed during the year incurred. Expenditures that increase the capacity or efficiency of the infrastructure assets (additions or improvements) are capitalized. The County ensures that infrastructure assets are being preserved at, or above, previously established condition-levels by performing periodic conditional assessments of the infrastructure. Based on these assessment findings, a budget is prepared for the maintenance and repair of these assets. During 2007, the County budgeted \$12.1 million for roads, \$3.3 million for bridges, and \$0.2 million for culvert improvements.

Butler County manages its roadway system through the performance of biennial conditional assessments, using factors such as age of pavement, surface condition, and traffic volume and type. Roads are assigned a pavement rating based on a scale of one to four, with one being excellent and four being poor. It is the County's policy to maintain the County roadway system where at least 90% of the roads have a rating of three (3) or better. A twelve-year paving plan is developed in order to keep the County's roads at condition levels established per policy. Actual maintenance spending on County roads in 2007 was \$3.9 million, and the most recent roadway system assessment indicates that 96% of County roads are currently assessed at a rating of three or better.

The County manages its bridges using a General Appraisal and Operational Status condition coding system as developed by the Federal Highway Administration. The condition of a bridge is rated from zero to nine, with nine being excellent condition and zero meaning the bridge is in a failed or closed condition. Bridges are inspected on an annual basis as required by Ohio law. It is the policy of the county engineer to maintain the bridges such that 85% of the structures have a General Appraisal rating of five (5 - Fair) or better. The County spent \$2.9 million in 2007 to maintain the bridges and the most recent bridge system assessment indicates that 92% of County bridges are currently assessed at a rating of five or better.

The Engineer inspects culverts on a biennial basis, and conditional assessments are given based on a rating scale of one to four, with one meaning the culvert is in good condition and does not require repair, while a four rating means the

**Butler County, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2007**  
**Unaudited**

culvert is in critical condition and is no longer functioning as designed. It is the policy of the County Engineer to maintain 75% of the culverts in a condition of two (2 - Fair) or better. The County spent \$.2 million in 2007 to maintain culverts and the most recent culvert system assessment indicates that 80% of the culverts are currently assessed at a rating of two or better.

Additional information regarding capital assets can be found in Note 9 to the financial statements.

**Long-term Debt**

At December 31, 2007, Butler County had a total of \$234.4 million in outstanding long-term debt, 4% lower than the prior year-end. Of this total, \$99.4 million (42%) has helped fund governmental activities while \$135.0 million (58%) has helped fund business-type activities. Governmental activity long-term debt dropped \$5.0 million (5%) in 2007 due to scheduled maturities and a partial advance refunding. The business-type activity long-term debt decreased by \$5.3 million (4%) during 2007 also due to scheduled maturities and a partial advance refunding.

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
General Obligation Bonds	\$ 61,605,330	\$ 64,630,026	\$ 4,656,680	\$ 3,793,870	\$ 66,262,010	\$ 68,423,896
Sales Tax Bonds	26,532,756	27,749,172	-	-	26,532,756	27,749,172
Special Assessment debt with governmental commitment	9,466,643	10,003,310	-	-	9,466,643	10,003,310
Ohio Public Works Commission Loans	-	-	1,584,781	751,737	1,584,781	751,737
Long-term Loans	1,824,765	1,627,870	4,298,855	4,457,737	6,123,620	6,085,607
Revenue Bonds	-	-	91,499,366	97,204,913	91,499,366	97,204,913
Water Judgment Bonds	-	-	32,976,751	34,110,351	32,976,751	34,110,351
<b>Total</b>	<b>\$ 99,429,494</b>	<b>\$ 104,010,378</b>	<b>\$ 135,016,433</b>	<b>\$ 140,318,608</b>	<b>\$ 234,445,927</b>	<b>\$ 244,328,986</b>

The County's long-term debt consisted of \$114.5 million in obligations backed by the full faith and credit of Butler County, including \$66.3 million in general obligation bonds, \$33.0 million water judgment bonds, and \$9.5 million in special assessment bonds, for which Butler County is liable in case of default of the property owners subject to the assessment. Additionally, \$5.7 million in loans from the Ohio Public Works Commission and Cincinnati Waterworks, and a loan for the County's financial system software, remain outstanding at year-end. These loans are also backed by the full faith and credit of Butler County. A total of \$118.0 million of the total outstanding debt represent bonds secured by specified revenue sources, including water and sewer revenues and sales tax revenues.

Butler County's governmental activities were supported in 2007 through \$12.3 million in various purpose general obligation bonds which were partially advance refunded in order to take advantage of lower interest rates and provide the County with a cost savings of approximately \$2.3 million over the life of the original bonds. The County also advance refunded \$4.8 million in special assessment bonds which will provide the County an approximate cost savings of \$0.4 million.

Ohio law, through its direct and indirect debt limitations, restricts the amount of debt the County may issue. The County's total direct debt limit at December 31, 2007 was \$197.6 million and the legal debt margin (debt limit minus net debt) was \$151.6 million. The County's unvoted direct debt limit was \$79.7 million and the unvoted direct debt margin was \$34.0 million. The debt margins for total debt and unvoted debt reflect a decrease over the previous year by 5% and 23%, respectively.

Ohio's indirect debt limitation, referred to as the ten-mill limitation, further limits the total unvoted general obligation debt that may be issued among overlapping subdivisions to a maximum of 10 mills per dollar of assessed valuation. Since the 10 mills must be shared by the overlapping subdivisions, and is available on a first-come, first-served basis, the level of debt issued by any overlapping political subdivision thus affects the County's ability to issue unvoted general obligation debt. For example, depending on how much room is available under the 10-mill limitation, a relatively small debt issuance by an overlapping subdivision with a low assessed valuation could significantly hinder, or temporarily lock out, the County's ability to issue unvoted general obligation debt. This limitation would continue until unvoted general

**Butler County, Ohio**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2007**  
**Unaudited**

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obligation debt was retired by either subdivision, or until the total assessed value of the subdivision or the County increased, which occurs around December of each year. The County continues to monitor the debt activity of all overlapping subdivisions for the potential effect on future financings.

Butler County's general obligation bond issues are currently rated Aa3 by Moody's Investors Services, a rating the County has maintained since being upgraded from A1 in 1998. The water district and sewer district currently maintain credit ratings from Moody's of A2 based on separate revenue bond issuances in 1999.

Besides the long-term bonds outstanding, the County also is liable for other long-term obligations in the form of capital leases payable, claims payable, and compensated absences payable. Governmental activity capital leases totaled \$2.5 million at year end, including modular office units, buses and a fire alarm system for the County Care Facility; a helicopter and police cruisers for the Sheriff's Office; and other various equipment throughout the County. Compensated absences payable at year end was \$7.7 million for governmental activities and \$0.9 million for business-type activities and claims payable was \$3.8 for governmental activities. The total liability for capital leases, claims and compensated absences for governmental and business-type activities was \$14.9 million at December 31, 2007. Additional information about the County's long-term obligations can be found in Note 16 to the financial statements.

### **Economic and Other Potentially Significant Matters**

The growth of residential and commercial assets in Butler County has a positive impact on economic activity. Increasing the inventory of homes and businesses leads to additional property and sales taxes. The slowdown in the residential real estate market has affected the growth of real estate tax collections, economic activity and sales tax collections. The slower pace for auto sales also impacted sales tax collection but is offset by the overall growth in the economy and commercial activity in Butler County.

Butler County continued to benefit from the 0.5% temporary sales tax during 2007. The temporary tax enabled the County to eliminate the burden of significantly funding the emergency radio system. The transition from the temporary sales tax to a permanent sales tax of 0.25% provides the County with a much needed resource to fund operations, pay down debt and to build cash reserves is effective January 1, 2008. The transition of sales tax rates and collections caused the General Fund Equity in Pooled Cash and Cash Equivalents to increase by \$5.2 million from 2006 to 2007.

### **Requests for Information**

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



**Butler County, Ohio**  
**Statement of Net Assets**  
**December 31, 2007**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 146,049,362	\$ 49,782,367	\$ 195,831,729
Cash and Cash Equivalents:			
In Segregated Accounts	550,527	600	551,127
With Fiscal Agents	45,317	6,120,801	6,166,118
Accounts Receivable	16,527,957	6,065,163	22,593,120
Due from Other Governments	46,557,460	-	46,557,460
Accrued Interest Receivable	1,135,644	-	1,135,644
Prepaid Items	716,779	93,214	809,993
Internal Balances	188,417	(188,417)	-
Materials and Supplies Inventory	669,130	159,889	829,019
Property Taxes Receivable	67,217,268	-	67,217,268
Sales Tax Receivable	6,601,560	-	6,601,560
Local Taxes Receivable	246,941	-	246,941
Loans Receivable	999,805	-	999,805
Special Assessments Receivable	9,321,802	1,016,309	10,338,111
Deferred Charges	1,314,466	6,589,355	7,903,821
Deferred Charges for Water Rate Stabilization	-	26,108,020	26,108,020
Capital Assets:			
Nondepreciable Capital Assets	276,233,578	32,723,440	308,957,018
Depreciable Capital Assets, net	112,922,112	280,150,142	393,072,254
<b>Total Assets</b>	<b>687,298,125</b>	<b>408,620,883</b>	<b>1,095,919,008</b>
<b>Liabilities</b>			
Accounts Payable	8,257,410	491,572	8,748,982
Contracts Payable	3,451,515	316,980	3,768,495
Accrued Wages and Benefits	4,270,931	372,399	4,643,330
Due to Other Governments	3,626,792	758,135	4,384,927
Matured Compensated Absences Payable	26,899	-	26,899
Deferred Revenue	63,532,218	-	63,532,218
Matured Bonds Payable	13,250	-	13,250
Matured Interest Payable	5,543	-	5,543
Accrued Interest Payable	847,687	528,424	1,376,111
Notes Payable	34,643,000	-	34,643,000
Retainage Payable	131,848	222,597	354,445
Refundable Deposits	170,788	128,245	299,033
Long-Term Liabilities:			
Due Within One Year	10,748,079	7,952,005	18,700,084
Due In More Than One Year	102,711,408	127,929,787	230,641,195
<b>Total Liabilities</b>	<b>232,437,368</b>	<b>138,700,144</b>	<b>371,137,512</b>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	307,427,268	220,104,614	527,531,882
Restricted for:			
Capital Projects	13,390,047	-	13,390,047
Debt Service	4,081,955	5,791,705	9,873,660
Replacement and Improvement	-	6,000,000	6,000,000
Mental Retardation	26,770,737	-	26,770,737
Job and Family Services	15,667,527	-	15,667,527
Children Services Agency	5,566,605	-	5,566,605
Mental Health	13,632,837	-	13,632,837
Motor Vehicle	12,438,975	-	12,438,975
Other Purposes	40,259,877	-	40,259,877
Unrestricted	15,624,929	38,024,420	53,649,349
<b>Total Net Assets</b>	<b>\$ 454,860,757</b>	<b>\$ 269,920,739</b>	<b>\$ 724,781,496</b>

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Activities**  
**For the Year Ended December 31, 2007**

	Program Revenues		
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest
Governmental Activities			
General Government:			
Legislative and Executive	\$ 35,086,479	\$ 25,761,198	\$ 43,820
Judicial	16,766,093	5,818,814	986,906
Public Safety	51,218,782	12,368,985	7,087,851
Public Works	24,981,832	767,323	11,398,189
Health	54,781,525	1,317,932	32,777,452
Human Services	89,695,591	2,448,406	63,185,700
Conservation and Recreation	686,496	26,784	-
Interest and Fiscal Charges	5,459,844	-	-
<b>Total Governmental Activities</b>	<b>278,676,642</b>	<b>48,509,442</b>	<b>115,479,918</b>
Business-Type Activities			
Sewer	27,027,272	20,980,896	-
Water	29,630,418	26,065,961	-
GSC Parking Facility	162,063	158,869	-
<b>Total Business-Type Activities</b>	<b>56,819,753</b>	<b>47,205,726</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 335,496,395</b>	<b>\$ 95,715,168</b>	<b>\$ 115,479,918</b>

General Revenues
Taxes Levied for:
General Purposes
Mental Retardation
Children Services Board
Mental Health
Animal Shelter
Elderly Services Levy
Sales Tax
Local Taxes
Payments in Lieu of Taxes
Gain on Sale of Capital Assets
Grants and Entitlements not Restricted to Specific Program
Interest
Net Increase in Fair Value of Investments
Other
<b>Total General Revenues</b>
<b>Change in Net Assets</b>
<b>Net Assets Beginning of Year - Restated (see Note 3)</b>
<b>Net Assets End of Year</b>

See accompanying notes to the basic financial statements

Capital Grants, Contributions, and Interest	Net (Expense) Revenue and Changes in Net Assets		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
\$ -	\$ (9,281,461)	\$ -	\$ (9,281,461)
-	(9,960,373)	-	(9,960,373)
-	(31,761,946)	-	(31,761,946)
6,785,122	(6,031,198)	-	(6,031,198)
-	(20,686,141)	-	(20,686,141)
-	(24,061,485)	-	(24,061,485)
-	(659,712)	-	(659,712)
-	(5,459,844)	-	(5,459,844)
<u>6,785,122</u>	<u>(107,902,160)</u>	<u>-</u>	<u>(107,902,160)</u>
7,327,518	-	1,281,142	1,281,142
6,682,719	-	3,118,262	3,118,262
-	-	(3,194)	(3,194)
<u>14,010,237</u>	<u>-</u>	<u>4,396,210</u>	<u>4,396,210</u>
<u>\$ 20,795,359</u>	<u>(107,902,160)</u>	<u>4,396,210</u>	<u>(103,505,950)</u>
	14,620,159	-	14,620,159
	19,665,938	-	19,665,938
	14,269,273	-	14,269,273
	9,343,505	-	9,343,505
	3,340,811	-	3,340,811
	13,992,100	-	13,992,100
	41,317,071	-	41,317,071
	2,450,378	-	2,450,378
	3,620,542	-	3,620,542
	281,924	-	281,924
	7,659,749	-	7,659,749
	13,783,637	462,058	14,245,695
	1,096,005	-	1,096,005
	<u>5,238,068</u>	<u>1,123,014</u>	<u>6,361,082</u>
	<u>150,679,160</u>	<u>1,585,072</u>	<u>152,264,232</u>
	42,777,000	5,981,282	48,758,282
	<u>412,083,757</u>	<u>263,939,457</u>	<u>676,023,214</u>
	<u>\$ 454,860,757</u>	<u>\$ 269,920,739</u>	<u>\$ 724,781,496</u>

**Butler County, Ohio**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2007**

	General	Mental Retardation	Job and Family Services	Children Services Agency	Mental Health
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 32,567,356	\$ 26,231,025	\$ 5,023,249	\$ 6,783,373	\$ 9,280,587
Cash and Cash Equivalents:					
In Segregated Accounts	231,815	-	-	-	-
With Fiscal Agents	45,317	-	-	-	-
Receivables:					
Property Taxes	13,445,525	18,376,262	-	13,200,640	8,762,534
Sales Taxes	6,601,560	-	-	-	-
Other Local Taxes	-	-	-	-	-
Accounts	58,671	21,617	-	-	1,000
Due From Other Governments	9,646,411	1,417,118	13,779,508	973,054	4,872,037
Accrued Interest	1,135,644	-	-	-	-
Special Assessments	-	-	-	-	-
Loans	703,358	-	-	-	-
Due from Other Funds	656,389	-	-	-	16,076
Prepaid Items	403,605	89,758	17,980	17,845	26,544
Materials and Supplies Inventory	64,571	26,616	5,101	9,065	3,109
Advances to Other Funds	713,002	-	-	-	-
<b>Total Assets</b>	<b>\$ 66,273,224</b>	<b>\$ 46,162,396</b>	<b>\$ 18,825,838</b>	<b>\$ 20,983,977</b>	<b>\$ 22,961,887</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable	\$ 1,876,522	\$ 536,635	\$ 1,641,147	\$ 1,217,292	\$ 861,911
Contracts Payable	1,470,767	-	23,836	131,667	-
Accrued Wages and Benefits	1,987,614	498,073	327,149	406,857	26,236
Matured Compensated Absences Payable	3,883	3,231	5,401	13,384	-
Retainage Payable	-	-	-	-	-
Due to Other Funds	989,412	219,645	218,906	426,968	10,812
Due to Other Governments	205,698	88,578	242,524	64,808	2,033
Deferred Revenue	21,450,983	18,380,762	12,146,028	13,778,956	11,541,949
Advances from Other Funds	-	-	-	-	-
Refundable Deposits	-	-	-	-	-
Matured Bonds Payable	-	-	-	-	-
Matured Interest Payable	-	-	-	-	-
Accrued Interest Payable	-	-	-	-	-
Notes Payable	-	-	-	-	-
<b>Total Liabilities</b>	<b>27,984,879</b>	<b>19,726,924</b>	<b>14,604,991</b>	<b>16,039,932</b>	<b>12,442,941</b>
<b>Fund Balances</b>					
Reserved for Encumbrances	2,101,390	1,183,379	160,592	506,687	2,652,797
Reserved for Loans	703,358	-	-	-	-
Reserved for Long-Term Receivable	4,485,000	-	-	-	-
Reserved for Debt Service	45,317	-	-	-	-
Reserved for Advances	713,002	-	-	-	-
Unreserved:					
Designated for:					
County-Wide Communications System	16,953,260	-	-	-	-
Undesignated, Reported in:					
General Fund	13,287,018	-	-	-	-
Special Revenue Funds	-	25,252,093	4,060,255	4,437,358	7,866,149
Debt Service Fund	-	-	-	-	-
Capital Projects Funds (Deficit)	-	-	-	-	-
<b>Total Fund Balances (Deficit)</b>	<b>38,288,345</b>	<b>26,435,472</b>	<b>4,220,847</b>	<b>4,944,045</b>	<b>10,518,946</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 66,273,224</b>	<b>\$ 46,162,396</b>	<b>\$ 18,825,838</b>	<b>\$ 20,983,977</b>	<b>\$ 22,961,887</b>

See accompanying notes to the basic financial statements

Motor Vehicle	Buildings Construction and Renovations	Road Improvements	Other Governmental Funds	Total Governmental Funds
\$ 7,703,735	\$ 11,742,189	\$ 8,208,520	\$ 37,506,874	\$ 145,046,908
11,965	-	-	306,747	550,527
-	-	-	-	45,317
-	-	-	13,432,307	67,217,268
-	-	-	-	6,601,560
246,941	-	-	-	246,941
17,065	-	8,478,906	7,903,748	16,481,007
6,111,214	-	-	9,758,118	46,557,460
-	-	-	-	1,135,644
16,593	-	-	9,305,209	9,321,802
-	-	-	296,447	999,805
18,372	-	-	1,583,453	2,274,290
7,040	-	-	153,494	716,266
500,557	-	-	60,111	669,130
-	-	-	-	713,002
<u>\$ 14,633,482</u>	<u>\$ 11,742,189</u>	<u>\$ 16,687,426</u>	<u>\$ 80,306,508</u>	<u>\$ 298,576,927</u>
\$ 411,532	\$ -	\$ -	\$ 1,703,853	\$ 8,248,892
535,539	1,038,956	-	250,750	3,451,515
158,511	-	-	850,106	4,254,546
-	-	-	1,000	26,899
131,848	-	-	-	131,848
96,621	-	-	2,261,905	4,224,269
-	-	-	2,263,774	2,867,415
4,448,251	-	-	30,235,385	111,982,314
-	-	-	373,002	373,002
170,788	-	-	-	170,788
-	-	-	13,250	13,250
-	-	-	5,543	5,543
5,451	131,899	228,308	105,159	470,817
335,000	11,205,000	17,593,000	5,510,000	34,643,000
<u>6,293,541</u>	<u>12,375,855</u>	<u>17,821,308</u>	<u>43,573,727</u>	<u>170,864,098</u>
2,810,552	441,881	-	559,408	10,416,686
-	-	-	181,053	884,411
-	-	-	-	4,485,000
-	-	-	-	45,317
-	-	-	-	713,002
-	-	-	-	16,953,260
-	-	-	-	13,287,018
5,529,389	-	-	28,071,135	75,216,379
-	-	-	11,421,747	11,421,747
-	(1,075,547)	(1,133,882)	(3,500,562)	(5,709,991)
<u>8,339,941</u>	<u>(633,666)</u>	<u>(1,133,882)</u>	<u>36,732,781</u>	<u>127,712,829</u>
<u>\$ 14,633,482</u>	<u>\$ 11,742,189</u>	<u>\$ 16,687,426</u>	<u>\$ 80,306,508</u>	<u>\$ 298,576,927</u>

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**Butler County, Ohio**  
**Reconciliation of Total Governmental Fund Balances to**  
**Net Assets of Governmental Activities**  
**For the Year Ended December 31, 2007**

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Total Governmental Fund Balances \$127,712,829

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. These assets consist of:

Land	10,435,786	
Infrastructure	244,210,205	
Construction in progress	21,587,587	
Other capital assets	178,892,163	
Accumulated depreciation	<u>(65,970,051)</u>	
Total capital assets		389,155,690

An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets. (1,827,440)

Some of the County's revenues will be collected after year end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds:

Property Taxes	7,274,380	
Special Assessments	9,072,508	
Due From Other Governments	30,232,972	
Charges for Services	572,494	
Interest Revenue	729,384	
Proceeds from Sale of Capital Assets	<u>568,358</u>	
		48,450,096

Bond issuance costs reported as an expenditure in governmental funds are allocated as an expense over the life of the debt on a full accrual basis 1,314,466

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Accrued interest on bonds	(376,870)	
Capital leases	(2,532,262)	
Bonds	(97,604,729)	
Loans	(1,824,765)	
Compensated absences	<u>(7,606,258)</u>	
Total liabilities		<u>(109,944,884)</u>

Net Assets of Governmental Activities \$454,860,757

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2007**

	General	Mental Retardation	Job and Family Services	Children Services Agency	Mental Health
Revenues					
Property Taxes	\$ 14,271,776	\$ 19,694,766	\$ -	\$ 14,147,080	\$ 9,067,978
Sales Taxes	41,256,564	-	-	-	-
Other Local Taxes	-	-	-	-	-
Charges for Services	28,802,399	534,694	-	-	109,299
Licenses and Permits	16,790	-	-	-	-
Fines and Forfeitures	1,769,662	-	-	-	-
Intergovernmental	7,957,951	12,968,727	37,964,648	11,056,943	15,648,549
Special Assessments	-	-	-	-	-
Payments in Lieu of Taxes	16,372	29,756	-	14,963	3,548
Interest	12,699,183	-	-	-	-
Net Increase in Fair Value of Investments	1,096,005	-	-	-	-
Other	825,101	22,228	795,708	34,097	314,945
<b>Total Revenues</b>	<b>108,711,803</b>	<b>33,250,171</b>	<b>38,760,356</b>	<b>25,253,083</b>	<b>25,144,319</b>
Expenditures					
Current:					
General Government:					
Legislative and Executive	25,446,466	-	-	-	-
Judicial	14,257,761	-	-	-	-
Public Safety	49,013,333	-	-	-	-
Public Works	207,671	-	-	-	-
Health	738,677	27,691,897	-	-	19,571,498
Human Services	1,298,295	-	37,685,598	27,784,505	-
Conservation and Recreation	686,496	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	4,731,702	-	-	21,547	-
Interest and Fiscal Charges	3,417,079	-	-	9,423	-
Issuance Costs	152,352	-	-	-	-
<b>Total Expenditures</b>	<b>99,949,832</b>	<b>27,691,897</b>	<b>37,685,598</b>	<b>27,815,475</b>	<b>19,571,498</b>
Excess of Revenues Over (Under) Expenditures	8,761,971	5,558,274	1,074,758	(2,562,392)	5,572,821
Other Financing Sources (Uses):					
Premium on Debt Issued	681,305	-	-	-	-
Proceeds from Sale of Capital Assets	118,942	-	-	-	-
Refunding Bonds Issued	12,305,000	-	-	-	-
Inception of Capital Lease	1,432,869	-	-	100,070	-
Proceeds of Loans	-	-	-	-	-
Payment to Refunded Bond Escrow Agent	(12,830,901)	-	-	-	-
Transfers - In	5,000	-	1,327,288	32,100	-
Transfers - Out	(2,698,662)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(986,447)</b>	<b>-</b>	<b>1,327,288</b>	<b>132,170</b>	<b>-</b>
Net Change in Fund Balance	7,775,524	5,558,274	2,402,046	(2,430,222)	5,572,821
Fund Balances (Deficit) Beginning of Year - Restated (See Note 3)	30,512,821	20,877,198	1,818,801	7,374,267	4,946,125
<b>Fund Balances (Deficit) End of Year</b>	<b>\$ 38,288,345</b>	<b>\$ 26,435,472</b>	<b>\$ 4,220,847</b>	<b>\$ 4,944,045</b>	<b>\$ 10,518,946</b>



Motor Vehicle	Buildings Construction and Renovations	Road Improvements	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 3,340,811	\$ -	\$ 14,289,398	\$ 74,811,809
-	-	-	-	41,256,564
2,450,378	-	-	-	2,450,378
245,894	12,600	-	15,971,687	45,676,573
-	-	-	511,642	528,432
289,810	-	-	64,397	2,123,869
12,378,213	340,659	1,945,000	27,029,167	127,289,857
4,070	-	-	3,793,826	3,797,896
-	-	-	3,306,609	3,371,248
-	37,817	183,752	846,830	13,767,582
-	-	-	-	1,096,005
1,101,068	-	1,435,175	709,746	5,238,068
<u>16,469,433</u>	<u>3,731,887</u>	<u>3,563,927</u>	<u>66,523,302</u>	<u>321,408,281</u>
-	-	-	7,560,065	33,006,531
-	-	-	2,035,929	16,293,690
-	-	-	11,500,867	60,514,200
20,680,697	-	2,242,442	6,961,715	30,092,525
-	-	-	6,240,986	54,243,058
-	-	-	22,556,273	89,324,671
-	-	-	-	686,496
-	4,142,755	25,601	85,675	4,254,031
124,527	-	-	1,065,349	5,943,125
33,891	211,255	618,768	1,164,480	5,454,896
-	-	-	58,445	210,797
<u>20,839,115</u>	<u>4,354,010</u>	<u>2,886,811</u>	<u>59,229,784</u>	<u>300,024,020</u>
<u>(4,369,682)</u>	<u>(622,123)</u>	<u>677,116</u>	<u>7,293,518</u>	<u>21,384,261</u>
-	-	-	279,027	960,332
-	-	-	-	118,942
-	-	-	4,790,000	17,095,000
-	-	-	-	1,532,939
374,761	-	-	-	374,761
-	-	-	(5,006,025)	(17,836,926)
-	275,000	256,526	907,713	2,803,627
<u>(99,965)</u>	<u>-</u>	<u>-</u>	<u>(5,000)</u>	<u>(2,803,627)</u>
<u>274,796</u>	<u>275,000</u>	<u>256,526</u>	<u>965,715</u>	<u>2,245,048</u>
<u>(4,094,886)</u>	<u>(347,123)</u>	<u>933,642</u>	<u>8,259,233</u>	<u>23,629,309</u>
<u>12,434,827</u>	<u>(286,543)</u>	<u>(2,067,524)</u>	<u>28,473,548</u>	<u>104,083,520</u>
<u>\$ 8,339,941</u>	<u>\$ (633,666)</u>	<u>\$ (1,133,882)</u>	<u>\$ 36,732,781</u>	<u>\$ 127,712,829</u>

**Butler County, Ohio**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended December 31, 2007**

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Net Change in Fund Balances - Total Governmental Funds \$23,629,309

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

Capital outlays are reported as expenditures in governmental funds.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital Asset Additions	25,045,259	
Current Year Depreciation	<u>(7,096,166)</u>	17,949,093

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.

Loss on Disposal of Capital Assets	(1,290,814)	
Proceeds from Sale of Capital Assets	(118,942)	
Gain on Disposal of Capital Assets	<u>281,924</u>	(1,127,832)

Because some revenues will not be collected for several months after the County's year end, they are not considered "available" revenues and are deferred in the governmental funds.

Property Taxes	419,977	
Sales Taxes	60,507	
Payment in Lieu of Taxes	249,294	
Due From Other Governments	(486,246)	
Special Assessments	(905,930)	
Charges for Services	180,568	
Interest Revenue	<u>16,055</u>	(465,775)

Some capital assets were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net assets, the lease obligation is reported as a liability.

(1,532,939)

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

Bond principal retirement	4,155,000	
Special assessment principal retirement	610,170	
Loan principal retirement	177,866	
Payments to refunded bond escrow agent	17,836,926	
Capital lease payments	<u>1,000,089</u>	23,780,051
Total long-term debt repayment		

Interest on long-term debt in the statement of activities differs from the amounts reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The additional amount of interest on the statement of activities is the result of the following:

Decrease in Accrued Interest	21,792
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Governmental funds report premiums, discounts and bond issuance costs as expenditures, whereas these amounts are deferred and amortized in the statement of activities

Premium on Bonds	(960,332)	
Bond Issuance Costs	210,797	
Amortization of Gain/Loss on Refunding	(318,427)	
Amortization of Bond Premiums/Discounts on Issue	416,158	
Amortization of Bond Issuance Costs	<u>(124,471)</u>	(776,275)

Bond Proceeds are reported as other financing sources in governmental funds and thus contribute to the change in fund balances. In the government-wide statements, however issuing debt increases long-term liabilities in the statement of net assets and does not affect the statement of activities.

Bond Proceeds, Note Proceeds, Loan Proceeds	(17,469,761)
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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. These activities consist of:

Compensated Absences	(1,051,710)
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The internal service funds used by management to charge the costs of insurance to individual funds. The net revenue (expense) of the internal service funds are reported with governmental activities.

(178,953)

Change in Net Assets of Governmental Activities	<u>\$42,777,000</u>
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See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Budget Basis)**  
**General Fund**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 14,440,001	\$ 14,083,957	\$ 14,084,819	\$ 862
Sales Taxes	21,273,701	41,133,526	41,151,766	18,240
Charges for Services	26,367,365	27,269,998	27,710,145	440,147
Licenses and Permits	21,195	16,215	16,790	575
Fines and Forfeitures	1,876,368	1,634,842	1,691,024	56,182
Intergovernmental	7,898,900	7,706,458	7,970,235	263,777
Payment in Lieu of Taxes	25,328	16,372	16,372	-
Interest	8,234,130	11,821,892	11,829,667	7,775
Other	1,366,100	1,224,743	1,361,796	137,053
Total Revenues	<u>81,503,088</u>	<u>104,908,003</u>	<u>105,832,614</u>	<u>924,611</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
Legislative and Executive	23,458,245	25,012,119	23,952,303	1,059,816
Judicial	14,469,792	15,574,339	14,991,446	582,893
Public Safety	35,548,305	53,114,739	52,866,487	248,252
Public Works	205,003	211,423	205,975	5,448
Health	463,261	834,609	830,664	3,945
Human Services	1,342,396	1,489,907	1,314,032	175,875
Conservation and Recreation	541,528	735,213	686,496	48,717
<b>Debt Service:</b>				
Principal Retirement	4,530,271	4,923,228	4,895,850	27,378
Interest and Fiscal Charges	3,665,151	3,458,585	3,420,812	37,773
Bond Issuance Costs	-	152,352	152,352	-
Total Expenditures	<u>84,223,952</u>	<u>105,506,514</u>	<u>103,316,417</u>	<u>2,190,097</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,720,864)</u>	<u>(598,511)</u>	<u>2,516,197</u>	<u>3,114,708</u>
<b>Other Financing Sources (Uses):</b>				
Other Financing Sources	1,606,700	1,462,668	1,385,912	(76,756)
Refunding Bonds Issued	-	12,305,000	12,305,000	-
Payment to Refunded Bond Escrow Agent	-	(12,830,901)	(12,830,901)	-
Premium on Debt Issued	-	681,000	681,305	305
Proceeds from Sale of Capital Assets	-	-	118,942	118,942
Advances - Out	-	(716,800)	(360,000)	356,800
Transfers - In	-	-	5,000	5,000
Transfers - Out	(2,038,642)	(2,844,548)	(2,698,662)	145,886
Total Other Financing Sources (Uses)	<u>(431,942)</u>	<u>(1,943,581)</u>	<u>(1,393,404)</u>	<u>550,177</u>
Net Change in Fund Balance	(3,152,806)	(2,542,092)	1,122,793	3,664,885
Fund Balances at Beginning of Year	23,058,080	23,058,080	23,058,080	-
Prior Year Encumbrances Appropriated	2,764,014	2,764,014	2,764,014	-
Fund Balances at End of Year	<u>\$ 22,669,288</u>	<u>\$ 23,280,002</u>	<u>\$ 26,944,887</u>	<u>\$ 3,664,885</u>

See accompanying notes to the basic financial statements.

**Butler County, Ohio**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Budget Basis)**  
**Mental Retardation Fund**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 20,670,640	\$ 19,382,840	\$ 19,413,034	\$ 30,194
Charges for Services	1,700,000	540,000	561,230	21,230
Intergovernmental	9,779,000	11,698,030	12,278,100	580,070
Payment in Lieu of Taxes	-	29,756	29,756	-
Other	223,000	19,428	22,228	2,800
Total Revenues	<u>32,372,640</u>	<u>31,670,054</u>	<u>32,304,348</u>	<u>634,294</u>
Expenditures:				
Current:				
Health	<u>34,237,626</u>	<u>34,302,797</u>	<u>29,638,229</u>	<u>4,664,568</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,864,986)</u>	<u>(2,632,743)</u>	<u>2,666,119</u>	<u>5,298,862</u>
Other Financing Sources (Uses):				
Other Financing Sources	-	12,585	12,585	-
Transfers - In	500,000	-	-	-
Transfers - Out	(500,000)	(500,000)	-	500,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>(487,415)</u>	<u>12,585</u>	<u>500,000</u>
Net Change in Fund Balance	(1,864,986)	(3,120,158)	2,678,704	5,798,862
Fund Balances at Beginning of Year	19,377,202	19,377,202	19,377,202	-
Prior Year Encumbrances Appropriated	1,677,626	1,677,626	1,677,626	-
Fund Balances at End of Year	<u>\$ 19,189,842</u>	<u>\$ 17,934,670</u>	<u>\$ 23,733,532</u>	<u>\$ 5,798,862</u>

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Budget Basis)**  
**Job and Family Services Fund**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Intergovernmental	\$ 31,786,996	\$ 34,514,111	\$ 35,881,375	\$ 1,367,264
Other	-	794,439	795,708	1,269
Total Revenues	<u>31,786,996</u>	<u>35,308,550</u>	<u>36,677,083</u>	<u>1,368,533</u>
Expenditures:				
Current:				
Human Services	<u>32,647,197</u>	<u>39,209,300</u>	<u>38,575,507</u>	<u>633,793</u>
Excess of Revenues Over (Under) Expenditures	<u>(860,201)</u>	<u>(3,900,750)</u>	<u>(1,898,424)</u>	<u>2,002,326</u>
Other Financing Sources:				
Other Financing Sources	-	193,342	193,342	-
Transfers - In	<u>1,387,284</u>	<u>1,327,288</u>	<u>1,327,288</u>	<u>-</u>
Total Other Financing Sources	<u>1,387,284</u>	<u>1,520,630</u>	<u>1,520,630</u>	<u>-</u>
Net Change in Fund Balance	527,083	(2,380,120)	(377,794)	2,002,326
Fund Balances at Beginning of Year	2,086,872	2,086,872	2,086,872	-
Prior Year Encumbrances Appropriated	<u>853,359</u>	<u>853,359</u>	<u>853,359</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ 3,467,314</u>	<u>\$ 560,111</u>	<u>\$ 2,562,437</u>	<u>\$ 2,002,326</u>

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Budget Basis)**  
**Children Services Agency Fund**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 13,566,000	\$ 13,887,000	\$ 13,907,990	\$ 20,990
Intergovernmental	11,123,551	11,399,423	12,713,368	1,313,945
Payment in Lieu of Taxes	-	14,963	14,963	-
Other	6,000	37,059	37,059	-
Total Revenues	<u>24,695,551</u>	<u>25,338,445</u>	<u>26,673,380</u>	<u>1,334,935</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Human Services	<u>27,794,986</u>	<u>28,494,986</u>	<u>28,042,065</u>	<u>452,921</u>
Excess of Revenues (Under) Expenditures	<u>(3,099,435)</u>	<u>(3,156,541)</u>	<u>(1,368,685)</u>	<u>1,787,856</u>
<b>Other Financing Sources:</b>				
Other Financing Sources	5,000	5,006	12,822	7,816
Transfers - In	-	32,100	32,100	-
Total Other Financing Sources	<u>5,000</u>	<u>37,106</u>	<u>44,922</u>	<u>7,816</u>
Net Change in Fund Balance	(3,094,435)	(3,119,435)	(1,323,763)	1,795,672
Fund Balances at Beginning of Year	4,564,422	4,564,422	4,564,422	-
Prior Year Encumbrances Appropriated	2,077,498	2,077,498	2,077,498	-
Fund Balances at End of Year	<u>\$ 3,547,485</u>	<u>\$ 3,522,485</u>	<u>\$ 5,318,157</u>	<u>\$ 1,795,672</u>

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Budget Basis)**  
**Mental Health Fund**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 2,164,948	\$ 8,821,186	\$ 8,826,218	\$ 5,032
Charges for Services	96,120	96,122	96,660	538
Intergovernmental	16,072,037	16,551,445	16,561,666	10,221
Payment in Lieu of Taxes	3,729	3,548	3,548	-
Other	457,676	321,803	321,803	-
Total Revenues	18,794,510	25,794,104	25,809,895	15,791
Expenditures:				
Current:				
General Government:				
Health	21,884,601	28,384,600	23,565,789	4,818,811
Excess of Revenues (Under) Expenditures	(3,090,091)	(2,590,496)	2,244,106	4,834,602
Other Financing Sources:				
Other Financing Sources	-	405	405	-
Net Change in Fund Balance	(3,090,091)	(2,590,091)	2,244,511	4,834,602
Fund Balances at Beginning of Year	153,093	153,093	153,093	-
Prior Year Encumbrances Appropriated	3,090,091	3,090,091	3,090,091	-
Fund Balances at End of Year	\$ 153,093	\$ 653,093	\$ 5,487,695	\$ 4,834,602

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Budget Basis)**  
**Motor Vehicle Fund**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Other Local Taxes	\$ 2,425,000	\$ 2,452,363	\$ 2,452,363	\$ -
Charges for Services	886,000	173,997	174,565	568
Fines and Forfeitures	241,000	264,525	282,613	18,088
Intergovernmental	22,226,715	10,811,869	10,941,378	129,509
Special Assessments	4,000	4,070	4,070	-
Other	240,000	579,911	581,243	1,332
Total Revenues	<u>26,022,715</u>	<u>14,286,735</u>	<u>14,436,232</u>	<u>149,497</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Public Works	37,996,466	26,743,465	23,449,618	3,293,847
<b>Debt Service:</b>				
Principal Retirements	420,000	420,000	420,000	-
Interest and Fiscal Charges	127,000	21,249	20,097	1,152
Total Expenditures	<u>38,543,466</u>	<u>27,184,714</u>	<u>23,889,715</u>	<u>3,294,999</u>
Excess of Revenues (Under) Expenditures	<u>(12,520,751)</u>	<u>(12,897,979)</u>	<u>(9,453,483)</u>	<u>3,444,496</u>
<b>Other Financing Sources (Uses):</b>				
Notes Issued	420,000	335,000	335,000	-
Premium on Debt Issued	2,000	1,631	1,631	-
Other Financing Sources	1,015,000	1,275,097	1,275,097	-
Transfers - Out	-	(199,930)	(99,965)	99,965
Total Other Financing Sources (Uses)	<u>1,437,000</u>	<u>1,411,798</u>	<u>1,511,763</u>	<u>99,965</u>
Net Change in Fund Balance	<u>(11,083,751)</u>	<u>(11,486,181)</u>	<u>(7,941,720)</u>	<u>3,544,461</u>
Fund Balances at Beginning of Year	8,845,219	8,845,219	8,845,219	-
Prior Year Encumbrances Appropriated	3,148,832	3,148,832	3,148,832	-
Fund Balances at End of Year	<u>\$ 910,300</u>	<u>\$ 507,870</u>	<u>\$ 4,052,331</u>	<u>\$ 3,544,461</u>

See accompanying notes to the basic financial statements



**Butler County, Ohio**  
**Statement of Fund Net Assets**  
**Proprietary Funds**  
**December 31, 2007**

	Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer	Water	GSC Parking Facility	Total	
Assets					
Current Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 23,390,539	\$ 20,250,368	\$ 13,215	\$ 43,654,122	\$ 1,002,454
Cash and Cash Equivalents in Segregated Accounts	250	250	100	600	-
Restricted Assets:					
Cash and Cash Equivalents with Fiscal Agent	4,325,140	1,530,134	-	5,855,274	-
Receivables:					
Accounts	1,420,592	4,643,926	645	6,065,163	46,950
Special Assessments Receivable	461,279	555,030	-	1,016,309	-
Due from Other Funds	-	-	1,923	1,923	2,140,931
Prepaid Items	56,171	37,043	-	93,214	513
Materials and Supplies Inventory	95,765	64,124	-	159,889	-
Total Current Assets	<u>29,749,736</u>	<u>27,080,875</u>	<u>15,883</u>	<u>56,846,494</u>	<u>3,190,848</u>
Noncurrent Assets					
Deferred Charges	1,403,116	5,186,239	-	6,589,355	-
Deferred Charges for Water Rate Stabilization	-	26,108,020	-	26,108,020	-
Non-Depreciable Capital Assets	26,189,128	6,534,312	-	32,723,440	-
Depreciable Capital Assets	174,323,925	105,826,217	-	280,150,142	-
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	4,000,000	2,128,245	-	6,128,245	-
Cash and Cash Equivalents with Fiscal Agent	265,527	-	-	265,527	-
Total Noncurrent Assets	<u>206,181,696</u>	<u>145,783,033</u>	<u>-</u>	<u>351,964,729</u>	<u>-</u>
Total Assets	<u>235,931,432</u>	<u>172,863,908</u>	<u>15,883</u>	<u>408,811,223</u>	<u>3,190,848</u>
Liabilities					
Current Liabilities:					
Accounts Payable	213,499	276,344	1,729	491,572	8,518
Contracts Payable	74,334	242,646	-	316,980	-
Accrued Wages and Benefits	213,637	156,215	2,547	372,399	16,385
Retainage Payable	65,827	156,770	-	222,597	-
Due to Other Funds	108,551	80,677	1,112	190,340	2,535
Due to Other Governments	96,827	661,308	-	758,135	759,377
Accrued Interest Payable	261,652	266,772	-	528,424	-
General Obligation Bonds Payable	134,159	109,934	-	244,093	-
Revenue Bonds Payable	4,132,360	2,030,000	-	6,162,360	-
Judgement Bonds Payable	-	1,025,000	-	1,025,000	-
Loans Payable	-	223,043	-	223,043	-
Claims Payable	-	-	-	-	1,181,255
Compensated Absences Payable	163,646	131,865	1,998	297,509	17,544
Total Current Liabilities	<u>5,464,492</u>	<u>5,360,574</u>	<u>7,386</u>	<u>10,832,452</u>	<u>1,985,614</u>
Noncurrent Liabilities:					
Advances from Other Funds	-	-	-	-	340,000
Refundable Deposits	-	128,245	-	128,245	-
Claims Payable	-	-	-	-	2,658,177
Compensated Absences Payable	288,238	275,057	4,555	567,850	34,497
General Obligation Bonds Payable	4,040,521	372,066	-	4,412,587	-
Revenue Bonds Payable	51,087,401	34,249,605	-	85,337,006	-
Judgement Bonds Payable	-	31,951,751	-	31,951,751	-
Loans Payable	-	5,660,593	-	5,660,593	-
Total Noncurrent Liabilities	<u>55,416,160</u>	<u>72,637,317</u>	<u>4,555</u>	<u>128,058,032</u>	<u>3,032,674</u>
Total Liabilities	<u>60,880,652</u>	<u>77,997,891</u>	<u>11,941</u>	<u>138,890,484</u>	<u>5,018,288</u>
Net Assets					
Invested in Capital Assets, Net of Related Debt	144,219,016	75,885,598	-	220,104,614	-
Restricted for:					
Debt Service	4,397,894	1,393,811	-	5,791,705	-
Replacement and Improvement	4,000,000	2,000,000	-	6,000,000	-
Unrestricted	22,433,870	15,586,608	3,942	38,024,420	(1,827,440)
Total Net Assets	<u>\$ 175,050,780</u>	<u>\$ 94,866,017</u>	<u>\$ 3,942</u>	<u>\$ 269,920,739</u>	<u>\$ (1,827,440)</u>

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Revenues,**  
**Expenses and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Year Ended December 31, 2007**

	Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer	Water	GSC Parking Facility	Total	
Operating Revenues:					
Charges for Services	\$ 20,980,896	\$ 26,065,961	\$ 158,869	\$ 47,205,726	\$ 16,517,511
Other Operating Revenues	30,543	329,918	2,568	363,029	25,719
<b>Total Operating Revenues</b>	<b>21,011,439</b>	<b>26,395,879</b>	<b>161,437</b>	<b>47,568,755</b>	<b>16,543,230</b>
Operating Expenses:					
Personal Services	6,632,116	4,910,336	76,325	11,618,777	493,471
Contractual Services	5,891,671	13,898,558	1,365	19,791,594	14,750,570
Claims and Judgments	-	-	-	-	1,177,124
Materials and Supplies	1,567,046	752,695	4,194	2,323,935	300,682
Depreciation and Amortization Expense	9,460,544	6,146,432	-	15,606,976	-
Other	318,614	606,501	80,179	1,005,294	336
<b>Total Operating Expenses</b>	<b>23,869,991</b>	<b>26,314,522</b>	<b>162,063</b>	<b>50,346,576</b>	<b>16,722,183</b>
<b>Operating Income (Loss)</b>	<b>(2,858,552)</b>	<b>81,357</b>	<b>(626)</b>	<b>(2,777,821)</b>	<b>(178,953)</b>
Non-Operating Revenues (Expenses)					
Other Non-Operating Revenues	271,378	488,607	-	759,985	-
Interest	290,365	171,693	-	462,058	-
Interest and Fiscal Charges	(3,157,281)	(3,315,896)	-	(6,473,177)	-
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(2,595,538)</b>	<b>(2,655,596)</b>	<b>-</b>	<b>(5,251,134)</b>	<b>-</b>
<b>Loss Before Contributions</b>	<b>(5,454,090)</b>	<b>(2,574,239)</b>	<b>(626)</b>	<b>(8,028,955)</b>	<b>(178,953)</b>
<b>Capital Contributions</b>	<b>7,327,518</b>	<b>6,682,719</b>	<b>-</b>	<b>14,010,237</b>	<b>-</b>
<b>Change in Net Assets</b>	<b>1,873,428</b>	<b>4,108,480</b>	<b>(626)</b>	<b>5,981,282</b>	<b>(178,953)</b>
<b>Net Assets (Deficit) Beginning of Year</b>	<b>173,177,352</b>	<b>90,757,537</b>	<b>4,568</b>	<b>263,939,457</b>	<b>(1,648,487)</b>
<b>Net Assets (Deficit) End of Year</b>	<b>\$ 175,050,780</b>	<b>\$ 94,866,017</b>	<b>\$ 3,942</b>	<b>\$ 269,920,739</b>	<b>\$ (1,827,440)</b>

See accompanying notes to the basic financial statements

**Butler County**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2007**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer	Water	Govt Services Center Parking Facility	Totals	
<b>Increase (Decrease) in Cash and Cash Equivalents:</b>					
<b>Cash Flows from Operating Activities:</b>					
Cash Received from Customers	\$ 20,873,191	\$ 25,849,284	\$ 158,869	\$ 46,881,344	\$ -
Cash Paid to Suppliers	(7,766,659)	(14,837,448)	(5,559)	(22,609,666)	(14,884,682)
Cash Paid to Employees	(5,751,108)	(4,238,541)	(64,002)	(10,053,651)	(482,187)
Cash Received from Interfund Services Provided	-	-	-	-	16,244,904
Cash Payments for Interfund Services Used	(810,617)	(517,338)	(8,194)	(1,336,149)	-
Deposits	-	14,500	-	14,500	-
Other Operating Revenues	241,645	323,285	-	564,930	25,719
Other Operating Expenses	(588,027)	(657,395)	(80,179)	(1,325,601)	-
Other Non-Operating Revenues	130,182	399,406	-	529,588	-
Cash Paid for Claims	-	-	-	-	(1,005,276)
Net Cash Provided by (Used for) Operating Activities	6,328,607	6,335,753	935	12,665,295	(101,522)
<b>Cash Flows from Noncapital Financing Activities:</b>					
Interest Paid on Judgement Bonds	-	(1,131,431)	-	(1,131,431)	-
Principal Paid on Judgement Bonds	-	(1,210,000)	-	(1,210,000)	-
Proceeds from Refunding Bonds	-	24,135,000	-	24,135,000	-
Premium on Refunding Bonds	-	1,989,373	-	1,989,373	-
Payment to Escrow Agent	-	(25,814,243)	-	(25,814,243)	-
Bond Issuance Cost	-	(305,939)	-	(305,939)	-
Short-Term Advances From Other Funds	-	-	-	-	150,000
Repayment of Short-Term Advances from Other Funds	54,788	-	-	54,788	-
Net Cash Provided by (Used for) Noncapital Financing Activities	54,788	(2,337,240)	-	(2,282,452)	150,000
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Proceeds from Sale of General Obligation Bonds	418,000	482,000	-	900,000	-
Net Proceeds from OPWC Loans	-	757,183	-	757,183	-
Principal Paid on Loans	-	(158,882)	-	(158,882)	-
Interest Paid on Loans	-	(183,751)	-	(183,751)	-
Interest Paid on General Obligation Bonds	(147,236)	-	-	(147,236)	-
Principal Paid on General Obligation Bonds	(37,190)	-	-	(37,190)	-
Interest and Fiscal Charges on Revenue Bonds	(2,639,131)	(1,716,822)	-	(4,355,953)	-
Principal Paid on Revenue Bonds	(3,980,580)	(1,955,000)	-	(5,935,580)	-
Acquisition and Construction of Capital Assets	(2,576,370)	(5,674,280)	-	(8,250,650)	-
Capital Contributions by Other Governments - Capital Grants	425,030	708,589	-	1,133,619	-
Capital Contributions by Customers	3,952,630	2,265,660	-	6,218,290	-
Cash Received from Special Assessments	25,534	52,797	-	78,331	-
Net Cash Used for Capital and Related Financing Activities	(4,559,313)	(5,422,506)	-	(9,981,819)	-
<b>Cash Flows from Investing Activities:</b>					
Interest and Dividends on Investments	290,365	171,693	-	462,058	-
Net Increase (Decrease) in Cash and Cash Equivalents	2,114,447	(1,252,300)	935	863,082	48,478
Cash and Cash Equivalents at Beginning of Year	29,867,009	25,161,297	12,380	55,040,686	953,976
Cash and Cash Equivalents at End of Year	\$ 31,981,456	\$ 23,908,997	\$ 13,315	\$ 55,903,768	\$ 1,002,454

(continued)

**Butler County**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2007 (Continued)**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer	Water	Govt Services Center Parking Facility	Totals	
Reconciliation of Operating Loss to Net Income					
<u>Cash Used for Operating Activities:</u>					
Operating Income (Loss)	\$ (2,858,552)	\$ 81,357	\$ (626)	\$ (2,777,821)	\$ (178,953)
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used for) Operating Activities:					
Depreciation and Amortization	9,460,544	6,146,432	-	15,606,976	-
Other Non-Operating Revenues	130,182	399,406	-	529,588	-
<u>Changes in Assets and Liabilities:</u>					
(Increase) Decrease in Accounts Receivable	(108,444)	(225,739)	(645)	(334,828)	1,300
(Increase) Decrease in Due from Other Funds	-	2,429	(1,923)	506	(273,907)
Increase in Supplies Inventory	(20,008)	(19,523)	-	(39,531)	-
Increase in Prepaid Items	(29,827)	(12,045)	-	(41,872)	(247)
Increase in Accrued Wages and Benefits	45,778	54,111	825	100,714	3,747
Increase (Decrease) in Accounts Payable	(44,665)	63,469	1,416	20,220	2,910
Decrease in Contracts Payable	(147,230)	(154,582)	-	(301,812)	-
Decrease in Retainage Payable	(199,484)	(85,454)	-	(284,938)	-
Increase in Compensated Absences Payable	36,791	93,788	1,839	132,418	8,946
Increase in Due to Other Funds	3,420	16,808	49	20,277	2,535
Increase (Decrease) in Due to Other Governments	60,102	(39,204)	-	20,898	160,299
Increase in Claims Payable	-	-	-	-	171,848
Increase in Refundable Deposits	-	14,500	-	14,500	-
Total Adjustments	9,187,159	6,254,396	1,561	15,443,116	77,431
Net Cash Provided by (Used for) Operating Activities	\$ 6,328,607	\$ 6,335,753	\$ 935	\$ 12,665,295	\$ (101,522)
Non-Cash capital and related financing activities:					
Capital contributions from customers of \$2,402,836 for the water fund					
The County Recognized \$75,861 in OPWC loan proceeds as a receivable in the water fund					
Developers during the year donated \$2,949,858 of sewer lines to the sewer fund					
Developers during the year donated \$1,305,634 of water lines to the water fund					

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Fiduciary Net Assets**  
**Agency Funds**  
**December 31, 2007**

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	<u>Total</u>
Assets	
Equity Pooled in Cash and Cash Equivalents	\$ 27,317,344
Cash and Cash Equivalents in Segregated Accounts	4,545,109
Taxes Receivable	360,987,980
Special Assessments Receivable	36,822,002
Due from Other Governments	<u>13,061,708</u>
 Total Assets	 <u><u>\$ 442,734,143</u></u>
 Liabilities	
Undistributed Monies	\$ 3,892,534
Deposits Held and Due to Others	9,341,154
Due to Other Governments	429,365,455
Loans Payable	<u>135,000</u>
 Total Liabilities	 <u><u>\$ 442,734,143</u></u>

See accompanying notes to the basic financial statements

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION

REPORTING ENTITY

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

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

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

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

CONNEX GROUP INC.

In May 2007 Connex Group Inc. discontinued providing services for the mentally disabled. The Connex Group Inc. board agreed to allow Cincinnati-based Jewish Vocational Services to assume operations for these programs and take title to remaining assets. A new contract was signed between Jewish Vocational Services and the Butler County Board of Mental Retardation and Developmental Disabilities. The Jewish Vocational Services is not fiscally dependent upon the County therefore their financial information is excluded from the County statements.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION (continued)

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

Butler County Emergency Management Agency  
Transportation Improvement District of Butler County  
County Risk Sharing Authority (CORSA)  
County Employee Benefits Consortium of Ohio, Inc. (CEBCO)  
Regional Transit Authority (RTA)  
Butler County Convention and Visitor Bureau  
Butler County Port Authority  
Ohio Kentucky Indiana Regional Council of Governments  
Butler/Clermont/Warren Workforce Policy Board

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

Butler County Emergency Management Agency

The Butler County Emergency Management Agency consists of twenty-six members of the advisory council that are appointed as follows: one County Commissioner and the chief elected official of each of the thirteen townships, five cities and seven villages. The degree of control exercised by any participating government is limited to its representation on the Board. The Agency does not have any outstanding debt. The County does not have an equity interest in the Agency.

Regional Transit Authority (RTA)

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

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION (continued)

Butler County General Health District

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

Butler County Soil and Water Conservation District

The Soil and Water Conservation District is statutorily created as a separate and distinct political subdivision of the state. The five supervisors of the Soil and Water Conservation District are elected officials authorized to contract and sue on behalf of the District. The supervisors adopt their own budget, authorize District expenditures, and do not tax nor issue debt.

Metroparks of Butler County

The District Commissioners are appointed by the Probate Judge of the County. The Commissioners adopt their own budget, authorize expenditures, hire and fire staff, and do not rely on the County to finance deficits. The County is not financially accountable for the District nor is the District fiscally dependent on the County. The District serves as its own taxing and debt issuance authority and is a related organization of the County. The District received \$662,175 of funding from the County Property Transfer Tax during 2007.

Twelfth District Court of Appeals

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

Workforce Investment Area Twelve

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



**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Butler County have been prepared in conformity with the generally accepted accounting principals (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principals. The County also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The County has elected not to apply FASB pronouncements and interpretations issued after November 30, 1989 to its business-type activities and to its enterprise funds. The more significant of the County's accounting policies are described below.

BASIS OF PRESENTATION

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

Government-Wide Financial Statements

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

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

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Financial Statements

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

Fund Accounting

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

Governmental Funds

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

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

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

Mental Retardation - This fund accounts for the countywide tax levy, federal and state grants used to pay the costs of services provided to local citizens with mental or developmental disabilities.

Job and Family Services - This fund accounts for various federal and state grants used to provide public assistance to general relief recipients, pay their providers of medical assistance and for certain public social services.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Children Services Agency - This fund accounts for the countywide tax levy, and various federal and state grants used to provide services to the local community for child adoption and foster care needs.

Mental Health – This fund accounts for various federal, state and local funds used to provide mental health services to all citizens of Butler County.

Motor Vehicle – This fund accounts for various federal, state and local funds used for the construction, reconstruction, maintenance, and repair of all bridges and highways within Butler County.

Buildings Construction and Renovations - This fund accounts for the activity involved with the acquisition, construction and renovation of various County buildings. Projects include, Administrative Building Roof Improvement, Old Jail Rehabilitation, Courts Remodeling Project, Princeton Road Administrative Building and the Animal Shelter.

Road Improvements – This fund accounts for roadway construction and improvements in Butler County funded by note proceeds.

The other governmental funds of the County account for grants and other resources whose use is restricted to a particular purpose.

Proprietary Funds

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

Enterprise Funds

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

Sewer - This fund accounts for fees collected by the Butler County Department of Environmental Services for the processing and disposal of sewage.

Water - This fund accounts for fees collected by the Butler County Department of Environmental Services for providing water services for Butler County residents.

Government Services Center (GSC) Parking Facility - This fund accounts for fees collected by the Butler County Commissioners from customers parking in the GSC parking facility and expenses relative to its operation.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Internal Service Funds

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

Fiduciary Funds

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

MEASUREMENT FOCUS

Government-Wide Financial Statements

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

Fund Financial Statements

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

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

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

BASIS OF ACCOUNTING

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

Revenues – Exchange and Non-Exchange Transactions

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

Non-exchange transactions, in which the County receives value without directly giving equal value in return, includes sales tax, property taxes, grants, entitlements and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the sale occurs. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied (see Note 6). Revenue from grants, entitlements and donations are recognized in the year in which all eligibility requirements have been satisfied.

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

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

Deferred Revenue

Deferred revenue arises 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, 2007,

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

but which were levied to finance year 2008 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

Cash and Cash Equivalents

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

During fiscal year 2007, investments were limited to the First American Treasury Money Market Mutual Fund, STAROhio, Federal Farm Credit Bank Bonds, Federal Home Loan Bank Bonds, Federal Home Loan Mortgage Corporation Bonds and Federal National Mortgage Association Bonds. Investments are reported at fair value, which is based on quoted market prices, with the exception of certificates of deposit, which are reported at cost. The fair value of the mutual funds is determined by the fund's December 31, 2007, share price. Note 5 provides a detailed disclosure regarding cash, cash equivalents and investments held by the County.

STAROhio is an investment pool managed by the State Treasurers Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the Securities and Exchange Commission (SEC) as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2007.

Interest earned on investments is distributed to the General Fund, except as stipulated by the Ohio Constitution or State statute. Interest revenue credited to the General Fund during 2007 amounted to \$12,699,183 which includes \$10,854,472 assigned from other County funds.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents in Segregated Accounts

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

Statement of Cash Flows

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

Cash and Cash Equivalents Held with Fiscal Agents

Certain trust accounts that are held by the County, which include bond accounts and reserve accounts, are used to accumulate future principal and interest payments on bonds. These bank accounts are represented by "Restricted Assets: Cash and cash equivalents with fiscal agents".

Inventories and Prepaid Items

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

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

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

Interfund Transactions

On fund financial statements, receivables and payables arising between funds for goods provided or services rendered, are classified as "due from other funds" or "due to other funds". Long-term interfund loans are classified as "advances to / from other funds" and the advances to is equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources. These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business type activities which are presented as internal balances.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted Assets

Restricted assets consist of certain trust accounts held by the Department of Environmental Services, which includes bond accounts, bond reserve accounts, replacement and improvement accounts and construction accounts. Cash and investments in the accounts are held by trustee financial institutions. The bond accounts are used to accumulate periodic principal and interest payments. The bond reserve accounts are to be funded in an amount equal to the maximum annual bond principal and interest requirement. In addition, water customer deposits are presented as restricted equity in pooled cash and cash equivalents.

Capital Assets

Capital assets, which include property, plant equipment and infrastructure assets (e.g. roads, bridges and culverts), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets used by the enterprise funds are also reported in the respective funds. Capital assets are defined by the County as assets with an initial individual cost of more than \$15,000 (amount not rounded) and an estimated useful life of one year or any asset with an estimated useful life in excess of ten or more years. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. For certain assets estimates were calculated by indexing estimated current costs back to the year of acquisition.

The costs of normal maintenance and repairs that do not add to the value of the asset, or do not materially extend the useful life of the asset are not capitalized.

All reported capital assets except for land, construction in process, and infrastructure are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Useful Lives</u>
Buildings	30 - 60 years
Building and Land Improvements	10 - 60 years
Water and Sewer Mains	40 years
Furniture, Fixtures and Equipment	3 - 30 years
Vehicles	5 - 7 years
Airport Infrastructure	30 - 60 years



**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

Capitalization of Interest

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

Compensated Absences

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

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, compensated absences are recognized as

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

liabilities and expenditures to the extent that payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The non-current portion of the liability is not reported in governmental funds. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Accrued Liabilities and Long-term Obligations

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

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

Fund Balance Reserves/Designations

The County reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Fund balances are reserved for Encumbrances, Loans, Long-Term Receivables, Debt Service, and Advances. Unreserved fund balance indicates that portion of fund equity that is available for appropriation in future periods.

In June 2005 the Commissioners passed a resolution increasing the permissive sales tax by one-half percent for the design, engineering, purchase, and installation of a county-wide 800 megahertz public safety radio communications system. Revenues received from this tax have been designated for the aforementioned purpose.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements 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 County or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net assets restricted for other purposes include funds for the operation of a school; resident homes for the mentally retarded and developmentally disabled; the medical, financial and social support to general relief recipients; the support and placement of children; and County road and bridge repair/improvement programs.

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

The government wide statement of net assets reports \$131,808,560 of restricted net assets, none of which is restricted by enabling legislation.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for water distribution, wastewater treatment, parking facility operations, self-insurance programs and the County Fuel Depot operations. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. Revenues and expenses that do not meet these criteria are considered non-operating revenues and expenses and are reported as such. All revenues of the Department of Environmental Services (sewer and water operations) are used as security for revenue bonds issued.

Contributions of Capital

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

Internal Activity

Transfers within governmental activities are eliminated on the government-wide financial statements.

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Bond Premiums/Issuance Costs

On the government-wide financial statements (and in the enterprise funds), bond premiums are deferred and amortized over the term of the bonds using the straight-line (bonds outstanding) method, which approximates the effective interest method. Bond premiums are presented as additions/reductions to the face amount of bonds payable. Issuance costs are amortized on a straight-line basis over the term of the bonds and are reported as deferred charges.

On the governmental fund financial statements, issuance costs and bond premiums are recognized in the period in which the debt is issued.

Gain/Loss on Advance Refunding

On the government-wide financial statements (and in the enterprise funds), an advance refunding resulting in the defeasance of debt generates an accounting gain or loss calculated by comparing the reacquisition price and the net carrying amount of the old debt. This accounting gain/loss is amortized as interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as an increase/reduction of the face amount of the new debt.

Estimates

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

Budgets

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

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

Estimated Resources

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

Appropriations

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

BUDGETARY BASIS OF ACCOUNTING

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

The Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budget Basis) for the general and major special revenue funds are presented on the budget basis to provide a meaningful comparison of actual results with the budget.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The major differences between the budget basis and the GAAP basis are as follows:

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

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

	<u>Net Change in Fund Balance</u>					
	General	Mental Retardation	Job and Family Services	Children Services Agency	Mental Health	Motor Vehicle
GAAP Basis	\$ 7,775,524	\$ 5,558,274	\$ 2,402,046	\$ (2,430,222)	\$ 5,572,821	\$ (4,094,886)
Revenue Accruals	(1,830,141)	(933,238)	(1,889,931)	1,433,119	665,981	(421,473)
Expenditure Accruals	(966,608)	(230,673)	(639,604)	580,825	(569,590)	600,711
Encumbrances	(2,399,977)	(1,715,659)	(250,305)	(907,485)	(3,424,701)	(3,651,311)
Notes Issued	-	-	-	-	-	(374,761)
2006 Decrease in Fair Value of Investments	50,138	-	-	-	-	-
2007 Increase in Fair Value of Investments	(1,146,143)	-	-	-	-	-
Advances	(360,000)	-	-	-	-	-
Budget Basis	<u>\$ 1,122,793</u>	<u>\$ 2,678,704</u>	<u>\$ (377,794)</u>	<u>\$ (1,323,763)</u>	<u>\$ 2,244,511</u>	<u>\$ (7,941,720)</u>

NOTE 3 - CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCE/NET ASSETS

For 2007, the County has implemented Governmental Accounting Standards Board (GASB) Statement No. 45, "Accounting and Financial Reporting by Employers for Post employment Benefits Other Than Pensions", GASB Statement No. 48, "Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues", and GASB Statement No. 50, "Pension Disclosures".

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

NOTE 3 - CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCE/NET ASSETS (Continued)

GASB Statement No. 45 improves the relevance and usefulness of financial reporting by requiring systematic, accrual-basis measurement and recognition of OPEB costs over a period that approximates employees' years of service and providing information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan. An OPEB liability at transition was determined in accordance with this Statement for both the OPERS and the STRS post-employment healthcare plans in the amount of \$437,920 and \$1,241, respectively, which are the same as the previously reported liabilities.

GASB Statement No. 48 addresses how to account for the exchange of an interest in expected cash flows from collecting specific receivables or specific future revenues for immediate cash payments. The statement established criteria used to determine whether the transaction should be recorded as revenue or as a liability (a sale or a collateralized borrowing). The implementation of this statement did not result in any change to the financial statements.

GASB Statement No. 50 requires employers contributing to defined benefit pension plans to include the legal or contractual maximum contribution rates in the notes to the financial statements. The implementation of this statement did not result in any change to the financial statements.

RESTATEMENT OF FUND BALANCE/NET ASSETS

The restatement is due to accounting changes for the Solid Waste District, Special Assessments and major fund classification. These adjustments had the following effect on the fund balance as they were previously reported.

Governmental Funds - Restatement

		<u>All Other Governmental</u>
Fund Balance at December 31,2006	\$	33,887,770
Equity and Pooled Cash and Cash Equivalents		846,344
Change in Major Fund Classification:		
Mental Health Fund		(4,946,125)
Motor Vehicle Fund		(12,434,827)
Bond Retirement Fund		11,120,386
Adjusted Fund Balance at December 31,2006	\$	<u><u>28,473,548</u></u>

Governmental Activities - Restatement

Net Asset balance at December 31,2006	\$	414,190,670
Equity and Pooled Cash and Cash Equivalents		846,344
Special Assessments Receivable		(2,953,257)
Adjusted Net Asset Balance at December 31,2006	\$	<u><u>412,083,757</u></u>

**BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 4 - ACCOUNTABILITY/OTHER MATERIAL NON-COMPLIANCE

ACCOUNTABILITY

At year-end, the Building Construction and Renovation, Road Improvement, County Care Facility, Technology and Other Capital Improvement funds had deficit fund balances of \$633,666, \$1,133,882, \$16,248, \$3,170,032, and \$263,381 respectively. The Workers Compensation and County Fuel Depot Internal Service Funds had negative net asset balances of \$2,003,506 and \$8,089. The deficits occurring in the Capital Improvement Funds arise from the issuance of short-term bond anticipation notes which are used to finance the projects until bonds are issued. These deficits will be alleviated when the bonds are issued or when the notes are paid.

The County Care Facility has a deficit fund balance due to accrued liabilities. The General Fund will provide cash when needed. The Workers Compensation deficit has been addressed by management by increasing the percentage charged to participating funds from 1% to 2%. The County Fuel Depot fund was created in 2006. The County Fuel Depot fund will repay the advance to the General Fund once user charges become sufficient to alleviate the deficit. The County will continue to monitor charges for services in relation to expense to determine if rate increases will be needed.

OTHER MATERIAL NON-COMPLIANCE

The County did not certify the availability of funds for certain commitments as required by Ohio Revised Code, section 5705.41 (D).

During 2007, the County had appropriations in excess of estimated resources in the Mental Health Fund and Motor Vehicle Fund at interim periods during the year.

The County will monitor budgetary controls more closely in the future to alleviate such compliance issues.

NOTE 5 - DEPOSITS AND INVESTMENTS

CASH

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

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



**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

1. 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 and interest by the United States; or any book entry zero-coupon United States treasury security that is a direct obligation of the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio or its political subdivisions;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
7. The State Treasurer's investment pool (STAR Ohio);
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to exchange similar securities, or cash, equal value for equal value;
9. Up to twenty-five percent of the County's average portfolio in either of the following:
  - a. commercial paper notes in entities incorporated under the laws of Ohio or any other State that have assets exceeding five hundred million dollars rated at the time of purchase, which are rated in the highest qualification established by two nationally recognized standard rating services, which do not exceed 10 percent of the value of the outstanding commercial paper of the issuing corporation and which mature within two hundred seventy days after purchase;
  - b. bankers acceptances eligible for purchase by the federal reserve system and which mature within one hundred eighty days after purchase;
10. Up to 15 percent of the County's average portfolio in notes issued by United States corporations or by depository institutions that are doing business under authority granted by the United States provided the notes are rated in the second highest or higher category by at least two nationally recognized standard rating services at the time of purchase and the notes mature within two years from the date of purchase;

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

11. No-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service consisting exclusively of obligations guaranteed by the United States, securities issued by a federal government agency or instrumentality, and/or highly rated commercial paper; and
12. Up to 1 percent of the County's average portfolio in debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government.

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

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

DEPOSITS

Custodial credit risk for deposits is the risk that in the event of bank failure, the County will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$1,490,837 of the County's bank balance of \$111,996,812 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the County to a successful claim by the FDIC.

The County has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the County or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least 105 percent of the deposits being secured.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

INVESTMENTS

As of December 31, 2007, the County had the following investments:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less Than 1	1-2	3-4
First American Treasury Money Market Mutual Fund	\$ 12,789,536	\$ 12,789,536	\$ -	\$ -
STAROhio	811,905	811,905	-	-
Federal Farm Credit Banks Bonds	1,295,000	-	1,295,000	-
Federal Home Loan Banks Bonds	51,261,256	15,113,226	29,110,830	7,037,200
Federal Home Loan Mortgage Corporation Bonds	32,585,462	7,997,657	23,572,735	1,015,070
Federal National Mortgage Association Bonds	32,178,760	8,631,295	18,419,889	5,127,576
Total Investments	<u>\$ 130,921,919</u>	<u>\$ 45,343,619</u>	<u>\$ 72,398,454</u>	<u>\$ 13,179,846</u>

Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase, thereby affording potential purchasers more favorable rates on essentially equivalent securities. The investment policy restricts the Treasurer from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the County.

**Credit Risk.** The First American Treasury Money Market Mutual Fund, Federal Farm Credit Bank Bonds, Federal Home Loan Banks Bonds, Federal Home Loan Mortgage Corporation Bonds and Federal National Mortgage Association Bonds carry a rating of Aaa by Moody's and AAA by Standard and Poor's and Fitch. STAR Ohio carries a rating of AAA by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market mutual funds be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service. The County's investment policy limits investments to those authorized by the State statute.

The following table indicates the percentage of each investment compared to the County's total portfolio.

	Fair Value	Percentage of Portfolio
Federal Home Loan Banks Bonds	\$ 51,261,256	39.15%
Federal Home Loan Mortgage Corporation Bonds	32,585,462	24.89%
Federal National Mortgage Association Bonds	32,178,760	24.58%

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

NOTE 6 - PROPERTY TAXES

Property taxes include amounts levied against real, public utility, and tangible personal property. The assessed value by property classification upon which the 2007 collection year tax revenue was based is as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Property	\$ 7,124,731,780
Tangible Personal Property	604,188,591
Public Utility Personal Property	236,656,000
Total	<u>\$ 7,965,576,371</u>

Ohio law prohibits taxation of property by all overlapping taxing authorities in excess of 10 mills per dollar of assessed value without a vote of the people. Presently, the County levies 1.95 mills of this 10 mill limit. In addition to the 1.95 mills, voted levies in the amount of 9.00 mills have been approved for the Mental Retardation Board, Mental Health Board, Children Services Agency, Animal Shelter and Senior Citizens Services. A summary of voted levies follows:

<u>Purpose</u>	<u>Date</u>	<u>Authorized Rate</u>	<u>R/A</u>	<u>C/I</u>	<u>Year</u>
Mental Retardation Board	2004	1.00	0.93	0.99	Continuing
Mental Retardation Board	2000	2.00	1.56	1.89	Continuing
Mental Health Board	1985	0.50	0.23	0.30	2014
Mental Health Board	2006	1.00	0.99	1.00	2010
Children Services Agency	2003	2.00	1.83	1.99	2007
Animal Shelter	2006	0.50	0.49	0.5	2006
Senior Citizens	2005	2.00	1.86	1.99	2009
Total		<u>9.00</u>	<u>7.89</u>	<u>8.66</u>	

Ohio law provides for a reduction in the rates of voted levies to offset increased values resulting from a reappraisal of real property. Reduction factors are applied to authorized voted levies so that each levy yields the same amount of property taxes on carry-over property as in the year in which the levy was approved.

Increases to voted levy revenues are restricted to assessments for new construction. The reduction factors are computed annually and applied separately for (R/A) residential/agricultural property and (C/I) commercial/industrial property.

Taxes collected on real property (other than public utility) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of the appraised market value. A general reappraisal is mandated by Ohio law every six years with an update at the three-year midpoint. The most recent revaluation was completed in 2002, with a triennial update completed in 2005. Taxes assessed from the 2007 update are payable in 2008. Real property

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 6 - PROPERTY TAXES (continued)

taxes are payable annually or semiannually. The first payment is due December 31, with the remainder payable June 20, unless extended.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values as of December 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) was assessed for ad valorem taxation purposes at 25 percent of its true value for capital assets and 23 percent of true value for inventory.

The tangible personal property tax is being phased out. The assessment percentage for all property including inventory for 2007 is 12.5 percent. This will be reduced to 6.25 for 2008 and zero for 2009.

Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30 with 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. Public utility property taxes are payable on the same date as real property taxes described previously.

The County Treasurer collects property tax on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portions of the taxes collected. Property taxes receivables represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2007 and for which there is an enforceable legal claim. In the General, Mental Health, Mental Retardation, Elderly Services, Miami Conservancy and Children Services Funds the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2007 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

NOTE 7 - PERMISSIVE SALES TAX

In 2007, \$41,256,564 of permissive sales tax was received into the General Fund. Of this total, \$20,628,282 was based upon a permanent one-half percent tax on all retail sales made in the County. Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies to the Office of Budget Management the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of each month. The Tax Commissioner shall then, on or before the twentieth day of the month in which certification is made, provide for payment to the County.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 7 - PERMISSIVE SALES TAX (continued)

In June 2005 the Commissioners passed a resolution increasing the permissive sales tax by one-half percent for the design, engineering, purchase, and installation of a county-wide 800 megahertz public safety radio communications system. This sales tax took effect in October 2005 and expired September 2007. The County received \$20,628,282 in 2007 for the new sales tax.

In 2007 the Commissioners repealed the resolution that was passed in 2005 and passed another resolution imposing a temporary sales tax of one-fourth of one percent (.25%) commencing July 1, 2007 and ending January 1, 2008 and an additional permanent sales tax increase of one-fourth of one percent (.25%) commencing July 1, 2007.

NOTE 8 - RECEIVABLES

Receivables at December 31, 2007, consisted of taxes, unpaid utilities, intergovernmental receivables arising from grants, accrued interest, special assessments, loans, tax incremental financing, interfund receivables, entitlements, and shared revenues. Loans receivable represent general fund advances to agency funds and low-interest loans for development projects and home improvements granted to eligible County residents and businesses under the Federal Community Development Block Grant Program. The Block Grant loans bear interest at annual rates between two and five percent. These loans are to be repaid over periods ranging from two to five years. The Due from Other Governments represent a long-term receivable due from the Metroparks for their portion of the 2006 various purpose general obligation bond issue. The Tax Incremental Financing amount relates to dollars collected through Real Estate taxes that are marked for capital improvements in Butler County. All receivables are considered collectable in full, including amounts receivable which, if delinquent, may be certified and collected as a special assessment, subject to foreclosure for nonpayment. The following are receivables expected to be collected in more than one year: Special Assessments \$7,916,037, Due from Other Governments \$4,485,000, Loans Receivable \$884,411 and Tax Incremental Financing \$15,710,846.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 8 – RECEIVABLES (continued)

A summary of intergovernmental receivables follows:

<u>Governmental Activities:</u>	<u>Amount</u>
Workforce Development	\$ 1,255,529
Womens Program	186,030
Victims of Crime	62,503
Title XX	60,535
Title XIX	1,413,138
Title IV-B	72,488
TASC Program	80,135
TANF Demonstration	52,053
State Per Capita- Treatment	485,367
State Child Allocation	748,436
State 505 Subsidy	1,279,180
State 408 Flex Subsidy	2,237,513
State 401 Subsidy	90,991
Public Assistance	12,232,516
Prison Diversion Grant	477,660
Motor Vehicle License Tax	3,864,394
Medicaid/Medicare	1,602,878
LPA	1,191,772
Local Government	2,735,282
Jail Diversion Grant	53,902
Indigent Defense Reimbursements	367,927
Home Grant	505,955
HB 484 Child Welfare Services	62,048
Gasoline Tax	1,037,132
Felony Delinquent Care and Custody Grant	550,704
Federal Per Capita-Treatment	530,081
Federal Per Capita-Prevention	206,509
Drug Court	80,000
Court Fines and Fees	107,852
Core Over/Under	2,523,072
Community Corrections Grant	806,512
CDBG Grant	891,189
CBCF Subsidy	1,424,732
Boarding of Prisoners	1,263,875
Adolescent Treatment	150,000
Metroparks	4,550,000
Twelfth District Court Reimbursements	466,303
All Other	851,267
<b>Total Governmental Activities</b>	<b>\$ 46,557,460</b>

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

NOTE 8 – RECEIVABLES (continued)

<u>Agency Fund Activities</u>	
Local Government	\$ 11,198,793
Motor Vehicle License Tax	982,983
Permissive Tax	152,655
Gasoline Tax	705,100
Court Fines and Fees	22,177
Total Agency Fund Activities	<u>\$ 13,061,708</u>

NOTE 9 - CAPITAL ASSETS

Primary government capital asset activity for the year ended December 31, 2007, was as follows:

	Balance At December 31, 2006	Additions	Deletions	Balance At December 31, 2007
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 10,140,092	\$ 313,460	\$ (17,766)	\$ 10,435,786
Infrastructure:				
Roads	160,464,415	3,399,357	(826,048)	163,037,724
Bridges	64,783,331	2,389,858	-	67,173,189
Culverts	14,464,058	-	(464,766)	13,999,292
Construction in Progress	9,533,350	20,195,084	(8,140,847)	21,587,587
Total Capital Assets, Not Being Depreciated	<u>259,385,246</u>	<u>26,297,759</u>	<u>(9,449,427)</u>	<u>276,233,578</u>
Depreciable Capital Assets:				
Land Improvements	7,845,644	1,403,708	-	9,249,352
Buildings and Improvements	124,301,075	3,365,797	(436,760)	127,230,112
Furniture, Fixtures and Equipment	31,113,916	1,810,880	-	32,924,796
Vehicles	9,179,941	307,962	-	9,487,903
Total Depreciable Capital Assets	<u>172,440,576</u>	<u>6,888,347</u>	<u>(436,760)</u>	<u>178,892,163</u>
Total Capital Assets At Historical Cost	<u>431,825,822</u>	<u>33,186,106</u>	<u>(9,886,187)</u>	<u>455,125,741</u>
Less Accumulated Depreciation:				
Land Improvements	(1,724,282)	(221,766)	-	(1,946,048)
Buildings and Improvements	(37,448,039)	(3,745,117)	49,150	(41,144,006)
Furniture, Fixtures and Equipment	(12,865,848)	(2,475,789)	-	(15,341,637)
Vehicles	(6,884,866)	(653,494)	-	(7,538,360)
Total Accumulated Depreciation	<u>(58,923,035)</u>	<u>(7,096,166)</u>	<u>49,150</u>	<u>(65,970,051)</u>
Depreciable Capital Assets, Net	<u>113,517,541</u>	<u>(207,819)</u>	<u>(387,610)</u>	<u>112,922,112</u>
Governmental Activities Capital Assets, Net	<u>\$372,902,787</u>	<u>\$ 26,089,940</u>	<u>\$ (9,837,037)</u>	<u>\$ 389,155,690</u>



**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

**NOTE 9 - CAPITAL ASSETS (continued)**

	Balance At December 31, 2006	Additions	Deletions	Balance At December 31, 2007
Business-Type Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 1,263,110	\$ 393,380	\$ -	\$ 1,656,490
Construction in Progress	51,465,137	7,944,240	(28,342,427)	31,066,950
Total Capital Assets, Not Being Depreciated	<u>52,728,247</u>	<u>8,337,620</u>	<u>(28,342,427)</u>	<u>32,723,440</u>
Depreciable Capital Assets:				
Land Improvements	2,930,775	168,375	-	3,099,150
Buildings and Improvements	65,611,032	4,875,722	-	70,486,754
Furniture, Fixtures and Equipment	53,440,856	8,347,521	-	61,788,377
Vehicles	2,586,185	243,618	-	2,829,803
Water and Sewer Mains	269,421,657	19,700,740	-	289,122,397
Total Depreciable Capital Assets	<u>393,990,505</u>	<u>33,335,976</u>	<u>-</u>	<u>427,326,481</u>
Total Capital Assets At Historical Cost	<u>446,718,752</u>	<u>41,673,596</u>	<u>(28,342,427)</u>	<u>460,049,921</u>
Less Accumulated Depreciation:				
Land Improvements	(1,208,413)	(133,592)	-	(1,342,005)
Buildings and Improvements	(19,233,945)	(2,425,608)	-	(21,659,553)
Furniture, Fixtures and Equipment	(28,926,011)	(3,903,771)	-	(32,829,782)
Vehicles	(2,096,994)	(145,096)	-	(2,242,090)
Water and Sewer Mains	(81,844,535)	(7,258,374)	-	(89,102,909)
Total Accumulated Depreciation	<u>(133,309,898)</u>	<u>(13,866,441)</u>	<u>-</u>	<u>(147,176,339)</u>
Depreciable Capital Assets, Net	<u>260,680,607</u>	<u>19,469,535</u>	<u>-</u>	<u>280,150,142</u>
Business-Type Activities Capital Assets, Net	<u>\$ 313,408,854</u>	<u>\$ 27,807,155</u>	<u>\$ (28,342,427)</u>	<u>\$ 312,873,582</u>

Depreciation expense was charged to governmental functions as follows:

General Government:	
Legislative and Executive	\$ 2,657,539
Judicial	363,010
Public Safety	2,214,770
Public Works	856,596
Health:	
Mental Health	3,620
Mental Retardation and Developmental Disabilities	657,336
Drug and Alcohol	35,582
Other Health	7,649
Human Services:	
Children Services Board	92,906
County Care Facility	92,471
Job and Family Services	52,689
Other Human Services	61,998
Total Depreciation Expense	<u>\$ 7,096,166</u>

Additions to business-type capital assets being depreciated include \$4,255,492 in assets donated by property developers, as well as \$2,402,836 in assets donated by customers.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 10 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; damage to, theft of, or destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2007 the County contracted with County Risk Sharing Authority Inc. (CORSA) (a risk sharing pool - see Note 21) for liability, property, and crime damage. Coverage provided by the pool is as follows:

Property Coverage:

Blanket all risks of direct physical loss or damage  
 \$100,000,000 Annual Aggregate pool limit for flood and earthquake

Liability Coverage:

Automobile Liability	\$	6,000,000
Uninsured Motorist		250,000
General Liability		6,000,000
Stop Gap Liability		1,000,000
Law Enforcement Liability		6,000,000
Errors and Omissions Liability		6,000,000
Medical Professional Liability		6,000,000

Crime:

Employee Dishonesty/Faithful Performance	1,000,000
Money and Securities (Inside)	1,000,000
Money and Securities (Outside)	1,000,000
Money Orders and Counterfeit Currency	1,000,000
Depositor's Forgery	1,000,000

Boiler and Machinery	100,000,000
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Business Interruption	1,000,000
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Deductible:

General, Law Enforcement and Public Officials	25,000
Each and every loss/claim and/or occurrence	5,000

Settled claims have not exceeded coverage in any of the last three years. The County has had no reduction in coverage in 2007.

The County has workers' compensation coverage for all employees which is accounted for in a self-insurance internal service fund. Claims, liabilities and expenses are estimated through a case by case review of all claims. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. The County maintains a retrospective rating plan for workers' compensation insurance.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 10 - RISK MANAGEMENT (Continued)

The historical changes in claims payable (based on 12/31/07 MIRA reserves) during years December 31, 2006 and 2007 are as follows:

	Liability - Beginning of Year	Current Year Claims and Changes in Estimates	Claims Payments	Liability - End of Year
2006	\$ 3,382,385	\$ 1,052,076	\$ 766,877	\$ 3,667,584
2007	\$ 3,667,584	\$ 1,177,124	\$ 1,005,276	\$ 3,839,432

During 2007, the County participated in a risk-sharing pool, the County Employee Benefits Consortium of Ohio, Inc. (CEBCO). CEBCO charges a fixed premium per month per enrolled employee. The premiums, along with an administrative charge, are paid into the Health Insurance internal service fund by the participating County funds and, in turn, the premiums are paid to CEBCO. Premiums charged by CEBCO are based upon the County's claims experience. An excess coverage policy covers annual individual claims in excess of \$125,000 with an unlimited maximum. CEBCO retains liability for claims that exceed the expected losses and charged premiums.

NOTE 11 - CAPITAL LEASES

During 2007 and in prior years, the County has entered into capital leases to finance various county purchases. The leases meet the criteria of a capital lease as defined by Statement of Financial Accounting standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reported as program expenditures in the budgetary statements.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 11 - CAPITAL LEASES (Continued)

General capital assets consisting of buildings, vehicles, software and equipment have been capitalized in the amount of \$4,565,229. This amount represents the present value of the minimum lease payments at the time of acquisition. Principal payments in 2007 totaled \$1,000,089 in the governmental funds.

	<u>Governmental Activities</u>
Asset:	
Buildings	\$ 87,215
Furniture, Fixtures, and Equipment	3,398,427
Vehicles	1,079,587
Less: Accumulated depreciation	(543,641)
Total Net Book Value	<u>\$ 4,021,588</u>

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2007:

<u>Year</u>	<u>Amount</u>
2008	\$ 1,215,346
2009	522,248
2010	437,257
2011	323,139
2012	224,844
Total	<u>2,722,834</u>
Less Amount Representing Interest	(190,572)
Present Value of Net Minimum Lease Payments	<u>\$ 2,532,262</u>

NOTE 12 - DEFINED BENEFIT PENSION PLANS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Plan Description – The County participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2007, members in state and local classifications contributed 9.5% of covered payroll, public safety members contributed 9.75%, and law enforcement members contributed 10.1%.

The County's contribution rate for 2007 was 13.85 percent, except for those plan members in law enforcement or public safety, for whom the County's contribution was 17.17 percent of covered payroll. For the period January 1 through June 30, a portion of the County's contribution equal to 5 percent of covered payroll was allocated to fund the post-employment health care plan; for the period July 1 through December 31, 2007 this amount was increased to 6 percent. Employer contribution rates are actuarially determined. State statute sets a maximum contribution rate for the City of 14 percent, except for public safety and law enforcement, where the maximum employer contribution rate is 18.1 percent.

The County's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2007, 2006 and 2005 were \$8,774,716, \$9,129,175 and \$8,161,938 respectively; 86 percent has been contributed for 2007; 100 percent for 2006 and 2005. Contributions to the member-directed plan for 2007 were \$176,545 made by the County and \$121,095 made by the plan members.

STATE TEACHERS RETIREMENT SYSTEM (STRS)

Plan Description – Certified teachers, employed by the school for Mental Retardation and Developmental Disabilities, participate in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand alone financial report that may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan, and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service or an allowance based on member contributions and earned interest matched by STRS Ohio funds, times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits.

Funding Policy – For the fiscal year ended June 30, 2007, plan members were required to contribute 10 percent of their annual covered salaries. The County was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2006, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The County's required contributions for pension obligations to the DB Plan for the years ended December 31, 2007, 2006, and 2005 were \$166,667, \$161,074, and \$226,214, respectively; 90 percent has been contributed for year 2007 and 100 percent for years 2006 and 2005. Contributions to the DC and Combined plans for 2007 were \$22,144 made by the County and \$21,089 made by the plan members.

NOTE 13 - POSTEMPLOYMENT BENEFITS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Plan Description – OPERS maintains a cost sharing multiple employer defined benefit post-employment health care plan for qualifying members of both the traditional and combined pension plans. Members of the member directed plan do not qualify for ancillary benefits, including post-employment health care. The plan includes a medical plan, a prescription drug program and Medicare Part b premium reimbursement.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 13 - POSTEMPLOYMENT BENEFITS (continued)

To qualify for post-employment health care coverage, age and service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not require, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 4642 or by calling (614) 222-5601 or 800-222-7377.

Funding Policy – The post-employment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401 (h). State statute requires that public employers fund post-employment health care through contributions to OPERS. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2007, local government employers contributed 13.85 percent of covered payroll (17.17 percent for public safety and law enforcement). Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding post-employment health care benefits. The amount of the employer contributions which was allocated to fund post-employment health care was 5.00 percent of covered payroll from January 1 through June 30, 2007, and 6.00 percent from July 1 to December 31, 2007. The retirement board is also authorized to establish rules for the payment of a portion of the health care benefits by the retiree or the retiree's surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

The County's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2007, 2006, and 2005 were \$5,556,996, \$3,649,338 \$3,761,986 respectively; 86 percent has been contributed for 2007 and 100 percent for 2006 and 2005.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan which was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 13 - POSTEMPLOYMENT BENEFITS (continued)

STATE TEACHERS RETIREMENT SYSTEM (STRS)

Plan Description – Ohio law authorizes STRS Ohio to offer a cost-sharing, multiple employer health care plan to eligible retirees who participated in the defined benefit or the combined pension plans and their eligible family members. Coverage includes hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare Part B premiums. Benefit provisions and the obligation to contribute are established by the STRS Ohio based on authority granted by State statute.

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS Ohio.

STRS Ohio issues a financial report that includes financial information for the health care plan. Interested parties can view the most recent report at [www.strsoh.org](http://www.strsoh.org) or obtain a copy by calling (888) 227-7877.

Funding Policy – Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14 percent employer contribution rate, 1 percent of covered payroll was allocated to post-employment health care for the years ended June 30, 2007, 2006 and 2005. The 14 percent contribution is the maximum rate allowed under Ohio law.

All benefit recipients pay a portion of the health care cost in the form of a monthly premium. The County's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2007, 2006, and 2005 were \$10,861, \$13,075 and \$17,852 respectively; 95 percent has been contributed for 2007 and 100 percent for 2006 and 2005.

NOTE 14 - OTHER EMPLOYEE BENEFITS

COMPENSATED ABSENCES

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

HEALTH CARE BENEFITS

The County has elected to provide employee medical/surgical benefits through the County Employee Benefits Consortium of Ohio (CEBCO). Dental insurance is provided to all employees as a function of the health care plan through the Metropolitan Insurance Company.



**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 15 – PRIOR YEAR DEFEASANCE OF REVENUE BONDS

PRIOR YEAR DEFEASANCE OF REVENUE BONDS

Effective November 1, 1989 the County entered into an Escrow Trust Agreement with the First National Bank of Southwestern Ohio. The agreement provided that the County deposit \$1,067,973 from operating revenues into an irrevocable trust with the bank for the payment to final maturity of outstanding revenue bonds from the U.S. Treasury obligations in substitution of the revenues of the waterworks system. The funds deposited, together with interest earned thereon, shall be sufficient to pay annual bond principal and semiannual interest payments, thus providing an in-substance defeasance.

As of March 1, 2005 an escrow trust agreement went into effect between the Bank of New York and Butler County. The agreement provided that \$14,833,963 from the proceeds of the 2005 Water Refunding Bonds, \$668,608 from the reoffering premium, and \$1,270,000 from the 1996 Water Debt Service Reserve Account be deposited into an irrevocable trust account with the bank for the payment to final maturity of the outstanding 1996 Water Revenue Bonds. The funds deposited, together with interest earned thereon, shall be sufficient to pay annual bond principal and semiannual interest payments, thus providing an in-substance defeasance.

Effective June 1, 2005 the County entered into an escrow trust agreement with U.S. Bank National Association for the partial refunding of the 1997, 1998 and 1999 Sewer Revenue Bonds. The County deposited \$20,983,483 of the 2005 Sewer Refunding bonds into an irrevocable trust account with the bank for the payment of the bonds maturing 2008 through 2017 for the 1997 Sewer Bonds, 2009 through 2023 for the 1998 Sewer Bonds, and 2010 through 2019 for the 1999 Sewer Bonds. The funds deposited, together with interest earned thereon, shall be sufficient to pay annual bond principal and semiannual interest payments, thus providing an in-substance defeasance

On June 1, 2005 the County entered into an escrow trust agreement with the Bank of New York Trust Company, N.A. The agreement stipulated that \$28,696,561 from the proceeds of the 2005 Refunding Bonds \$1,911,519 from the reoffering premium, and \$2,300,000 from the 1997 Debt Service Reserve account be deposited into an irrevocable trust account with the bank for the payment to final maturity of the outstanding 1997 Government Services Center General

Obligation and Sales Tax Bonds. The funds deposited, together with interest earned thereon, shall be sufficient to pay annual bond principal and semiannual interest payments, thus providing an in-substance defeasance.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

**NOTE 15 – PRIOR YEAR DEFEASANCE OF REVENUE BONDS (continued)**

<u>Refunded Revenue Bond Issues</u>	<u>Original Issue</u>	<u>Unmatured and Unpaid at December 31, 2007</u>
Fairfield Liberty Sewer District Number 2		
Dated April 1, 1968	\$ 525,000	\$ 30,000
Water Revenue		
Dated April 1, 1996	14,075,000	12,380,000
Sewer		
Dated October 1, 1997	1,485,000	1,485,000
Sewer		
Dated June 1, 1998	5,490,000	5,490,000
Sewer		
Dated March 1, 1999	12,790,000	12,790,000
Sales Tax Revenue Bonds		
Dated 1997	23,810,000	20,280,000
Government Services Center		
Dated 1997	7,375,000	6,280,000

**NOTE 16 - LONG-TERM OBLIGATIONS**

Changes in the County's long-term obligations during the year consist of the following:

**GOVERNMENTAL ACTIVITIES**

<u>Types/Issues</u>	<u>Balance January 1, 2007</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance December 31, 2007</u>	<u>Due Within One Year</u>
<b>General Obligation Bonds</b>					
2002 1.43-5.25% - \$29,875,000					
Adult Detention Facility	\$ 25,805,000	-	\$ 11,950,000	\$ 13,855,000	\$ 1,180,000
Premium on Debt Issue	1,584,753	-	665,024	919,729	-
2002 1.43-5.25% - \$2,745,000					
Fiber Optic Ring	2,375,000	-	1,100,000	1,275,000	110,000
Premium on Debt Issue	146,020	-	61,275	84,745	-
2004 2.00-4.75% - \$19,255,000					
Various Purpose	17,185,000	-	905,000	16,280,000	980,000
Premium on Debt Issue	313,262	-	25,345	287,917	-
2006 3.75-5.00% - \$17,500,000					
Various Purpose	17,145,000	-	605,000	16,540,000	725,000
Premium on Debt Issue	571,829	-	28,591	543,238	-

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

**NOTE 16 - LONG-TERM OBLIGATIONS (continued)**

Types/Issues	Balance			Balance December 31, 2007	Due Within One Year
	January 1, 2007	Increases	Decreases		
<b>2007 4.00-5.25% - \$12,305,000</b>					
Various Purpose	-	12,305,000	210,000	12,095,000	20,000
Premium on Debt Issue	-	681,305	48,665	632,640	-
Less: Calculated difference between old and new debt for 2004 advance refunding	(495,838)	-	(52,327)	(443,511)	-
Less: Calculated difference between old and new debt for 2007 advance refunding	-	(500,153)	(35,725)	(464,428)	-
<b>Total General Obligation Bonds</b>	<b>64,630,026</b>	<b>12,486,152</b>	<b>15,510,848</b>	<b>61,605,330</b>	<b>3,015,000</b>
<b>Sales Tax Bonds</b>					
<b>2005 3.00-5.00% - \$29,365,000</b>					
Government Services Center	27,585,000	-	1,200,000	26,385,000	1,765,000
Premium on Debt Issue	1,665,340	-	166,533	1,498,807	-
Less: Calculated difference between old and and new debt for 2005 advance refunding	(1,501,168)	-	(150,117)	(1,351,051)	-
<b>Total Sales Tax Bonds</b>	<b>27,749,172</b>	<b>-</b>	<b>1,216,416</b>	<b>26,532,756</b>	<b>1,765,000</b>
<b>Special Assessment Bonds with Governmental Commitment</b>					
1988 7.75% - \$55,040 Water System	6,000	-	3,000	3,000	3,000
1989 7.375% - \$90,369 Water System	20,000	-	5,000	15,000	5,000
<b>2000 4.35-5.65%- \$355,000</b>					
Lakota Drive	280,000	-	235,000	45,000	15,000
<b>2000 4.35-5.65% - \$6,860,000</b>					
Mulhauser Road	5,230,000	-	4,140,000	1,090,000	345,000
<b>2000 4.35-5.65% - \$1,045,000</b>					
Union Centre Phase 2	835,000	-	695,000	140,000	45,000
<b>2001 2.40-5.10% - \$3,045,000</b>					
Union Centre Phase I & III	2,500,000	-	120,000	2,380,000	130,000
<b>2005 4.125% - \$1,144,000</b>					
Venice Gardens Sewer	1,132,310	-	12,170	1,120,140	12,670

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

**NOTE 16 - LONG-TERM OBLIGATIONS (continued)**

Types/Issues	Balance			Balance December 31, 2007	Due Within One Year
	January 1, 2007	Increases	Decreases		
2007 4.00-5.00% - \$4,790,000					
Various Purpose	-	4,790,000	85,000	4,705,000	15,000
Premium on Debt Issued	-	279,027	69,757	209,270	-
Less: Calculated Difference between old and new debt for 2007 advance refunding	-	(321,025)	(80,258)	(240,767)	-
<b>Total Special Assessment Bonds</b>	<b>10,003,310</b>	<b>4,748,002</b>	<b>5,284,669</b>	<b>9,466,643</b>	<b>570,670</b>
<b>Loans</b>					
1998 2.00% - \$1,811,520					
OPWC Mulhauser Road	779,752	-	85,039	694,713	86,748
2001 0.00% - \$789,748					
OPWC Cincinnati Dayton Road	710,772	-	39,488	671,284	39,488
2004 3.90% - \$263,660					
Oracle Software Loan	137,346	-	53,339	84,007	55,458
2007 0.00% - \$374,761					
Mulhauser and Allen Road Loan	-	374,761	-	374,761	-
<b>Total Loans</b>	<b>1,627,870</b>	<b>374,761</b>	<b>177,866</b>	<b>1,824,765</b>	<b>181,694</b>
<b>Other Long-Term Obligations</b>					
Capital Leases Payable	1,999,412	1,532,939	1,000,089	2,532,262	1,127,058
Claims Payable	3,667,584	1,177,124	1,005,276	3,839,432	1,181,255
Compensated Absences Payable	6,597,643	6,659,321	5,598,665	7,658,299	2,907,402
<b>Total Other Long-Term Obligations</b>	<b>12,264,639</b>	<b>9,369,384</b>	<b>7,604,030</b>	<b>14,029,993</b>	<b>5,215,715</b>
<b>Total Governmental Activities</b>	<b>\$ 116,275,017</b>	<b>\$ 26,978,299</b>	<b>\$ 29,793,829</b>	<b>\$ 113,459,487</b>	<b>\$ 10,748,079</b>

**BUSINESS TYPE ACTIVITIES**

Types/Issues	Balance			Balance December 31, 2007	Due Within One year
	January 1, 2007	Increases	Decreases		
<b>General Obligation Bonds</b>					
2005 4.125% - \$600,000					
Venice Gardens Sewer	593,870	-	6,380	587,490	6,650
2006 4.375% - \$3,200,000					
New Miami Sewer USDA	3,200,000	-	30,810	3,169,190	32,150
2007 4.25% - \$1,117,500					
USDA Vehicle and Equipment	-	900,000	-	900,000	205,293
<b>Total General Obligation Bonds</b>	<b>3,793,870</b>	<b>900,000</b>	<b>37,190</b>	<b>4,656,680</b>	<b>244,093</b>

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

**NOTE 16 - LONG-TERM OBLIGATIONS (continued)**

Types/Issues	Balance			Balance December 31, 2007	Due Within One year
	January 1, 2007	Increases	Decreases		
<b>Water Judgement Bonds</b>					
2002 1.55-5.25% - \$35,030,000					
Water Judgement Bonds	33,675,000	-	24,815,000	8,860,000	1,010,000
Premium on Debt Issue	435,351	-	280,563	154,788	-
2007 4.00-5.25% - \$24,135,000					
Water Judgement Bonds	-	24,135,000	395,000	23,740,000	15,000
Premium on Debt Issue	-	1,989,373	221,041	1,768,332	-
Less: Calculated Difference between old and new debt for 2007 advance refunding					
	-	(1,739,665)	(193,296)	(1,546,369)	-
<b>Total Water Judgement Bonds</b>	<b>34,110,351</b>	<b>24,384,708</b>	<b>25,518,308</b>	<b>32,976,751</b>	<b>1,025,000</b>
<b>Revenue Bonds</b>					
Water					
1999 3.00-5.00% - \$17,140,000					
	11,945,000	-	830,000	11,115,000	870,000
2005 3.50-5.00% - \$14,850,000					
Premium on Debt Issue	490,508	-	25,816	464,692	-
2005 3.00-5.125% - \$13,235,000					
Premium on Debt Issue	599,781	-	39,330	560,451	-
Less: Calculated difference between old and new debt for 2005 advance refunding					
	(1,081,453)	-	(70,915)	(1,010,538)	-
<b>Total Water</b>	<b>38,228,836</b>	<b>-</b>	<b>1,949,231</b>	<b>36,279,605</b>	<b>2,030,000</b>
Sewer					
1997 4.00-5.25% - \$2,380,000					
	110,000	-	110,000	-	-
1998 4.00-5.25% - \$23,050,000					
	10,495,000	-	1,725,000	8,770,000	1,800,000
1999 3.20-5.10% - \$28,160,000					
	8,075,000	-	1,210,000	6,865,000	1,260,000
2004 3.20-5.10% - \$19,620,000					
Premium on Debt Issue	20,124	-	1,118	19,006	-
2005 3.00-5.00% - \$19,575,000					
Premium on Debt Issue	1,779,961	-	104,704	1,675,257	-
2006 4.375-4.375% - \$4,000,000					
USDA Sewer	4,000,000	-	40,580	3,959,420	42,360
Less: Calculated difference between old and new debt for 2004 advance refunding					
	(1,489,156)	-	(99,277)	(1,389,879)	-
Less: Calculated difference between old and new debt for 2005 advance refunding					
	(1,384,852)	-	(230,809)	(1,154,043)	-
<b>Total Sewer</b>	<b>58,976,077</b>	<b>-</b>	<b>3,756,316</b>	<b>55,219,761</b>	<b>4,132,360</b>
<b>Total Revenue Bonds</b>	<b>97,204,913</b>	<b>-</b>	<b>5,705,547</b>	<b>91,499,366</b>	<b>6,162,360</b>

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

**NOTE 16 - LONG-TERM OBLIGATIONS (continued)**

Types/Issues	Balance			Balance December 31, 2007	Due Within One year
	January 1, 2007	Increases	Decreases		
<b>Loans</b>					
2005 4.19% - \$4,634,892 Cincinnati Waterworks Loan	4,457,737	-	158,882	4,298,855	165,668
2006 0% - \$710,200 OPWC Cast Iron Watermain	710,200	-	-	710,200	35,510
2006 0% - \$41,537 OPWC Watermain Improvements	41,537	833,044	-	874,581	21,865
<b>Total Loans</b>	<u>5,209,474</u>	<u>833,044</u>	<u>158,882</u>	<u>5,883,636</u>	<u>223,043</u>
<b>Other Long-Term Obligations</b>					
Compensated Absences	732,941	742,516	610,098	865,359	297,509
<b>Total Business-Type Activities</b>	<u>\$ 141,051,549</u>	<u>\$ 26,860,268</u>	<u>\$ 32,030,025</u>	<u>\$ 135,881,792</u>	<u>\$ 7,952,005</u>

**GENERAL OBLIGATION BONDS**

All general obligation bonded debt is a general obligation supported by the full faith and credit of the County. All unvoted general obligation bonds will be retired from the general fund using unvoted general property tax revenues except New Miami Sewer, Venice Gardens Sewer and USDA Vehicle Equipment Acquisition bonds which are being paid by an Enterprise fund.

*New 2007 \$12,305,000 Various Purpose Advance Refunding Bonds*

In April 2007 the County issued \$12,305,000 in Various Purpose General Obligation bonds for the purpose of advance refunding \$10,820,000 of the 2002 Adult Detention Facility bonds and \$995,000 of the 2002 Fiber Optic Bonds. The bonds were issued for a fourteen year period, with final maturity in December 2020. The bonds maturing on or after December 1, 2019, are subject to optional redemption as a whole at any time or in part on any interest payment date at the option of the County on or after June 1, 2017 at the redemption price of 101% of the principal amount redeemed.

The bond proceeds were used to partially advance refund the 2002 Adult Detention Facility and the 2002 Fiber Optic Bond Issues. The advance refunding resulted in a difference of \$500,153 between the net carrying amount of the debt and the acquisition price. The difference, reported in the accompanying financial statements as a decrease to bonds payable, is being amortized to interest expense over the life of the bonds using the straight-line method. The County's total debt service payments decreased by \$490,000 as a result of the advance refunding. The County also incurred an economic gain (difference between present values of the old and new debt service payments) of \$2,290,829

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 16 - LONG-TERM OBLIGATIONS (continued)

*New 2007 \$1,117,500 USDA Vehicle and Equipment Acquisition Bonds*

In December 2007, the County received \$900,000 in general obligation bond proceeds for Vehicle and Equipment purchases for use in the Water and Sewer Funds. These bonds are registered to the United States Department of Agriculture, Rural Development. The bonds were issued for a five year period, with the final maturity in December 2012. The bonds shall be subject to redemption at any time prior to maturity, in whole or in part, at the option of the County, in inverse order of maturity at the redemption price of one 100% of the outstanding bonds. The remaining bond proceeds of \$217,500 are expected to be received during 2008. The bonds will be paid with user charges. 46% will be paid from the Sewer Fund and 54% will be paid from the Water Fund.

In September 2006 the County issued a \$17,500,000 Various Purpose General Obligation bond for the purpose of bonding short-term bond anticipation notes for various construction projects. These projects included building expansions or renovations for Children Services, the Juvenile Detention Center, County Administration Building, Middletown Mall roof, a grand jury room and the building located at 301 South Third Street. Other projects bonded in this issue included the Symmes Road Extension, various computer hardware/software and construction of the Metro Parks lodge and lake facility at the old Voice of America property. The bonds were issued for a twenty-year period, with the final maturity in December 2026. The Bonds maturing on or after December 1, 2017 are subject to optional redemption as a whole at any time or in part on any interest payment date at the option of the County on or after December 1, 2016 at the redemption price of 100% of the principal amount redeemed.

The Bonds maturing on December 1, 2021-2026 are subject to mandatory sinking fund redemption prior to maturity at par plus accrued interest to the date of redemption in the following principal amounts on December 1 of each of the following years:

<u>Year</u>	<u>Principal Amount Subject To Mandatory Redemption</u>
2019	\$785,000
2020	\$815,000
2022	\$900,000
2024	\$830,000
2025	\$765,000

Unless previously redeemed, the remaining principal amount of \$570,000 will mature at stated maturity (December 1, 2026).

In September 2006 the County issued a \$3,200,000 General Obligation bond for the purpose of bonding short-term bond anticipation notes for the New Miami Sewer Improvement project. These bonds are registered to the United States Department of Agriculture, Rural Development.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 16 - LONG-TERM OBLIGATIONS (continued)

The bonds were issued for a forty-year period, with the final maturity in August 2046. The bonds shall be subject to redemption at any time prior to maturity, in whole or in part, at the option of the County, in inverse order of maturity at the redemption price of 100% of the outstanding bonds.

In 2004 September 2004 the County issued a \$19,255,000 General Obligation bond for the purpose of advance refunding \$8,225,000 of existing bonds and to bond \$10,415,000 of short-term bond anticipation notes. The bonds were issued for a twenty-year period, with final maturity in December 2024.

The \$10,350,000 in new bond proceeds along with existing Butler County funds were used to pay bond anticipation notes that included the Voice of America TIF, Road Improvement TID series A and the Voice of America Sewer TIF. The \$8,905,000 portion of the bond proceeds were used to advance refund the 1996 General obligations issue, 1996 Union Center Special Assessment, 1994 Wetherington Infrastructure Special Assessment, 1992 Cox Road Special Assessment, 1992 Beacon Pt. Sewer Special Assessment and the 1992 Greencrest Sewer Special Assessment.

In 2007 the County pledged the Voice of America net TIF revenues (collections less debt service and school district payments) as a primary source to the Transportation Improvement District (TID) to assist in paying for the 2007 Butler County Transportation Improvement District Highway Improvement Bonds. The County has pledged one-quarter of its Non-Tax Revenues of the General Fund as a secondary or back-up pledge. The TID Bonds have three pledged receipts for payment which include Butler County along with pledges from Liberty Township and West Chester Township. Neither the Faith and Credit nor the Taxing Power of the District, the County of Butler of the State of Ohio or any of its political subdivisions is pledged for the payment of the TID bonds.

SALES TAX BONDS

The sales tax bonds are payable solely through sales tax revenues generated by the County's one-half percent permanent permissive sales tax. These bonds were issued to construct the County's Government Services Center. The County is under no obligation to have such sales tax revenues directly paid to the bond trustees as long as the County finances all principal and interest payments due on the bonds sixty days prior to their payment date. Therefore, all payments made on the sales tax bonds are to be paid using sales tax revenue.

In June 2005 the County issued a \$29,365,000 Sales Tax bond for the purpose of advance refunding \$31,185,000 of existing bonds. The bonds were issued for a twelve year period, with final maturity in December 2016. The bonds maturing on or after December 15, 2015 are subject to optional redemption as a whole at any time or in part on any interest payment date the option of the County on or after June 15, 2015 at the redemption price of par plus accrued interest to the redemption date.



**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 16 - LONG-TERM OBLIGATIONS (continued)

The County has pledged future sales tax revenues to repay \$29,365,000 million in sales tax bonds issued in June 2005. The bonds are payable solely from sales tax revenues generated by retail sales in the County. The total interest and principal remaining on the bonds is \$32,122,850 payable through 2016. For the current year, principal and interest paid and sales tax revenues were \$2,442,975 and \$41,317,071, respectively.

SPECIAL ASSESSMENT BONDS WITH GOVERNMENTAL COMMITMENT

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

*New 2007 \$4,790,000 Series 2000 Special Assessment Refunding Bonds*

In April 2007 the County issued \$4,790,000 in Special Assessment Bonds for the purpose of advance refunding \$220,000 of the 2000 Lakota Drive Bonds and \$650,000 of the 2000 Union Center Phase II Bonds and \$3,815,000 of the 2000 Muhlhauser Road Bonds. The bonds were issued for a fourteen year period, with final maturity in December 2020. The bonds maturing on or after December 1, 2019 are subject to optional redemption as a whole at any time or in part on any interest payment date at the option of the County on or after June 1, 2017 at the redemption price of 101% of the principal amount redeemed.

The bond proceeds were used to partially advance refund the 2000 Lakota Drive Bonds, 2000 Union Center Phase II Bonds and the 2000 Muhlhauser Road Bonds. The advance refunding resulted in a difference of \$321,025 between the net carrying amount of the debt and the acquisition price. The difference, reported in the accompanying financial statements as a decrease to bonds payable, is being amortized to interest expense over the life of the bonds using the straight-line method. The County's total debt service payments decreased by \$105,000 as a result of the advance refunding. The County also incurred an economic gain (difference between present values of the old and new debt service payments) of \$420,503.

In August 2005 the County issued a \$1,144,000 special assessment bond for the purpose of bonding short-term bond anticipation notes. The bonds were issued for a forty-year period, with final maturity in August 2045. The bonds are subject to optional redemption as a whole at any time or in part, at the option of the County, in inverse order of maturity at the redemption price of 100% of the principal amount redeemed plus accrued interest, to the redemption date.

**BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 16 - LONG-TERM OBLIGATIONS (continued)

LONG TERM LOANS

*New 2007 \$374,761 Mulhauser and Allen Road Loan*

In October 2006 Butler County entered into an agreement with West Chester Township and IKEA to expand the intersection at Mulhauser and Allen Road to accommodate traffic flow needs due to the proposed IKEA store. The agreement provided funding from West Chester Township for 80% of the construction project. IKEA is providing the additional 20% of the funding needed for construction. The Butler County Commissioners have agreed to reimburse West Chester Township 50% of their project expenses from the Butler County General Fund.

In 2007 West Chester Township contributed \$749,522 for this intersection expansion. Butler County's portion of the obligation to West Chester Township is \$374,761 constituting 50% of the project costs at 12/31/07. The intersection expansion is estimated to be completed in 2008 with Butler County's total liability to West Chester Township being \$458,424. Butler County will begin making payments to West Chester Township over a 5 year period beginning 60 days after the one year anniversary of the IKEA grand opening.

In 2005, Butler County entered into a contractual agreement with the City of Cincinnati to assist in financing the construction of water lines and a master meter that runs from International Boulevard to Mulhauser Road. This expansion will allow Butler County a secondary water source and provide access to water for future development. The project was financed by the City of Cincinnati. Approximately \$549,623 of water lines will be assets of Butler County, recorded as depreciable capital assets. The remaining assets belong to the City of Cincinnati. The total amount owed to the City of Cincinnati as a result of this project is \$4,298,855. This amount has been recorded on the County's books as a long-term liability in the Water enterprise fund. A corresponding amount of \$3,870,596 has been recorded as deferred charges in the Water enterprise fund. This amount will be amortized over the life of the debt.

OPWC (Ohio Public Works Commission) loans are low interest loans from the State of Ohio for infrastructure projects and are paid by special assessments levied against the property owners who benefit from the projects.

REVENUE BONDS

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

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

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 16 - LONG-TERM OBLIGATIONS (continued)

subject to redemption at any time prior to maturity, in whole or in part, at the option of the County, in inverse order of maturity at the redemption price of one 100% of the outstanding bonds.

In June 2005 the County issued a \$19,575,000 Sewer Revenue bond for the purpose of partially advance refunding \$1,485,000 of existing 1997, \$5,490,000 of existing 1998, and \$12,790,000 of existing 1999 Sewer bonds. The bonds were issued for an eighteen year period, with final maturity in December 2023. The bonds maturing on or after December 1, 2016 are subject to optional redemption as a whole at any time or in part on any interest payment date at the option of the County on or after June 1, 2015, at the redemption price of par, plus accrued interest to the redemption date. Certain bonds maturing between December 1, 2020 and December 1, 2023 are subject to mandatory sinking fund redemption prior to maturity at par plus accrued interest to the date of redemption amount in each following years.

<u>Year</u>	<u>Principal Amount Subject to Mandatory Redemption</u>
2020	\$400,000
2021	\$425,000
2022	\$440,000

In March 2005 the County issued a \$13,235,000 Water Revenue bond for the purpose of advance refunding \$14,075,000 of existing 1996 Water bonds. The bonds were issued for a seventeen year period, with final maturity in December 2021. The bonds maturing on or after December 1, 2015 are subject to optional redemption as a whole at any time or in part on any interest payment date at the option of the County on or after June 1, 2015, at the redemption price of par, plus accrued interest to the redemption date. The bonds maturing on December 1, 2021 shall be subject to mandatory sinking fund redemption. This redemption may occur through the County depositing sufficient funds in the 2005 Bond Account to redeem such 2005 Bonds at a price of par plus accrued interest to the date of redemption and without premium, as set forth below.

<u>Year</u>	<u>Amount</u>
2018	\$1,000,000
2019	\$1,000,000
2020	\$1,000,000

In June 2005 the County issued a \$14,850,000 Water Revenue bond for the purpose of bonding \$8,400,000 in bond anticipation notes and to issue a new Water bond for \$6,450,000. The bonds were issued for a twenty-year period, with final maturity in December 2025. The bonds maturing on or after December 1, 2016 are subject to optional redemption as a whole at any time or in part on any interest payment date at the option of the County on or after December 1, 2015 at the redemption price of par plus accrued interest to the redemption date. The bonds maturing December 1, 2021 are subject to mandatory sinking fund redemption at 100% of the principal

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 16 - LONG-TERM OBLIGATIONS (continued)

amount to be redeemed plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows.

<u>Year</u>	<u>Principal Amount Subject to Mandatory Redemption</u>
2020	\$855,000

The County has pledged future revenues, net of operating expenses, to repay Revenue Bonds, Cincinnati Waterworks Loans and OPWC loans in the Water fund. The debt is payable solely from net revenues and are payable through 2028. Annual Principal and Interest payments on debt are expected to require 36% of net revenues. The total principal and interest remaining to be paid on the bonds and loans is \$58,752,783. Of this total \$51,057,716 for the revenue bonds, \$6,110,284 for the Cincinnati Waterworks and \$1,584,781 for the OPWC loans.

Principal and interest paid for the current year and total net revenues were \$4,014,455 and \$9,153,749 respectively. Principal and interest paid for the current year for Revenue Bonds was \$3,671,822 and for Cincinnati Waterworks loan was \$342,633.

The County has pledged future revenues, net of operating expenses, to repay Revenue Bonds in the Sewer fund. The debt is payable solely from net revenues and are payable through 2045. Annual Principal and Interest payments on debt are expected to require 46% of net revenues. The total principal and interest remaining to be paid on the Revenue Bonds is \$79,306,621.

Principal and interest paid for the current year and total net revenues were \$6,619,711 and \$11,116,365 respectively.

WATER JUDGEMENT BONDS

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

*New 2007 \$24,135,000 Judgement Bond Refunding*

In April 2007 the County issued \$24,135,000 in Water Judgement Bonds for the purpose of advance refunding \$24,000,000 of the 2002 Water Judgement Bonds. The bonds were issued for a twenty year period, with final maturity in December 2026. The bonds maturing on or after December 1, 2019, December 1, 2020, December 1, 2121 and December 1, 2022 are subject to optional redemption as a whole at any time or in part on any interest payment date at the option of the County on or after June 1, 2017 at the redemption price of 101% of the principal amount redeemed.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 16 - LONG-TERM OBLIGATIONS (continued)

The bond proceeds were used to partially advance refund the 2002 Water Judgement Bonds. The advance refunding resulted in a difference of \$1,739,665 between the net carrying amount of the debt and the acquisition price. The difference, reported in the accompanying financial statements as a decrease to bonds payable, is being amortized to interest expense over the life of the bonds using the straight-line method. The County's total debt service payments decreased by \$135,000 as a result of the advance refunding. The County also incurred an economic gain (difference between present values of the old and new debt service payments) of \$4,566,817.

OTHER PAYABLES

Capital leases are for modular office units, buses and a fire alarm system for the Butler County Care Facility, helicopter and police cruisers for the Sheriff's Office, and vehicles for the Juvenile Detention Center, a County wide permitting system and computer server, a Court reporting system for Common Pleas, an electronic voting machines for the Board of Elections and copiers for Children Services Agency.

A contract was entered into with Pac-van for the lease of the modular office, Star Financial for the bus leases, SimplexGrinnell for the fire alarm system, Diebold Global Financial for electronic voting machines, Ford Motor Credit for the vehicles and Lasalle National Leasing Company for the permitting, computer server and court reporting systems. These leases are paid out of the Care Facility Fund and the General Fund.

Compensated absences liability will be paid from the General Fund, Mental Retardation, Job and Family Services, Children Services Board, Real Estate Assessment, All Other Legislative and Executive, All Other Judicial, All Other Public Safety, Child Support Enforcement, Motor Vehicle, All Other Public Works, Alcohol and Drug Addiction, Mental Health, All Other Health, County Care Facility, and All Other Human Services special revenue funds, the Workers Compensation internal service fund, and the Water, Sewer, and GSC Parking Facility enterprise funds.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

NOTE 16 - LONG-TERM OBLIGATIONS (continued)

Governmental Funds

Year	General Obligation Bonds		Sales Tax Bonds	
	Principal	Interest	Principal	Interest
2008	\$ 3,015,000	\$ 2,619,127	\$ 1,765,000	\$ 1,200,975
2009	3,350,000	2,501,307	1,825,000	1,139,200
2010	3,525,000	2,375,344	9,600,000	1,075,325
2011	3,595,000	2,241,669	1,965,000	614,225
2012	3,730,000	2,108,969	2,070,000	535,625
2013-2017	19,385,000	8,153,154	9,160,000	1,172,500
2018-2022	18,745,000	3,928,100	-	-
2023-2027	4,700,000	473,013	-	-
2028-2032	-	-	-	-
2033-2045	-	-	-	-
Totals	<u>\$ 60,045,000</u>	<u>\$ 24,400,683</u>	<u>\$ 26,385,000</u>	<u>\$ 5,737,850</u>

Year	Special Assessment Bonds		Loans	
	Principal	Interest	Principal	Interest
2008	\$ 570,670	\$ 434,080	\$ 181,694	\$ 16,043
2009	588,200	407,911	156,528	12,138
2010	618,740	380,372	129,758	9,940
2011	639,300	351,139	131,572	8,126
2012	664,900	325,404	133,423	6,275
2013-2017	3,774,220	1,162,522	440,619	7,344
2018-2022	1,778,090	348,035	197,437	-
2023-2027	126,180	168,215	78,973	-
2028-2032	154,440	139,954	-	-
2033-2045	583,400	182,014	-	-
Totals	<u>\$ 9,498,140</u>	<u>\$ 3,899,646</u>	<u>\$ 1,450,004</u>	<u>\$ 59,866</u>

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

NOTE 16 - LONG-TERM OBLIGATIONS (continued)

Business Type

Year	General Obligation Bonds		Judgement Bonds	
	Principal	Interest	Principal	Interest
2008	\$ 244,093	\$ 210,250	\$ 1,025,000	\$ 1,489,846
2009	200,122	190,411	1,180,000	1,453,896
2010	210,978	179,562	1,225,000	1,395,046
2011	222,281	168,250	1,275,000	1,350,281
2012	234,086	156,484	1,345,000	1,304,006
2013-2017	261,540	746,900	7,625,000	5,621,794
2018-2022	323,310	685,111	9,575,000	3,695,600
2023-2027	399,720	608,719	9,350,000	1,258,688
2028-2032	494,180	514,264	-	-
2033-2045	2,066,370	726,361	-	-
Totals	<u>\$4,656,680</u>	<u>\$4,186,312</u>	<u>\$ 32,600,000</u>	<u>\$ 17,569,157</u>

Year	Revenue Bonds		Loans	
	Principal	Interest	Principal	Interest
2008	\$ 6,162,360	\$ 4,122,366	\$ 223,043	\$ 176,965
2009	6,394,220	3,885,976	251,981	169,888
2010	6,646,140	4,291,919	259,359	162,510
2011	6,908,170	4,024,065	267,053	154,816
2012	7,205,270	3,734,333	275,075	146,793
2013-2017	28,836,350	11,357,966	1,508,233	601,111
2018-2022	22,694,710	4,375,903	1,766,909	342,435
2023-2027	4,839,390	1,004,687	1,331,983	56,911
2028-2032	544,300	533,619	-	-
2033-2045	2,103,510	699,084	-	-
Totals	<u>\$ 92,334,420</u>	<u>\$ 38,029,918</u>	<u>\$ 5,883,636</u>	<u>\$ 1,811,429</u>

MULTIFAMILY HOUSING

The County has served as the issuer of Multifamily Housing bonds. The proceeds were used to acquire, construct, improve and equip multifamily housing. The Multifamily Housing revenue bonds do not constitute a general obligation, debt or bonded indebtedness of the County. Neither is the full faith and credit or taxing power of the County pledged to make repayment. The amount of revenue bonds outstanding at December 31, 2007 was \$91,710,000.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 16 - LONG-TERM OBLIGATIONS (continued)

INDUSTRIAL DEVELOPMENT REVENUE BONDS

The County has issued industrial development revenue bonds (in the aggregate outstanding principal amount of \$8,500,000 at December 31, 2007) for facilities used by private corporation or other entities. The County is not obligated in any way to pay debt charges on the bonds from any of its funds, and therefore they have been excluded entirely from the County's debt presentation. There has not been and is not any condition of default under the bonds or the related financing documents.

HOSPITAL REVENUE BONDS

The County has served as the issuer of hospital revenue bonds. The proceeds were used to acquire, construct, improve and equip hospital facilities. The hospital revenue bonds do not constitute a general obligation, debt or bonded indebtedness of the County. Neither is the full faith and credit or taxing power of the County pledged to make repayment. The amount of revenue bonds outstanding at December 31, 2007 was \$197,495,000.

CAPITAL FUNDING REVENUE BONDS

The capital funding revenue bonds were issued on behalf of the County Commissioners Association of Ohio for their low cost capital pooled financing program. Butler County is not obligated in any way to pay debt charges on the bonds from any of its funds, and therefore they have been excluded entirely from the County's debt presentation. The principal balance outstanding at December 31, 2007 was \$47,325,000.

LEGAL DEBT MARGIN

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

The effects of the debt limitations described above at December 31, 2007 are an overall debt margin of \$151,612,065 and unvoted debt margin of \$33,628,420. (Pg 179 in stats)



**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

NOTE 17 - SHORT-TERM OBLIGATIONS

A summary of the note transactions for the year ended December 31, 2007 follows:

Fund Type	Balance January 1, 2007	Increase	Decrease	Balance December 31,
<u>Governmental</u>				
Short Term Notes				
Special Revenue				
4.50% - Road Improvement	\$ 420,000	\$ 335,000	\$ 420,000	\$ 335,000
4.50% - Airport Construction	2,100,000	2,070,000	2,100,000	2,070,000
Capital Projects				
4.50% - Cincinnati Dayton/State Route 129	400,000	400,000	400,000	400,000
4.50% - Cincinnati Dayton/State Route 129	1,400,000	1,460,000	1,400,000	1,460,000
4.50% - Cincinnati Dayton/State Route 129	1,040,000	1,040,000	1,040,000	1,040,000
4.50% - Cincinnati Dayton/Interstate 75 TIF	2,550,000	2,550,000	2,550,000	2,550,000
4.50% - Cincinnati Dayton/Interstate 75 TIF	1,030,000	1,030,000	1,030,000	1,030,000
4.50% - Courts Remodeling and Expansion	2,000,000	2,080,000	2,000,000	2,080,000
5.47% - Courts Remodeling Project	-	600,000	-	600,000
4.10% - Cox Road SA	-	3,000,000	-	3,000,000
5.47% - Fiber Optic Ring (2)	2,595,000	2,595,000	2,595,000	2,595,000
5.47% - Fiber Optic Ring (3)	510,000	510,000	510,000	510,000
4.50% - Highway Construction	340,000	255,000	340,000	255,000
5.47% - Hutsenpiller Hamilton Mason TIF	-	3,000,000	-	3,000,000
4.40% - Old Jail Rehabilitation	700,000	1,025,000	700,000	1,025,000
5.47% - Princeton Road Admin Building	-	7,500,000	-	7,500,000
4.50% - State Route 129 Liberty Interchange	1,680,000	843,000	1,680,000	843,000
4.50% - State Route 129 Liberty Interchange	510,000	-	510,000	-
4.50% - University Pointe Landscaping	335,000	335,000	335,000	335,000
4.50% - Yankee Road TIF Improvements	1,850,000	1,925,000	1,850,000	1,925,000
4.50% - Yankee Road TIF Improvements	2,000,000	2,090,000	2,000,000	2,090,000
Total Governmental Funds	\$ 21,460,000	\$ 34,643,000	\$ 21,460,000	\$ 34,643,000

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

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

NOTE 18 - INTERFUND BALANCES AND ACTIVITY

Due From/Due To balances at December 31, 2007 consist of the following individual fund receivables and payables:

	General	Mental Health	Receivable Motor Vehicle	Other Governmental	Parking Garage	Internal Service	Total
General	\$ -	\$ -	\$ 18,372	\$ 29,202	\$ -	\$ 941,838	\$ 989,412
Mental Retardation	399	-	-	-	-	219,246	219,645
Job and Family Services	52,248	-	-	8,512	1,923	156,223	218,906
Children Services Agency	245,407	-	-	-	-	181,561	426,968
Mental Health	-	-	-	-	-	10,812	10,812
Motor Vehicle	718	-	-	15,993	-	79,910	96,621
Other Governmental	344,441	16,076	-	1,527,346	-	374,042	2,261,905
Sewer	7,453	-	-	1,200	-	99,898	108,551
Water	5,723	-	-	1,200	-	73,754	80,677
GSC Parking Facility	-	-	-	-	-	1,112	1,112
Internal Service	-	-	-	-	-	2,535	2,535
Total	<u>\$656,389</u>	<u>\$ 16,076</u>	<u>\$ 18,372</u>	<u>\$ 1,583,453</u>	<u>\$ 1,923</u>	<u>\$ 2,140,931</u>	<u>\$4,417,144</u>

Advances From/Advances To balances at December 31, 2007 consist of the following individual fund receivables and payables:

	Advances From General
Advances To Other Governmental Funds	\$373,002
Advances To Internal Service Funds	340,000
Total	<u>\$713,002</u>

Transfers In/Transfers Out activity for 2007, consisted of the following:

	General	Motor Vehicle	Transfers From Other Governmental Funds	Total
Transfers to General	\$ -	\$ -	\$ 5,000	\$ 5,000
Job and Family Services	1,327,288	-	-	1,327,288
Children Services Agency	32,100	-	-	32,100
Building & Construction	275,000	-	-	275,000
Road Improvements	156,561	99,965	-	256,526
Other Governmental Funds	907,713	-	-	907,713
Total	<u>\$ 2,698,662</u>	<u>\$ 99,965</u>	<u>\$ 5,000</u>	<u>\$ 2,803,627</u>

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 18 - INTERFUND BALANCES AND ACTIVITY (continued)

All balances in the Due From/Due To schedule resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, (3) payments between funds are made, and (4) internal service fund billing to other county funds. The balance of \$713,002 due to the General Fund for advances to other Governmental Funds and the Internal Service Fund results from cash flow issues in those funds. The amounts reported as Due From/Due to Other Funds are expected to be repaid within one year; the advances are not.

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 19 - WATER RATE AGREEMENT

Litigation between the County and the city of Hamilton (the "City") regarding a 1989 water agreement was settled in 2002, whereby the existing water agreement was terminated and replaced with a new water agreement effective for the period July 1, 2002 through December 31, 2021. Under the terms of the agreement, the County (1) paid the City \$35 million and financed the payment by issuing debt related to certain capital improvements made to its water system, and (2) agreed to purchase from the City a minimum water supply of eight million gallons per day through December 31, 2021. In exchange, the City agreed to reduce the rate charged to the County for water from \$3.28 per thousand gallons to a two-tier rate structure based on a Tier A rate of \$2.15 per thousand gallons (adjusted annually using an agreed-upon inflation index) for the first eight million gallons of water purchased daily, and a Tier B rate of \$1.07 per thousand gallons which, having remained unchanged since the agreement was reached in 2002, was effective through June 30, 2007. As of December 31, 2007 negotiations between the County and the City are in progress.

Several factors emanating from this new water agreement have provided the County with more flexibility in servicing customers as well as the potential to realize significant savings during the life of the agreement. While the County has secured a steady water supply through at least 2021, it now has the ability to build and operate its own water plant by 2010, if desired, as well as the ability to consider sources of water other than the City of Hamilton for better water rates over the eight million gallon per day minimum, and to sell water to customers outside the County's water district.

The new agreement has also provided the County with a more favorable rate structure for water purchases. The County recorded an asset in 2002 in the amount of \$34,810,695, as "Deferred Charges for Water Rate Stabilization." This amount represents the purchase of future water rights. In 2007 the County amortized \$1,740,535 using the straight line amortization method, leaving \$26,108,020 in the statement of net assets.

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 20 - CONTINGENT LIABILITIES

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

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

NOTE 21 - JOINTLY GOVERNED ORGANIZATION/RISK SHARING POOL/INSURANCE POOL/RELATED ORGANIZATION

A. BUTLER COUNTY EMERGENCY MANAGEMENT AGENCY

The Butler County Emergency Management Agency is a jointly governed organization among the County, five cities and seven villages created by a countywide agreement with the Butler County Commissioners. The twenty-six members of the advisory council are appointed as follows: one County Commissioner and the chief elected official of each of the thirteen townships, five cities and seven villages. The degree of control exercised by any participating government is limited to its representation on the Board. The Agency does not have any outstanding debt. The County does not have an equity interest in the Agency.

The Agency is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the County. In 2007, the County contributed \$5,000. Complete financial statements can be obtained from the Emergency Management Agency, 315 High St. Hamilton, OH 45011.

B. TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY

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

C. COUNTY RISK SHARING AUTHORITY (CORSA)

The County Risk Sharing Authority (CORSA) is a risk sharing pool made up of 61 counties in Ohio. CORSAs was formed as an Ohio non-profit corporation for the purpose of establishing the CORSAs Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 21- JOINTLY GOVERNED ORGANIZATION/RISK SHARING POOL/INSURANCE POOL/RELATED ORGANIZATION (continued)

losses and pay all contributions necessary for the specified insurance coverage provided by CORSA. This coverage includes comprehensive general liability, automobile liability, certain property insurance and public officials' errors and omissions liability insurance.

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. An elected board of not more than nine trustees manages the affairs of the Corporation. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees. CORSA has issued certificates of participation in order to provide adequate cash reserves. The certificates are secured by the member counties' obligations to make coverage payments to CORSA. The participating counties have no responsibility for the payment of certificates. The County's payment for insurance to CORSA in 2007 was \$796,594.

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

The County participates in the County Employee Benefits Consortium of Ohio, Inc. (CEBCO), an Ohio not-for-profit corporation and insurance purchasing pool with membership open to Ohio political subdivisions, to collectively pool resources to purchase employee benefits. The County pays, on a monthly basis the annual actuarially determined funding rate. Components of the funding rate include the claims fund contribution, incurred but not reported claims, a claims contingency reserve fund, as well as the fixed cost of the consortium.

The business and affairs of the consortium are managed by a board of not less than nine or more than fifteen directors that exercise all powers of the consortium. Two thirds of the directors are County Commissioners of the member Counties and one third are employees of member Counties. Each member of the consortium is entitled to one vote. At all times one director is required to be a member of the board of directors of the County Commissioners Association of Ohio and another is required to be a board member of the County Risk Sharing Authority, Inc.

Upon withdrawal from the Consortium, the County will be responsible for paying the funding rates and assessments, if any, that were applicable during the term of the agreement and shall remain responsible for any assessments made by the board for any one or more years of the County's participation in CEBCO.

E. REGIONAL TRANSIT AUTHORITY (RTA)

The Regional Transit Authority (RTA) is a related organization to the County. The County Commissioners are responsible for appointing the board of directors of the RTA; however, the County Commissioners cannot influence the RTA's operations, nor does the RTA represent a potential financial benefit or burden to the County. Although the County does serve as the taxing

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 21- JOINTLY GOVERNED ORGANIZATION/RISK SHARING POOL/INSURANCE POOL/RELATED ORGANIZATION (continued)

authority and may issue tax related debt on behalf of the RTA, its role is limited to a ministerial function. Once the RTA determines to present a levy to the voters, including the determination of the rate and duration, the County must place the levy on the ballot. The RTA may issue debt and determine its own budget. Financial information for the RTA may be obtained at 3045 Moser Ct. Hamilton, OH 45011.

F. BUTLER COUNTY CONVENTION AND VISITOR BUREAU

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

The County Commissioners passed a 3% hotel excise tax in August of 2003 pursuant to the regulations in Ohio Revised Code 5739.09. The hotel tax collections are collected by Butler County and can only be distributed to a Convention and Visitor Bureau according to the statute. The County is not required to contribute any of their own resources to the Convention and Visitor Bureau in the event of fiscal stress, not nor would Butler County benefit from any significant financial resources of the Butler County Visitor and Convention Bureau. Complete financial statements can be obtained from the Butler County Convention and Visitor Bureau, 315 High Street, Hamilton, OH 45011.

G. BUTLER COUNTY PORT AUTHORITY

On July 29, 2004 the Butler County Commissioners established the Butler County Port Authority to undertake various projects that would create or preserve jobs and employment opportunities within the County. The Butler County Port Authority is a related organization of the County. The Port Authority Board consists of 7 voting members of which 4 members must have businesses or places of employment within Butler County. The remaining 3 members of the board need not possess either of the preceding qualifications. The President of the Butler County Transportation Improvement District (BCTID) shall serve as an ex officio member of the Port Authority Board without voting privileges. The Agency is not accumulating significant financial resources or experiencing financial stress which would cause additional financial benefit to or burden on the County. Financial Information for the Butler County Port Authority may be obtained at 315 High Street, Hamilton, OH 45011.

**BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2007**

NOTE 21- JOINTLY GOVERNED ORGANIZATION/RISK SHARING POOL/INSURANCE  
 POOL/RELATED ORGANIZATION (continued)

H. OHIO KENTUCKY INDIANA REGIONAL COUNCIL OF GOVERNMENTS

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

I. BUTLER/CLERMONT/WARREN WORKFORCE POLICY BOARD

The Butler/Clermont/Warren Workforce Policy Board is a jointly governed organization with 28 board members consisting of representatives from business, education, labor and government. The Butler County Commissioners appoint 2 of the members of the board. The Policy Board is a regional organization developed as a result of the Workforce Investment Act. The role of the Policy Board is to assess the workforce needs of area employers, assess the employment and training needs of job seekers and to identify fiscal and other available resources to meet current and future workforce needs in the region.

NOTE 22 - CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

The County has several outstanding contracts for construction and professional services. The following amounts remain on these contracts as of December 31, 2007.

<u>Project/Vendor</u>	<u>Outstanding Balance</u>
Bethany Rd Cincinnati Dayton to Liberty Ln - SK Construction	\$ 398,686
Cherokee Park Sewer Lining - Miller Pipeline	314,630
Princeton Rd Water Main Replacement - Don W. May Contracting	837,226
PRV Installation QA, Rialto, Princeton - Sunesis	176,004
Repair Service Blu Max - PLG Utility and Curry Plumbing	631,138
Liberty Fairfield PS Replacement - Dugan & Meyers and Malcolm Pirnie	150,067
Mulhauser Rialto PS - Armrel Burns, Malcomn Pirnie and Sunesis	1,181,729
Cincinnati Dayton WM Replacement - Miami Western	209,628
SR 4 Greenlawn to Kyle Station - MECompany and Lykins	209,376
Sewer Polybutylene Repair - PLG	98,618
New Miami Sewers - Reynolds	800,616
Queen Acres - Culy Construction & Excavating and Acradis G&M	65,009
LeSourdsville WRF Expansion - Hazen and Sawyer	279,600
Wade Mill WRF - JYG	64,689

**BUTLER COUNTY, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NOTE 23 - SUBSEQUENT EVENTS

CHILDREN SERVICES TAX LEVY

On March 4, 2008 the citizens of Butler County passed a five year, 2 mill tax levy. This tax levy is estimated to bring in an estimated \$15.7 million yearly or more than half the agency's budget. The tax increase will be used to improve the quality of the agency as well as to maintain its existing programs related to children's substance abuse and mental health.



Butler County, Ohio  
 Required Supplementary Information  
 Condition Assessment of the County's Infrastructure  
 Reported Using the Modified Approach as Outlined in GASB 34  
 For The Year Ended December 31, 2007

Butler County reports its infrastructure assets using the modified approach as outlined in Governmental Accounting Standards Board (GASB) Statement No. 34. The following disclosures pertain to the conditional assessment and budgeted versus actual expenditures for the preservation of these assets. Data for the conditional assessment is presented in each of the following three sections for 2007, 2006, and 2005.

County Roads

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

Pavement Rating	Condition Rating	Description
1	Excellent	Pavements not in need of maintenance. New condition. Typically pavements 1-4 years old fall into this category. Older pavements with lower traffic counts and low truck traffic also fall into this category.
2	Good	Pavement in need of minor maintenance to restore to Excellent condition. Typically pavements 5-8 years old with high traffic counts or a large percentage of truck traffic.
3	Fair	Pavement in need of major maintenance to restore to Excellent condition. Typically pavements are 9-12 years old.
4	Poor	Pavement in need of major repair or heavy overlays to bring to Excellent condition. Pavements over 12 years old, or with high traffic volume and/or high truck traffic could be rated 4.

It is the County policy that at least 90% of the roadways will have a rating of 3 (Fair) or higher. The County Engineer's Office has implemented a system whereby the total mileage of the roadway in the County will be re-paved on a 12-year rotational basis. Historical data has shown that with yearly inspection and maintenance, the average road of the County will be maintained at a usable level for a 12-year period. Each roadway in the County will be assessed on a biennial basis, with higher emphasis on older and more heavily used pavements.

The following summarizes the physical condition assessment of county roads as of December 31 for 2007, 2006, and 2005:

Road Condition	2007		2006		2005	
	Road Miles	% of Total	Road Miles	% of Total	Road Miles	% of Total
Fair or Better	256	96%	263	98%	253	93%
Less than Fair	12	4%	4	2%	20	7%
Total	268	100%	273	100%	273	100%

Butler County, Ohio  
 Required Supplementary Information  
 Condition Assessment of the County's Infrastructure  
 Reported Using the Modified Approach as Outlined in GASB 34  
 For The Year Ended December 31, 2007

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

Year	Budgeted Expenditures	Actual Expenditures	Difference
2007	\$ 12,148,485	\$ 3,873,674	\$ 8,274,811
2006	8,865,982	6,370,154	2,495,828
2005	2,949,348	2,769,401	179,947
2004	2,321,751	2,219,402	102,349
2003	3,048,992	2,129,994	918,998

County Bridges

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

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

The Federal Highway Administration has defined specific criteria for each element of the bridge, based on its construction. For each element, a 1-9 rating scale is used, where 4 or less is defined as "poor" condition. The ratings of all elements are combined to summarize the structural condition of a bridge as follows:

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

Butler County, Ohio  
 Required Supplementary Information  
 Condition Assessment of the County's Infrastructure  
 Reported Using the Modified Approach as Outlined in GASB 34  
 For The Year Ended December 31, 2007

It is the County policy to maintain the bridge system in the County where 85% of the structures have a general appraisal summary of 5 (Fair) condition or higher. The following is a summary of the conditional assessment for bridges as of December 31 for 2007, 2006, and 2005:

Bridge Condition	2007		2006		2005	
	Number of Bridges	% of Total	Number of Bridges	% of Total	Number of Bridges	% of Total
Fair or Better	345	92%	341	92%	338	91%
Less than Fair	31	8%	30	8%	33	9%
Total	376	100%	371	100%	371	100%

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

Year	Budgeted Expenditures	Actual Expenditures	Difference
2007	\$ 3,253,089	\$ 2,891,296	\$ 361,793
2006	984,612	590,306	394,306
2005	1,810,823	1,496,159	314,664
2004	2,383,037	2,297,516	85,521
2003	3,674,302	2,667,956	1,006,346

### County Culverts

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

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

It is the goal of the Butler County Engineer to maintain 75% of culverts in a condition of 2-Fair or better. The following is a summary of the conditional assessment for culverts as of December 31 for 2007, 2006, and 2005:

Culvert Condition	2007		2006		2005	
	Number of Culverts	% of Total	Number of Culverts	% of Total	Number of Culverts	% of Total
Fair or Better	855	80%	817	80%	817	80%
Less than Fair	217	20%	202	20%	202	20%
Total	1072	100%	1019	100%	1019	100%

Butler County, Ohio  
Required Supplementary Information  
Condition Assessment of the County's Infrastructure  
Reported Using the Modified Approach as Outlined in GASB 34  
For The Year Ended December 31, 2007

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

Year	Budgeted Expenditures	Actual Expenditures	Difference
2007	\$ 249,236	\$ 188,099	\$ 61,137
2006	187,361	145,231	42,130
2005	1,297,972	1,297,636	336
2004	896,500	887,587	8,913
2003	100,000	78,272	21,728

**Combining Statements and  
Individual Fund Schedules**

## **Combining Statements – Nonmajor Governmental Funds**

### **Nonmajor Special Revenue Funds**

**Special Revenue funds are used to account for the proceeds of specific revenue sources (other than capital projects) that are legally restricted to expenditure for specified purposes. The following are descriptions of each nonmajor special revenue funds:**

**Real Estate Assessment – To account for state mandated county-wide real estate reappraisals that are funded by charges to the County’s political subdivisions.**

**All Other Legislative and Executive – To account for all other Legislative and Executive activities not presented on an individual basis.**

**All Other Judicial – To account for all other Judicial activities not presented on an individual basis.**

**All Other Public Safety – To account for all other Public Safety activities not presented on an individual basis.**

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

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

**All Other Public Works – To account for all other Public Works activities not presented on an individual basis.**

**Alcohol and Drug Addiction – To account for Federal and State grants that are used to pay the cost of contracts with local agencies that provide services to the public.**

**Residential Incentive Districts and Tax Incremental Financings – To account for Residential Incentive Districts and Tax Incremental Financings revenues collected through the real estate tax collection process. This fund is used to hold the dollars until payments are required to be made.**

**All Other Health – To account for all other Health activities no presented on an individual basis.**

**County Care Facility – To account for the collection of medicaid and fees from residents’ families for the operations of the County Home.**

**(Continued)**

### **Nonmajor Special Revenue Funds**

**Elderly Services Levy – To account for a county-wide property tax and the expenditure of those funds.**

**All Other Human Services – To account for all other Human Service activities not presented on an individual basis.**

### **Nonmajor Capital Projects Funds**

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

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

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

### **Nonmajor Bond Retirement Fund**

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

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**Butler County, Ohio**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2007**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Bond Retirement Fund	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 32,211,316	\$ 286,013	\$ 5,009,545	\$ 37,506,874
Cash and Cash Equivalents:				
In Segregated Accounts	306,747	-	-	306,747
Receivables:				
Property Taxes	13,432,307	-	-	13,432,307
Accounts	121,808	-	7,781,940	7,903,748
Due from Other Governments	9,758,118	-	-	9,758,118
Special Assessments	1,981,058	-	7,324,151	9,305,209
Loans	296,447	-	-	296,447
Due from Other Funds	1,435,203	148,250	-	1,583,453
Prepaid Items	153,494	-	-	153,494
Materials and Supplies Inventory	60,111	-	-	60,111
<b>Total Assets</b>	<b>\$ 59,756,609</b>	<b>\$ 434,263</b>	<b>\$ 20,115,636</b>	<b>\$ 80,306,508</b>
<b>Liabilities and Fund Balances</b>				
Accounts Payable	\$ 1,556,660	\$ 147,193	\$ -	\$ 1,703,853
Contracts Payable	250,750	-	-	250,750
Accrued Wages and Benefits	850,106	-	-	850,106
Matured Compensated Absences Payable	1,000	-	-	1,000
Due to Other Funds	910,960	-	1,350,945	2,261,905
Due to Other Governments	2,263,774	-	-	2,263,774
Deferred Revenue	22,911,234	-	7,324,151	30,235,385
Advances from Other Funds	163,002	210,000	-	373,002
Matured Bonds Payable	-	-	13,250	13,250
Matured Interest Payable	-	-	5,543	5,543
Accrued Interest Payable	34,676	70,483	-	105,159
Notes Payable	2,070,000	3,440,000	-	5,510,000
<b>Total Liabilities</b>	<b>31,012,162</b>	<b>3,867,676</b>	<b>8,693,889</b>	<b>43,573,727</b>
<b>Fund Balances</b>				
Reserved for Encumbrances	492,259	67,149	-	559,408
Reserved for Loans	181,053	-	-	181,053
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	28,071,135	-	-	28,071,135
Debt Service Funds	-	-	11,421,747	11,421,747
Capital Projects Funds	-	(3,500,562)	-	(3,500,562)
<b>Total Fund Balances (Deficit)</b>	<b>28,744,447</b>	<b>(3,433,413)</b>	<b>11,421,747</b>	<b>36,732,781</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 59,756,609</b>	<b>\$ 434,263</b>	<b>\$ 20,115,636</b>	<b>\$ 80,306,508</b>

**Butler County, Ohio**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**December 31, 2007**

	Real Estate Assessment	All Other Legislative and Executive	All Other Judicial	All Other Public Safety	Child Support Enforcement
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 333,719	\$ 2,299,379	\$ 2,323,879	\$ 2,981,612	\$ 1,112,245
Cash and Cash Equivalents:					
In Segregated Accounts	-	101,332	173,660	27,304	475
Property Taxes	-	210,397	-	-	-
Accounts	-	-	-	31,419	90,380
Due from Other Governments	-	-	330	3,530,864	2,231,609
Special Assessments	-	212,398	-	-	-
Loans	-	-	-	-	-
Due from Other Funds	-	-	-	84,258	-
Prepaid Items	1,486	48,450	39,040	30,482	5,916
Materials and Supplies Inventory	2,007	1,237	1,469	38,066	1,125
<b>Total Assets</b>	<u>\$ 337,212</u>	<u>\$ 2,873,193</u>	<u>\$ 2,538,378</u>	<u>\$ 6,724,005</u>	<u>\$ 3,441,750</u>
<b>Liabilities and Fund Balances</b>					
Accounts Payable	\$ 22,226	\$ 23,443	\$ 25,514	\$ 355,711	\$ 9,013
Contracts Payable	112,095	-	-	-	-
Accrued Wages and Benefits	84,399	73,919	50,344	227,087	147,910
Matured Compensated Absences Payable	-	-	-	-	-
Due to Other Funds	38,413	33,469	24,757	144,084	228,060
Due to Other Governments	-	-	1,740	3,427	-
Deferred Revenue	-	422,795	-	2,372,908	2,231,609
Advances from Other Funds	-	-	25,002	-	-
Accrued Interest Payable	-	-	-	-	-
Notes Payable	-	-	-	-	-
<b>Total Liabilities</b>	<u>257,133</u>	<u>553,626</u>	<u>127,357</u>	<u>3,103,217</u>	<u>2,616,592</u>
<b>Fund Balances</b>					
Reserved for Encumbrances	45,295	16,145	25,582	124,394	521
Reserved for Loans	-	-	-	-	-
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	34,784	2,303,422	2,385,439	3,496,394	824,637
<b>Total Fund Balances (Deficit)</b>	<u>80,079</u>	<u>2,319,567</u>	<u>2,411,021</u>	<u>3,620,788</u>	<u>825,158</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 337,212</u>	<u>\$ 2,873,193</u>	<u>\$ 2,538,378</u>	<u>\$ 6,724,005</u>	<u>\$ 3,441,750</u>

All Other Conservation and Recreation	All Other Public Works	Alcohol and Drug Addiction	Residential Incentive Districts and Tax Incremental Financings	All Other Health
\$ 26,784	\$ 5,708,519	\$ 1,157,457	\$ 1,163,963	\$ 148,217
-	-	-	-	3,649
-	-	-	-	-
-	9	-	-	-
-	1,459,567	2,037,409	-	7,175
-	1,519,366	-	249,294	-
-	296,447	-	-	-
-	-	-	1,350,945	-
-	5,564	11,001	-	790
-	192	501	-	679
<u>\$ 26,784</u>	<u>\$ 8,989,664</u>	<u>\$ 3,206,368</u>	<u>\$ 2,764,202</u>	<u>\$ 160,510</u>
\$ -	\$ 37,009	\$ 87,850	\$ -	\$ 4,351
-	138,655	-	-	-
-	30,624	14,646	-	10,117
-	-	-	-	-
-	165,304	23,296	-	7,605
-	48,590	-	2,210,017	-
-	2,785,432	1,518,755	249,294	-
-	-	122,000	-	-
-	34,676	-	-	-
-	2,070,000	-	-	-
-	5,310,290	1,766,547	2,459,311	22,073
-	224,998	27,409	-	16,735
-	181,053	-	-	-
26,784	3,273,323	1,412,412	304,891	121,702
26,784	3,679,374	1,439,821	304,891	138,437
<u>\$ 26,784</u>	<u>\$ 8,989,664</u>	<u>\$ 3,206,368</u>	<u>\$ 2,764,202</u>	<u>\$ 160,510</u>

(Continued)

**Butler County, Ohio**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds (Continued)**  
**December 31, 2007**

	County Care Facility	Elderly Services Levy	All Other Human Services	Total Nonmajor Special Revenue Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 241,859	\$ 14,674,867	\$ 38,816	\$ 32,211,316
Cash and Cash Equivalents:				
In Segregated Accounts	327	-	-	306,747
Property Taxes	-	13,221,910	-	13,432,307
Accounts	-	-	-	121,808
Due from Other Governments	380,877	-	110,287	9,758,118
Special Assessments	-	-	-	1,981,058
Loans	-	-	-	296,447
Due from Other Funds	-	-	-	1,435,203
Prepaid Items	8,860	-	1,905	153,494
Materials and Supplies Inventory	14,781	-	54	60,111
<b>Total Assets</b>	<b>\$ 646,704</b>	<b>\$ 27,896,777</b>	<b>\$ 151,062</b>	<b>\$ 59,756,609</b>
<b>Liabilities and Fund Balances</b>				
Accounts Payable	\$ 219,018	\$ 772,317	\$ 208	\$ 1,556,660
Contracts Payable	-	-	-	250,750
Accrued Wages and Benefits	203,373	-	7,687	850,106
Matured Compensated Absences Payable	1,000	-	-	1,000
Due to Other Funds	239,561	4,173	2,238	910,960
Due to Other Governments	-	-	-	2,263,774
Deferred Revenue	-	13,221,910	108,531	22,911,234
Advances from Other Funds	-	-	16,000	163,002
Accrued Interest Payable	-	-	-	34,676
Notes Payable	-	-	-	2,070,000
<b>Total Liabilities</b>	<b>662,952</b>	<b>13,998,400</b>	<b>134,664</b>	<b>31,012,162</b>
<b>Fund Balances</b>				
Reserved for Encumbrances	10,706	-	474	492,259
Reserved for Loans	-	-	-	181,053
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	(26,954)	13,898,377	15,924	28,071,135
<b>Total Fund Balances (Deficit)</b>	<b>(16,248)</b>	<b>13,898,377</b>	<b>16,398</b>	<b>28,744,447</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 646,704</b>	<b>\$ 27,896,777</b>	<b>\$ 151,062</b>	<b>\$ 59,756,609</b>

Butler County, Ohio  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2007

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	<u>Technology</u>	<u>Other Capital Improvements</u>	<u>Total Nonmajor Capital Projects Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ 286,013	\$ 286,013
Receivables:			
Accounts	-	-	-
Due from Other Funds	-	148,250	148,250
Total Assets	<u>\$ -</u>	<u>\$ 434,263</u>	<u>\$ 434,263</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	\$ -	\$ 147,193	\$ 147,193
Advances from Other Funds	-	210,000	210,000
Accrued Interest Payable	65,032	5,451	70,483
Notes Payable	3,105,000	335,000	3,440,000
Total Liabilities	<u>3,170,032</u>	<u>697,644</u>	<u>3,867,676</u>
Fund Balances			
Reserved for Encumbrances	-	67,149	67,149
Unreserved, Undesignated, Reported in:			
Capital Projects Funds	<u>(3,170,032)</u>	<u>(330,530)</u>	<u>(3,500,562)</u>
Total Fund Balances (Deficit)	<u>(3,170,032)</u>	<u>(263,381)</u>	<u>(3,433,413)</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 434,263</u>	<u>\$ 434,263</u>

**Butler County, Ohio**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2007**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$ 14,289,398	\$ -	\$ -	\$ 14,289,398
Charges for Services	15,971,687	-	-	15,971,687
Licenses and Permits	511,642	-	-	511,642
Fines and Forfeitures	64,397	-	-	64,397
Intergovernmental	27,029,167	-	-	27,029,167
Special Assessments	2,751,592	-	1,042,234	3,793,826
Payments in Lieu of Taxes	2,885,553	-	421,056	3,306,609
Interest	131,680	5,228	709,922	846,830
Other	709,746	-	-	709,746
Total Revenues	<u>64,344,862</u>	<u>5,228</u>	<u>2,173,212</u>	<u>66,523,302</u>
Expenditures				
Current:				
General Government				
Legislative and Executive	7,519,172	40,893	-	7,560,065
Judicial	2,035,929	-	-	2,035,929
Public Safety	11,353,674	147,193	-	11,500,867
Public Works	6,900,375	61,340	-	6,961,715
Health	6,240,986	-	-	6,240,986
Human Services	22,556,273	-	-	22,556,273
Capital Outlay	-	85,675	-	85,675
Debt Service:				
Principal Retirement	40,179	-	1,025,170	1,065,349
Interest and Fiscal Charges	101,232	212,010	851,238	1,164,480
Issuance Costs	-	-	58,445	58,445
Total Expenditures	<u>56,747,820</u>	<u>547,111</u>	<u>1,934,853</u>	<u>59,229,784</u>
Excess of Revenues Over (Under) Expenditures	<u>7,597,042</u>	<u>(541,883)</u>	<u>238,359</u>	<u>7,293,518</u>
Other Financing Sources (Uses)				
Refunding Bonds Issued	-	-	4,790,000	4,790,000
Premium on Debt Issued	-	-	279,027	279,027
Payment to Refunded Bond Escrow Agent	-	-	(5,006,025)	(5,006,025)
Transfers - In	561,366	346,347	-	907,713
Transfers - Out	(5,000)	-	-	(5,000)
Total Other Financing Sources (Uses)	<u>556,366</u>	<u>346,347</u>	<u>63,002</u>	<u>965,715</u>
Net Change in Fund Balance	8,153,408	(195,536)	301,361	8,259,233
Fund Balances (Deficit) Beginning of Year	<u>20,591,039</u>	<u>(3,237,877)</u>	<u>11,120,386</u>	<u>28,473,548</u>
Fund Balances (Deficit) End of Year	<u>\$ 28,744,447</u>	<u>\$ (3,433,413)</u>	<u>\$ 11,421,747</u>	<u>\$ 36,732,781</u>

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**Butler County, Ohio**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended December 31, 2007**

	Real Estate Assessment	All Other Legislative and Executive	All Other Judicial	All Other Public Safety
Revenues				
Property Taxes	\$ -	\$ 425,381	\$ -	\$ -
Charges for Services	3,520,531	3,199,456	2,298,795	4,089,636
Licenses and Permits	-	-	-	59,043
Fines and Forfeitures	-	-	42,620	3,838
Intergovernmental	-	20,591	-	6,933,052
Special Assessments	-	-	-	-
Payment in Lieu of Taxes	-	377	-	-
Interest	-	93,104	-	-
Other	-	32,738	-	105,375
<b>Total Revenues</b>	<b>3,520,531</b>	<b>3,771,647</b>	<b>2,341,415</b>	<b>11,190,944</b>
Expenditures				
Current:				
General Government				
Legislative and Executive	4,064,522	3,454,650	-	-
Judicial	-	-	2,035,929	-
Public Safety	-	-	-	11,353,674
Public Works	-	-	-	-
Health	-	-	-	-
Human Services	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
<b>Total Expenditures</b>	<b>4,064,522</b>	<b>3,454,650</b>	<b>2,035,929</b>	<b>11,353,674</b>
Excess of Revenues Over (Under) Expenditures	(543,991)	316,997	305,486	(162,730)
Other Financing Sources (Uses)				
Transfers - In	-	-	-	3,593
Transfers - Out	-	-	(5,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>(5,000)</b>	<b>3,593</b>
Net Change in Fund Balance	(543,991)	316,997	300,486	(159,137)
Fund Balances (Deficit) Beginning of Year	624,070	2,002,570	2,110,535	3,779,925
Fund Balances (Deficit) End of Year	\$ 80,079	\$ 2,319,567	\$ 2,411,021	\$ 3,620,788



<u>Child Support Enforcement</u>	<u>All Other Conservation and Recreation</u>	<u>All Other Public Works</u>	<u>Alcohol and Drug Addiction</u>
\$ -	\$ -	\$ -	\$ -
1,153,321	26,784	189,178	136,037
-	-	-	-
-	-	-	-
5,176,766	-	2,425,751	5,077,234
-	-	2,751,592	-
-	-	-	-
-	-	38,576	-
20	-	48,510	172,313
<u>6,330,107</u>	<u>26,784</u>	<u>5,453,607</u>	<u>5,385,584</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	4,336,278	-
-	-	-	5,672,882
5,995,199	-	-	-
-	-	-	-
-	-	100,056	-
<u>5,995,199</u>	<u>-</u>	<u>4,436,334</u>	<u>5,672,882</u>
<u>334,908</u>	<u>26,784</u>	<u>1,017,273</u>	<u>(287,298)</u>
34,655	-	360,000	110,000
-	-	-	-
<u>34,655</u>	<u>-</u>	<u>360,000</u>	<u>110,000</u>
369,563	26,784	1,377,273	(177,298)
455,595	-	2,302,101	1,617,119
<u>\$ 825,158</u>	<u>\$ 26,784</u>	<u>\$ 3,679,374</u>	<u>\$ 1,439,821</u>

(Continued)

**Butler County, Ohio**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended December 31, 2007 (Continued)**

	Residential Incentive Districts and Tax Incremental Financings	All Other Health	County Care Facility	Elderly Services Levy
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ 13,864,017
Charges for Services	-	62,864	1,295,085	-
Licenses and Permits	-	452,599	-	-
Fines and Forfeitures	-	17,939	-	-
Intergovernmental	-	-	5,946,471	1,276,247
Special Assessments	-	-	-	-
Payment in Lieu of Taxes	2,868,988	-	-	16,188
Interest	-	-	-	-
Other	-	34	346,356	-
<b>Total Revenues</b>	<b>2,868,988</b>	<b>533,436</b>	<b>7,587,912</b>	<b>15,156,452</b>
Expenditures				
Current:				
General Government				
Legislative and Executive	-	-	-	-
Judicial	-	-	-	-
Public Safety	-	-	-	-
Public Works	2,564,097	-	-	-
Health	-	568,104	-	-
Human Services	-	-	7,851,427	8,469,902
Debt Service:				
Principal Retirement	-	-	40,179	-
Interest and Fiscal Charges	-	-	1,176	-
<b>Total Expenditures</b>	<b>2,564,097</b>	<b>568,104</b>	<b>7,892,782</b>	<b>8,469,902</b>
Excess of Revenues Over (Under) Expenditures	304,891	(34,668)	(304,870)	6,686,550
Other Financing Sources (Uses)				
Transfers - In	-	-	-	-
Transfers - Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balance	304,891	(34,668)	(304,870)	6,686,550
Fund Balances (Deficit) Beginning of Year	-	173,105	288,622	7,211,827
Fund Balances (Deficit) End of Year	\$ 304,891	\$ 138,437	\$ (16,248)	\$ 13,898,377

All Other Human Services	Total Nonmajor Special Revenue Funds
\$ -	\$ 14,289,398
-	15,971,687
-	511,642
-	64,397
173,055	27,029,167
-	2,751,592
-	2,885,553
-	131,680
4,400	709,746
<u>177,455</u>	<u>64,344,862</u>
-	7,519,172
-	2,035,929
-	11,353,674
-	6,900,375
-	6,240,986
239,745	22,556,273
-	40,179
-	101,232
<u>239,745</u>	<u>56,747,820</u>
<u>(62,290)</u>	<u>7,597,042</u>
53,118	561,366
-	(5,000)
<u>53,118</u>	<u>556,366</u>
(9,172)	8,153,408
<u>25,570</u>	<u>20,591,039</u>
<u>\$ 16,398</u>	<u>\$ 28,744,447</u>

**Butler County, Ohio**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended December 31, 2007**

	Technology	Other Capital Improvements	Total Nonmajor Capital Projects Funds
Revenues			
Interest	\$ -	\$ 5,228	\$ 5,228
Expenditures			
Current:			
General Government			
Legislative and Executive	40,893	-	40,893
Public Safety	-	147,193	147,193
Public Works	-	61,340	61,340
Capital Outlay	23,547	62,128	85,675
Debt Service:			
Interest and Fiscal Charges	196,054	15,956	212,010
Total Expenditures	260,494	286,617	547,111
Excess of Revenues (Under) Expenditures	(260,494)	(281,389)	(541,883)
Other Financing Sources			
Transfers In	234,741	111,606	346,347
Net Change in Fund Balance	(25,753)	(169,783)	(195,536)
Fund Balances (Deficit) at Beginning of Year	(3,144,279)	(93,598)	(3,237,877)
Fund Balances (Deficit) End of Year	<u>\$ (3,170,032)</u>	<u>\$ (263,381)</u>	<u>\$ (3,433,413)</u>

## **INTERNAL SERVICE FUNDS**

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

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

**Worker’s Compensation – To account for funds received from governmental and proprietary funds and regional governmental agencies to pay for the actual expense of workers’ compensation benefits.**

**County Fuel Depot – To account for funds received from governmental and proprietary funds to pay for the actual expenses of operating the County gas facility.**

**Butler County, Ohio**  
**Combining Statement of Fund Net Assets**  
**Internal Service Funds**  
**December 31, 2007**

	Health Insurance	Workers Compensation	County Fuel Depot	Total
<b>Assets</b>				
<b>Current Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 366,210	\$ 615,553	\$ 20,691	\$ 1,002,454
<b>Receivables:</b>				
Accounts	-	46,950	-	46,950
Due from Other Funds	-	1,977,704	163,227	2,140,931
Prepaid Items	-	513	-	513
<b>Total Assets</b>	<b>366,210</b>	<b>2,640,720</b>	<b>183,918</b>	<b>3,190,848</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts Payable	\$ 1,800	\$ 4,711	\$ 2,007	\$ 8,518
Accrued Wages and Benefits	5,461	10,924	-	16,385
Due to Other Funds	2,535	-	-	2,535
Due to Other Governments	-	759,377	-	759,377
Claims Payable	-	1,181,255	-	1,181,255
Compensated Absences Payable	7,267	10,277	-	17,544
<b>Total Current Liabilities</b>	<b>17,063</b>	<b>1,966,544</b>	<b>2,007</b>	<b>1,985,614</b>
<b>Long-Term Liabilities</b>				
Advances from Other Funds	150,000	-	190,000	340,000
Claims Payable	-	2,658,177	-	2,658,177
Compensated Absences Payable	14,992	19,505	-	34,497
<b>Total Long-Term Liabilities</b>	<b>164,992</b>	<b>2,677,682</b>	<b>190,000</b>	<b>3,032,674</b>
<b>Total Liabilities</b>	<b>182,055</b>	<b>4,644,226</b>	<b>192,007</b>	<b>5,018,288</b>
<b>Total Net Assets (Deficit)</b>	<b>\$ 184,155</b>	<b>\$ (2,003,506)</b>	<b>\$ (8,089)</b>	<b>\$ (1,827,440)</b>

**Butler County, Ohio**  
**Combining Statement of Revenues,**  
**Expenses and Changes in Fund Net Assets**  
**Internal Service Funds**  
**For the Year Ended December 31, 2007**

	Health Insurance	Workers Compensation	County Fuel Depot	Total
Operating Revenues				
Charges for Services	\$ 14,164,331	\$ 2,030,717	\$ 322,463	\$ 16,517,511
Other Operating Revenues	1,800	23,919	-	25,719
Total Operating Revenues	<u>14,166,131</u>	<u>2,054,636</u>	<u>322,463</u>	<u>16,543,230</u>
Operating Expenses				
Personal Services	166,918	326,553	-	493,471
Contractual Services	13,905,168	843,318	2,084	14,750,570
Claims and Judgments	-	1,177,124	-	1,177,124
Materials and Supplies	630	-	300,052	300,682
Other Operating Expenses	336	-	-	336
Total Operating Expenses	<u>14,073,052</u>	<u>2,346,995</u>	<u>302,136</u>	<u>16,722,183</u>
Change in Net Assets	93,079	(292,359)	20,327	(178,953)
Net Assets Beginning of Year (Deficit)	<u>91,076</u>	<u>(1,711,147)</u>	<u>(28,416)</u>	<u>(1,648,487)</u>
Net Assets End of Year (Deficit)	<u>\$ 184,155</u>	<u>\$ (2,003,506)</u>	<u>\$ (8,089)</u>	<u>\$ (1,827,440)</u>

**Butler County**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended December 31, 2007**

	Health Insurance	Workers Compensation	County Fuel Depot	Totals
<u>Increase (Decrease) in Cash and Cash Equivalents:</u>				
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Interfund Services Provided	\$ 14,164,331	\$ 1,921,337	\$ 159,236	\$ 16,244,904
Cash Paid to Suppliers	(13,905,952)	(678,601)	(300,129)	(14,884,682)
Cash Paid to Employees	(161,902)	(320,285)	-	(482,187)
Other Operating Revenues	1,800	23,919	-	25,719
Cash Paid for Claims	-	(1,005,276)	-	(1,005,276)
Net Cash Provided by (Used for) Operating Activities	<u>98,277</u>	<u>(58,906)</u>	<u>(140,893)</u>	<u>(101,522)</u>
<u>Cash Flows from Noncapital Financing Activities:</u>				
Short-Term Advances from Other Funds	-	-	150,000	150,000
Net Cash Provided by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>150,000</u>	<u>150,000</u>
Net Increase (Decrease) in Cash and Cash Equivalents	98,277	(58,906)	9,107	48,478
Cash and Cash Equivalents at Beginning of Year	<u>267,933</u>	<u>674,459</u>	<u>11,584</u>	<u>953,976</u>
Cash and Cash Equivalents at End of Year	<u>\$ 366,210</u>	<u>\$ 615,553</u>	<u>\$ 20,691</u>	<u>\$ 1,002,454</u>
<u>Reconciliation of Operating Income (Loss) to net</u>				
<u>Cash Provided by (Used for) Operating Activities:</u>				
Operating Income (Loss)	\$ 93,079	\$ (292,359)	\$ 20,327	\$ (178,953)
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash</u>				
<u>Provided by (Used for) Operating Activities:</u>				
<u>Changes in Assets and Liabilities:</u>				
Decrease in Accounts Receivable	-	1,300	-	1,300
Increase in Due from Other Funds	-	(110,680)	(163,227)	(273,907)
Decrease (Increase) in Prepaid Items	46	(293)	-	(247)
Increase in Accrued Wages and Benefits	903	2,844	-	3,747
Increase in Accounts Payable	136	767	2,007	2,910
Increase in Compensated Absences Payable	1,578	7,368	-	8,946
Increase in Due to Other Funds	2,535	-	-	2,535
Increase in Due to Other Governments	-	160,299	-	160,299
Increase in Claims Payable	-	171,848	-	171,848
Total Adjustments	<u>5,198</u>	<u>233,453</u>	<u>(161,220)</u>	<u>77,431</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 98,277</u>	<u>\$ (58,906)</u>	<u>\$ (140,893)</u>	<u>\$ (101,522)</u>



## **AGENCY FUNDS**

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

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

**All Other Agency – All other Agency account for various individual agency funds combined for reporting purposes.**

**Butler County, Ohio**  
**Combining Statement of Fiduciary Assets and Liabilities**  
**Agency Funds**  
**December 31, 2007**

	Undivided Tax	All Other Agency	Total
<b>Assets</b>			
Equity Pooled in Cash and Cash Equivalents	\$ 18,663,536	\$ 8,653,808	\$ 27,317,344
Cash and Cash Equivalents in Segregated Accounts	11,929	4,533,180	4,545,109
Taxes Receivable	360,987,980	-	360,987,980
Special Assessments Receivable	36,822,002	-	36,822,002
Due from Other Governments	12,766,003	295,705	13,061,708
<b>Total Assets</b>	<b>\$ 429,251,450</b>	<b>\$ 13,482,693</b>	<b>\$ 442,734,143</b>
<b>Liabilities</b>			
Undistributed Monies	\$ -	\$ 3,892,534	\$ 3,892,534
Deposits Held and Due to Others	-	9,341,154	9,341,154
Due to Other Governments	429,251,450	114,005	429,365,455
Loans Payable	-	135,000	135,000
<b>Total Liabilities</b>	<b>\$ 429,251,450</b>	<b>\$ 13,482,693</b>	<b>\$ 442,734,143</b>

**Butler County, Ohio**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds**  
**For the Year Ended December 31, 2007**

	Beginning Balance 01/01/07	Additions	Deductions	Ending Balance 12/31/07
<b>Undivided Tax Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 17,499,032	\$ 784,999,538	\$ 783,835,034	\$ 18,663,536
Cash and Cash Equivalents in Segregated Accounts	13,218	11,929	13,218	11,929
Due from Other Funds	-	25,147	25,147	-
Taxes Receivable	374,378,029	360,987,980	374,378,029	360,987,980
Special Assessments Receivable	33,002,677	36,269,588	32,450,263	36,822,002
Due from Other Governments	15,172,164	12,766,003	15,172,164	12,766,003
<b>Total Assets</b>	<b>\$ 440,065,120</b>	<b>\$ 1,195,060,185</b>	<b>\$ 1,205,873,855</b>	<b>\$ 429,251,450</b>
<b>Liabilities</b>				
Due to Other Governments	\$ 440,065,120	\$ 414,000,539	\$ 424,814,209	\$ 429,251,450
<b>All Other Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 10,794,565	\$ 136,326,906	\$ 138,467,663	\$ 8,653,808
Cash and Cash Equivalents in Segregated Accounts	3,629,903	66,460,436	65,557,159	4,533,180
Due from Other Funds	-	171,611	171,611	-
Special Assessments Receivable	1,911	-	1,911	-
Due from Other Governments	300,759	295,705	300,759	295,705
<b>Total Assets</b>	<b>\$ 14,727,138</b>	<b>\$ 203,254,658</b>	<b>\$ 204,499,103</b>	<b>\$ 13,482,693</b>
<b>Liabilities</b>				
Accounts Payable	\$ 14,366	\$ -	\$ 14,366	\$ -
Undistributed Monies	2,995,714	11,603,828	10,707,008	3,892,534
Deposits Held and Due to Others	11,483,133	8,168,153	10,310,132	9,341,154
Due to Other Funds	-	39,539,091	39,539,091	-
Due to Other Governments	118,925	8,801,851	8,806,771	114,005
Loans Payable	115,000	20,000	-	135,000
<b>Total Liabilities</b>	<b>\$ 14,727,138</b>	<b>\$ 68,132,923</b>	<b>\$ 69,377,368</b>	<b>\$ 13,482,693</b>

(Continued)

**Butler County, Ohio**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds**  
**For the Year Ended December 31, 2007 (Continued)**

	Beginning Balance 01/01/07	Additions	Deductions	Ending Balance 12/31/07
Total - All Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 28,293,597	\$ 921,326,444	\$ 922,302,697	\$27,317,344
Cash and Cash Equivalents in Segregated Accounts	3,643,121	66,472,365	65,570,377	4,545,109
Due from Other Funds	-	196,758	196,758	-
Taxes Receivable	374,378,029	360,987,980	374,378,029	360,987,980
Special Assessments Receivable	33,004,588	36,269,588	32,452,174	36,822,002
Due from Other Governments	15,472,923	13,061,708	15,472,923	13,061,708
<b>Total Assets</b>	<b>\$ 454,792,258</b>	<b>\$ 1,398,314,843</b>	<b>\$ 1,410,372,958</b>	<b>\$ 442,734,143</b>
Liabilities				
Accounts Payable	14,366	-	14,366	-
Undistributed Monies	2,995,714	11,603,828	10,707,008	3,892,534
Deposits Held and Due to Others	11,483,133	8,168,153	10,310,132	9,341,154
Due to Other Governments	440,184,045	422,802,390	433,620,980	429,365,455
Loans Payable	115,000	20,000	-	135,000
<b>Total Liabilities</b>	<b>\$ 454,792,258</b>	<b>\$ 442,594,371</b>	<b>\$ 454,652,486</b>	<b>\$ 442,734,143</b>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**General Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 14,440,001	\$ 14,083,957	\$ 14,084,819	\$ 862
Sales Taxes	21,273,701	41,133,526	41,151,766	18,240
Charges for Services	26,367,365	27,269,998	27,710,145	440,147
Licenses and Permits	21,195	16,215	16,790	575
Fines and Forfeitures	1,876,368	1,634,842	1,691,024	56,182
Intergovernmental	7,898,900	7,706,458	7,970,235	263,777
Payment in Lieu of Taxes	25,328	16,372	16,372	0
Interest	8,234,130	11,821,892	11,829,667	7,775
Other	1,366,100	1,224,743	1,361,796	137,053
<b>Total Revenues</b>	<b>81,503,088</b>	<b>104,908,003</b>	<b>105,832,614</b>	<b>924,611</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government :</b>				
<b>Legislative and Executive</b>				
<b>Information Services</b>				
Personal Services	1,384,130	1,445,443	1,375,193	70,250
Materials and Supplies	37,143	36,421	36,353	68
Contractual Services	167,280	210,890	167,449	43,441
<b>Total Information Services</b>	<b>1,588,553</b>	<b>1,692,754</b>	<b>1,578,995</b>	<b>113,759</b>
<b>Audit Services</b>				
Contractual Services	164,200	164,200	143,659	20,541
<b>Total Audit Services</b>	<b>164,200</b>	<b>164,200</b>	<b>143,659</b>	<b>20,541</b>
<b>Auditor</b>				
Personal Services	1,389,443	1,505,155	1,432,049	73,106
Materials and Supplies	36,150	85,827	52,143	33,684
Contractual Services	161,281	202,769	174,812	27,957
Other	13,760	9,482	1,883	7,599
<b>Total Auditor</b>	<b>1,600,634</b>	<b>1,803,233</b>	<b>1,660,887</b>	<b>142,346</b>
<b>Commissioners</b>				
Personal Services	831,498	852,379	846,373	6,006
Materials and Supplies	41,910	48,959	47,953	1,006
Contractual Services	97,004	156,404	151,453	4,951
Other	27,000	4,800	4,482	318
<b>Total Commissioners</b>	<b>997,412</b>	<b>1,062,542</b>	<b>1,050,261</b>	<b>12,281</b>
<b>Department of Development</b>				
Personal Services	1,227,700	1,273,552	1,271,557	1,995
Materials and Supplies	21,276	22,451	21,581	870
Contractual Services	204,950	192,625	191,863	762
Other	3,500	15,500	14,743	757
<b>Total Department of Development</b>	<b>1,457,426</b>	<b>1,504,128</b>	<b>1,499,744</b>	<b>4,384</b>
<b>Mailroom</b>				
Personal Services	94,044	99,165	99,019	146
Materials and Supplies	798,880	923,000	914,912	8,088
Other	500	420	-	420
<b>Total Mailroom</b>	<b>893,424</b>	<b>1,022,585</b>	<b>1,013,931</b>	<b>8,654</b>

(continued)

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**General Fund (continued)**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Maintenance				
Personal Services	\$ 227,417	\$ 256,757	\$ 253,632	\$ 3,125
Materials and Supplies	155,000	207,700	203,540	4,160
Contractual Services	3,637,795	3,946,833	3,917,669	29,164
Other	5,400	460	-	460
Total Maintenance	<u>4,025,612</u>	<u>4,411,750</u>	<u>4,374,841</u>	<u>36,909</u>
Records Center				
Personal Services	500,240	535,886	521,736	14,150
Materials and Supplies	29,948	34,639	33,924	715
Contractual Services	216,494	305,483	300,972	4,511
Other	1,350	-	-	-
Total Records Center	<u>748,032</u>	<u>876,008</u>	<u>856,632</u>	<u>19,376</u>
Insurance, Pension and Taxes				
Personal Services	40,000	37,000	27,067	9,933
Contractual Services	779,700	812,200	811,719	481
Other	234,337	433,536	397,500	36,036
Total Insurance, Pension and Taxes	<u>1,054,037</u>	<u>1,282,736</u>	<u>1,236,286</u>	<u>46,450</u>
Commissioners-Other				
Contractual Services	524,250	414,432	410,718	3,714
Other	889,561	1,009,351	926,875	82,476
Total Commissioners-Other	<u>1,413,811</u>	<u>1,423,783</u>	<u>1,337,593</u>	<u>86,190</u>
Economic Development				
Personal Services	362,719	414,197	409,641	4,556
Materials and Supplies	1,350	915	522	393
Contractual Services	2,580	4,492	3,884	608
Other	600	2,120	930	1,190
Total Economic Development	<u>367,249</u>	<u>421,724</u>	<u>414,977</u>	<u>6,747</u>
Board of Elections				
Personal Services	1,657,774	1,886,732	1,630,445	256,287
Materials and Supplies	628,746	528,787	377,961	150,826
Contractual Services	535,092	544,826	507,744	37,082
Total Board of Elections	<u>2,821,612</u>	<u>2,960,345</u>	<u>2,516,150</u>	<u>444,195</u>
Prosecuting Attorney				
Personal Services	3,597,786	3,706,726	3,690,777	15,949
Materials and Supplies	39,741	65,190	64,080	1,110
Contractual Services	147,750	149,800	129,367	20,433
Other	60,276	60,776	57,758	3,018
Total Prosecuting Attorney	<u>3,845,553</u>	<u>3,982,492</u>	<u>3,941,982</u>	<u>40,510</u>
CSEA Prosecutor				
Personal Services	246,407	256,144	255,332	812
Materials and Supplies	5,300	7,100	6,928	172
Contractual Services	43,710	45,484	43,011	2,473
Other	747	340	-	340
Total CSEA Prosecutor	<u>296,164</u>	<u>309,068</u>	<u>305,271</u>	<u>3,797</u>

(continued)

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**General Fund (continued)**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Recorder				
Personal Services	\$ 772,127	\$ 791,696	\$ 789,358	\$ 2,338
Materials and Supplies	9,565	10,665	9,984	681
Contractual Services	12,871	12,030	9,249	2,781
Other	7,952	4,833	4,464	369
Total Recorder	802,515	819,224	813,055	6,169
Treasurer				
Personal Services	1,154,798	1,039,762	1,012,838	26,924
Materials and Supplies	20,236	21,883	17,246	4,637
Contractual Services	202,477	209,852	175,173	34,679
Other	4,500	4,050	2,782	1,268
Total Treasurer	1,382,011	1,275,547	1,208,039	67,508
Total General Government: Legislative and Executive	23,458,245	25,012,119	23,952,303	1,059,816
General Government: Judicial				
Area Courts				
Personal Services	1,056,266	1,188,333	1,158,089	30,244
Materials and Supplies	15,617	27,216	27,149	67
Contractual Services	76,987	103,687	90,068	13,619
Total Area Courts	1,148,870	1,319,236	1,275,306	43,930
Clerk of Courts				
Personal Services	1,492,720	1,667,586	1,646,769	20,817
Materials and Supplies	44,260	53,395	52,698	697
Contractual Services	44,779	34,910	33,854	1,056
Other	600	130	130	-
Total Clerk of Courts	1,582,359	1,756,021	1,733,451	22,570
Common Pleas Court				
Personal Services	1,541,633	1,739,859	1,729,789	10,070
Materials and Supplies	27,853	25,351	22,237	3,114
Contractual Services	1,367,889	1,369,696	1,281,386	88,310
Other	6,550	6,050	4,822	1,228
Total Common Pleas Court	2,943,925	3,140,956	3,038,234	102,722
Court Services				
Personal Services	436,577	428,750	420,918	7,832
Materials and Supplies	180	200	121	79
Contractual Services	112,855	10,000	9,738	262
Other	47	-	-	-
Total Court Services	549,659	438,950	430,777	8,173

(continued)

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**General Fund (continued)**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Domestic Relations Court				
Personal Services	\$ 1,459,842	\$ 1,622,330	\$ 1,487,529	\$ 134,801
Materials and Supplies	26,964	37,894	25,496	12,398
Contractual Services	185,183	161,378	148,287	13,091
Other	3,750	5,000	4,232	768
Total Domestic Relations Court	<u>1,675,739</u>	<u>1,826,602</u>	<u>1,665,544</u>	<u>161,058</u>
Parenting Education				
Contractual Services	37,620	47,000	43,880	3,120
Other	450	500	-	500
Total Parenting Education	<u>38,070</u>	<u>47,500</u>	<u>43,880</u>	<u>3,620</u>
Juvenile Court				
Personal Services	2,471,306	2,483,199	2,447,288	35,911
Materials and Supplies	58,360	59,159	57,874	1,285
Contractual Services	1,449,299	1,855,868	1,802,130	53,738
Other	4,180	4,080	2,365	1,715
Total Juvenile Court	<u>3,983,145</u>	<u>4,402,306</u>	<u>4,309,657</u>	<u>92,649</u>
Juvenile Court FDC				
Personal Services	60,913	84,736	74,776	9,960
Materials and Supplies	-	24,567	8,990	15,577
Contractual Services	1,000	40,000	7,338	32,662
Total - Juvenile Court FDC	<u>61,913</u>	<u>149,303</u>	<u>91,104</u>	<u>58,199</u>
Probate Court				
Personal Services	720,428	717,034	708,352	8,682
Materials and Supplies	29,050	27,375	27,131	244
Contractual Services	43,167	37,952	30,881	7,071
Other	2,520	1,195	1,125	70
Total Probate Court	<u>795,165</u>	<u>783,556</u>	<u>767,489</u>	<u>16,067</u>
Court of Appeals				
Personal Services	243,894	262,665	230,995	31,670
Materials and Supplies	34,701	37,700	32,183	5,517
Contractual Services	521,271	497,158	466,825	30,333
Other	9,228	11,728	11,018	710
Total Court of Appeals	<u>809,094</u>	<u>809,251</u>	<u>741,021</u>	<u>68,230</u>
Municipal Courts				
Personal Services	392,903	387,758	383,548	4,210
Contractual Services	488,500	512,500	511,435	1,065
Other	450	400	-	400
Total Municipal Courts	<u>881,853</u>	<u>900,658</u>	<u>894,983</u>	<u>5,675</u>
Total General Government: Judicial	<u>14,469,792</u>	<u>15,574,339</u>	<u>14,991,446</u>	<u>582,893</u>
Public Safety				
Adult Probation				
Personal Services	1,607,899	1,582,652	1,562,959	19,693
Materials and Supplies	108,130	111,630	106,588	5,042
Contractual Services	60,971	76,960	74,342	2,618
Other	2,047	-	-	-
Total Adult Probation	<u>1,779,047</u>	<u>1,771,242</u>	<u>1,743,889</u>	<u>27,353</u>

(continued)



**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**General Fund (continued)**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Criminal Justice Board</b>				
Personal Services	\$ 56,928	\$ 58,398	\$ 58,366	\$ 32
Materials and Supplies	112	100	-	100
Contractual Services	155	140	45	95
Other	75	70	-	70
Total Criminal Justice Board	57,270	58,708	58,411	297
<b>General Communications Sales Tax</b>				
Personal Services	-	27,820	26,584	1,236
Contractual Services	2,222,184	12,922,184	12,883,982	38,202
Capital Outlay	-	3,521,000	3,473,718	47,282
Total - General Communications Sales Tax	2,222,184	16,471,004	16,384,284	86,720
<b>Coroner</b>				
Personal Services	602,121	640,663	638,598	2,065
Materials and Supplies	8,400	12,560	9,361	3,199
Contractual Services	15,687	4,323	4,323	-
Other	8,218	1,255	1,255	-
Total Coroner	634,426	658,801	653,537	5,264
<b>Coroner's Morgue</b>				
Materials and Supplies	11,903	19,470	19,468	2
Contractual Services	226,172	305,013	304,365	648
Total Coroner Morgue	238,075	324,483	323,833	650
<b>Juvenile Facilities</b>				
Personal Services	1,979,788	2,147,454	2,118,094	29,360
Materials and Supplies	199,502	234,502	216,126	18,376
Contractual Services	94,085	109,789	104,990	4,799
Other	800	1,299	999	300
Total Juvenile Facilities	2,274,175	2,493,044	2,440,209	52,835
<b>Sheriffs Academy</b>				
Contractual Services	24,606	27,641	27,427	214
Materials and Supplies	8,297	14,230	14,224	6
Other	495	495	366	129
Total Sheriffs Academy	33,398	42,366	42,017	349
<b>Sheriffs Resolutions</b>				
Contractual Services	7,215,200	8,155,175	8,101,542	53,633
Total Sheriffs Resolutions	7,215,200	8,155,175	8,101,542	53,633
<b>Sheriff</b>				
Personal Services	17,970,668	19,953,792	19,945,127	8,665
Materials and Supplies	590,852	645,081	644,899	182
Contractual Services	689,019	697,872	697,478	394
Other	285,736	310,765	310,731	34
Total Sheriff	19,536,275	21,607,510	21,598,235	9,275

(continued)

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**General Fund (continued)**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Paramedics				
Personal Services	\$ 694,319	\$ 769,350	\$ 764,639	\$ 4,711
Materials and Supplies	8,309	7,509	7,419	90
Contractual Services	855,627	755,547	748,472	7,075
Total Paramedics	1,558,255	1,532,406	1,520,530	11,876
Total Public Safety	35,548,305	53,114,739	52,866,487	248,252
Public Works				
Solid Waste Landfill				
Contractual Services	20,000	20,000	14,600	5,400
Engineers-Plat Room				
Personal Services	185,003	191,423	191,375	48
Total Public Works	205,003	211,423	205,975	5,448
Health				
Other-Health				
Contractual Service	455,611	826,959	826,959	-
Registration Vital Statistics				
Other	7,650	7,650	3,705	3,945
Total Health	463,261	834,609	830,664	3,945
Human Services				
Veterans Memorial				
Contractual Services	14,850	16,850	16,826	24
Other	7,000	5,000	4,960	40
Total Veterans Memorial	21,850	21,850	21,786	64
Veterans Services				
Personal Services	605,623	656,393	581,104	75,289
Materials and Supplies	6,000	32,500	28,978	3,522
Contractual Services	328,682	366,664	332,493	34,171
Other	380,241	412,500	349,671	62,829
Total Veterans Services	1,320,546	1,468,057	1,292,246	175,811
Total Human Services	1,342,396	1,489,907	1,314,032	175,875

(continued)

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**General Fund (continued)**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Conservation and Recreation				
Agricultural				
Contractual Services	\$ 3,000	\$ 3,000	\$ 1,466	\$ 1,534
Other	512,028	650,113	607,113	43,000
Total Agricultural	<u>515,028</u>	<u>653,113</u>	<u>608,579</u>	<u>44,534</u>
Historical Society				
Other	-	29,100	29,100	-
Emergency Management				
Other	26,500	53,000	48,817	4,183
Total Conservation and Recreation	<u>541,528</u>	<u>735,213</u>	<u>686,496</u>	<u>48,717</u>
Debt Service:				
Principal Retirement	4,530,271	4,923,228	4,895,850	27,378
Interest and Fiscal Charges	3,665,151	3,458,585	3,420,812	37,773
Bond Issuance Costs	-	152,352	152,352	-
Total Debt Service	<u>8,195,422</u>	<u>8,534,165</u>	<u>8,469,014</u>	<u>65,151</u>
Total Expenditures	<u>84,223,952</u>	<u>105,506,514</u>	<u>103,316,417</u>	<u>2,190,097</u>
Excess of Revenues Over Under Expenditures	<u>(2,720,864)</u>	<u>(598,511)</u>	<u>2,516,197</u>	<u>3,114,708</u>
Other Financing Sources (Uses):				
Other Financing Sources	1,606,700	1,462,668	1,385,912	(76,756)
Refunding Bonds Issued		12,305,000	12,305,000	-
Payment to Refunded Bond Escrow Agent	-	(12,830,901)	(12,830,901)	-
Premium on Debt Issued	-	681,000	681,305	305
Premium from Sale of Capital Assets	-	-	118,942	118,942
Advances - Out	-	(716,800)	(360,000)	356,800
Transfers - In	-	-	5,000	5,000
Transfers - Out	(2,038,642)	(2,844,548)	(2,698,662)	145,886
Total Other Financing Sources (Uses)	<u>(431,942)</u>	<u>(1,943,581)</u>	<u>(1,393,404)</u>	<u>550,177</u>
Net Change in Fund Balance	(3,152,806)	(2,542,092)	1,122,793	3,664,885
Fund Balance at Beginning of Year	23,058,080	23,058,080	23,058,080	-
Prior Year Encumbrances Appropriated	2,764,014	2,764,014	2,764,014	-
Fund Balance at End of Year	<u>\$ 22,669,288</u>	<u>\$ 23,280,002</u>	<u>\$ 26,944,887</u>	<u>\$ 3,664,885</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Mental Retardation-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 20,670,640	\$ 19,382,840	\$ 19,413,034	\$ 30,194
Charges for Services	1,700,000	540,000	561,230	21,230
Intergovernmental	9,779,000	11,698,030	12,278,100	580,070
Payment in Lieu of Taxes	-	29,756	29,756	-
Other	223,000	19,428	22,228	2,800
Total Revenues	<u>32,372,640</u>	<u>31,670,054</u>	<u>32,304,348</u>	<u>634,294</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Health</b>				
<b>Mental Retardation</b>				
Personal Services	15,750,000	15,180,171	14,769,564	410,607
Materials and Supplies	1,776,908	1,976,908	1,395,292	581,616
Contractual Services	10,482,008	15,372,008	13,289,384	2,082,624
Capital Outlay	1,212,450	987,450	34,015	953,435
Other	5,016,260	786,260	149,974	636,286
Total Expenditures	<u>34,237,626</u>	<u>34,302,797</u>	<u>29,638,229</u>	<u>4,664,568</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,864,986)</u>	<u>(2,632,743)</u>	<u>2,666,119</u>	<u>5,298,862</u>
<b>Other Financing Sources (Uses):</b>				
Other Financing Sources	-	12,585	12,585	-
Transfers - In	500,000	-	-	-
Transfers - Out	(500,000)	(500,000)	-	500,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>(487,415)</u>	<u>12,585</u>	<u>500,000</u>
Net Change in Fund Balance	(1,864,986)	(3,120,158)	2,678,704	5,798,862
Fund Balance at Beginning of Year	19,377,202	19,377,202	19,377,202	-
Prior Year Encumbrances Appropriated	1,677,626	1,677,626	1,677,626	-
Fund Balance at End of Year	<u>\$ 19,189,842</u>	<u>\$ 17,934,670</u>	<u>\$ 23,733,532</u>	<u>\$ 5,798,862</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Job and Family Services-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Intergovernmental	\$ 31,786,996	\$ 34,514,111	\$ 35,881,375	\$ 1,367,264
Other	-	794,439	795,708	1,269
Total Revenues	<u>31,786,996</u>	<u>35,308,550</u>	<u>36,677,083</u>	<u>1,368,533</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Human Services</b>				
<b>Job and Family Services</b>				
Personal Services	9,589,485	9,814,439	9,693,230	121,209
Materials and Supplies	447,489	451,888	431,874	20,014
Contractual Services	20,797,533	27,269,719	26,846,520	423,199
Capital Outlay	-	65,000	64,214	786
Other	1,812,690	1,608,254	1,539,669	68,585
Total Expenditures	<u>32,647,197</u>	<u>39,209,300</u>	<u>38,575,507</u>	<u>633,793</u>
Excess of Revenues Over (Under) Expenditures	<u>(860,201)</u>	<u>(3,900,750)</u>	<u>(1,898,424)</u>	<u>2,002,326</u>
<b>Other Financing Sources:</b>				
Other Financing Sources	-	193,342	193,342	-
Transfers - In	1,387,284	1,327,288	1,327,288	-
Total Other Financing Sources	<u>1,387,284</u>	<u>1,520,630</u>	<u>1,520,630</u>	<u>-</u>
Net Change in Fund Balance	527,083	(2,380,120)	(377,794)	2,002,326
Fund Balance at Beginning of Year	2,086,872	2,086,872	2,086,872	-
Prior Year Encumbrances Appropriated	853,359	853,359	853,359	-
Fund Balance at End of Year	<u>\$ 3,467,314</u>	<u>\$ 560,111</u>	<u>\$ 2,562,437</u>	<u>\$ 2,002,326</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Children Services Agency-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 13,566,000	\$ 13,887,000	\$ 13,907,990	\$ 20,990
Intergovernmental	11,123,551	11,399,423	12,713,368	1,313,945
Payment in Lieu of Taxes	-	14,963	14,963	-
Other	6,000	37,059	37,059	-
Total Revenues	<u>24,695,551</u>	<u>25,338,445</u>	<u>26,673,380</u>	<u>1,334,935</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Human Services				
Children Services				
Personal Services	12,265,454	11,816,139	11,721,656	94,483
Materials and Supplies	183,148	183,148	117,204	65,944
Contractual Services	14,440,806	15,342,634	15,064,585	278,049
Capital Outlay	-	17,487	17,487	-
Other	905,578	1,135,578	1,121,133	14,445
Total Expenditures	<u>27,794,986</u>	<u>28,494,986</u>	<u>28,042,065</u>	<u>452,921</u>
Excess of Revenues (Under) Expenditures	<u>(3,099,435)</u>	<u>(3,156,541)</u>	<u>(1,368,685)</u>	<u>1,787,856</u>
<b>Other Financing Sources:</b>				
Other Financing Sources	5,000	5,006	12,822	7,816
Transfer In	-	32,100	32,100	-
Total Other Financing Sources	<u>5,000</u>	<u>37,106</u>	<u>44,922</u>	<u>7,816</u>
Net Change in Fund Balance	(3,094,435)	(3,119,435)	(1,323,763)	1,795,672
Fund Balance at Beginning of Year	4,564,422	4,564,422	4,564,422	-
Prior Year Encumbrances Appropriated	2,077,498	2,077,498	2,077,498	-
Fund Balance at End of Year	<u>\$ 3,547,485</u>	<u>\$ 3,522,485</u>	<u>\$ 5,318,157</u>	<u>\$ 1,795,672</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Mental Health-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 2,164,948	\$ 8,821,186	\$ 8,826,218	\$ 5,032
Charges for Services	96,120	96,122	96,660	538
Intergovernmental	16,072,037	16,551,445	16,561,666	10,221
Payment in Lieu of Taxes	3,729	3,548	3,548	-
Other	457,676	321,803	321,803	-
Total Revenues	<u>18,794,510</u>	<u>25,794,104</u>	<u>25,809,895</u>	<u>15,791</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Health</b>				
<b>Mental Health</b>				
Personal Services	689,544	772,544	674,925	97,619
Materials and Supplies	40,619	65,619	46,481	19,138
Contractual Services	21,153,886	27,545,885	22,844,383	4,701,502
Other	552	552	-	552
Total Expenditures	<u>21,884,601</u>	<u>28,384,600</u>	<u>23,565,789</u>	<u>4,818,811</u>
Excess of Revenues Over (Under) Expenditures	(3,090,091)	(2,590,496)	2,244,106	4,834,602
<b>Other Financing Sources:</b>				
Other Financing Sources	-	405	405	-
Net Change in Fund Balance	(3,090,091)	(2,590,091)	2,244,511	4,834,602
Fund Balance at Beginning of Year	153,093	153,093	153,093	-
Prior Year Encumbrances Appropriated	3,090,091	3,090,091	3,090,091	-
Fund Balance at End of Year	<u>\$ 153,093</u>	<u>\$ 653,093</u>	<u>\$ 5,487,695</u>	<u>\$ 4,834,602</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Motor Vehicle-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Other Local Taxes	\$ 2,425,000	\$ 2,452,363	\$ 2,452,363	\$ -
Charges for Services	886,000	173,997	174,565	568
Fines and Forfeitures	241,000	264,525	282,613	18,088
Intergovernmental	22,226,715	10,811,869	10,941,378	129,509
Special Assessments	4,000	4,070	4,070	-
Other	240,000	579,911	581,243	1,332
<b>Total Revenues</b>	<b>26,022,715</b>	<b>14,286,735</b>	<b>14,436,232</b>	<b>149,497</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Public Works</b>				
<b>Motor Vehicle</b>				
Personal Services	5,527,089	5,527,089	5,163,305	363,784
Materials and Supplies	1,632,252	1,717,251	1,446,991	270,260
Contractual Services	27,258,404	16,129,706	13,980,482	2,149,224
Capital Outlay	3,221,721	3,206,721	2,698,384	508,337
Other	357,000	162,698	160,456	2,242
<b>Debt Service:</b>				
Principal Retirement	420,000	420,000	420,000	-
Interest and Fiscal Charges	127,000	21,249	20,097	1,152
<b>Total Expenditures</b>	<b>38,543,466</b>	<b>27,184,714</b>	<b>23,889,715</b>	<b>3,294,999</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(12,520,751)</b>	<b>(12,897,979)</b>	<b>(9,453,483)</b>	<b>3,444,496</b>
<b>Other Financing Sources (Uses):</b>				
Notes Issued	420,000	335,000	335,000	-
Premium on Debt Issued	2,000	1,631	1,631	-
Other Financing Sources	1,015,000	1,275,097	1,275,097	-
Transfers - Out	-	(199,930)	(99,965)	99,965
<b>Total Other Financing Sources (Uses)</b>	<b>1,437,000</b>	<b>1,411,798</b>	<b>1,511,763</b>	<b>99,965</b>
<b>Net Change in Fund Balance</b>	<b>(11,083,751)</b>	<b>(11,486,181)</b>	<b>(7,941,720)</b>	<b>3,544,461</b>
<b>Fund Balance at Beginning of Year</b>	<b>8,845,219</b>	<b>8,845,219</b>	<b>8,845,219</b>	<b>-</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>3,148,832</b>	<b>3,148,832</b>	<b>3,148,832</b>	<b>-</b>
<b>Fund Balance at End of Year</b>	<b>\$ 910,300</b>	<b>\$ 507,870</b>	<b>\$ 4,052,331</b>	<b>\$ 3,544,461</b>



**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Buildings Construction and Renovations-Capital Projects Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property and Other Taxes	\$ 1,000,000	\$ 3,370,000	\$ 3,370,808	\$ 808
Intergovernmental	-	330,000	340,659	10,659
Interest	-	10,760	37,817	27,057
Total Revenues	<u>1,000,000</u>	<u>3,710,760</u>	<u>3,749,284</u>	<u>38,524</u>
<b>Expenditures:</b>				
Capital Outlay				
Buildings Construction and Renovations				
Capital Outlay	1,000,000	5,240,454	3,791,289	1,449,165
Debt Service:				
Principal Retirement	-	2,700,000	2,700,000	-
Interest and Fiscal Charges	-	156,277	156,277	-
Total Expenditures	<u>1,000,000</u>	<u>8,096,731</u>	<u>6,647,566</u>	<u>1,449,165</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>(4,385,971)</u>	<u>(2,898,282)</u>	<u>1,487,689</u>
<b>Other Financing Sources:</b>				
Other Financing Sources	-	4,050	12,600	8,550
Notes Issued	-	11,190,875	11,205,000	14,125
Premium on Debt Issued	-	51,572	51,572	-
Transfers - In	-	275,000	275,000	-
Total Other Financing Sources	<u>-</u>	<u>11,521,497</u>	<u>11,544,172</u>	<u>22,675</u>
Net Change in Fund Balance	-	7,135,526	8,645,890	1,510,364
Fund Balance at Beginning of Year	1,654,419	1,654,419	1,654,419	-
Prior Year Encumbrances Appropriated	1,000,000	1,000,000	1,000,000	-
Fund Balance at End of Year	<u>\$ 2,654,419</u>	<u>\$ 9,789,945</u>	<u>\$ 11,300,309</u>	<u>\$ 1,510,364</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Road Improvements -Capital Projects Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 1,945,000	\$ 1,945,000	\$ -
Interest	-	95,747	183,752	88,005
Other	-	1,435,175	1,435,175	-
Total Revenues	<u>-</u>	<u>3,475,922</u>	<u>3,563,927</u>	<u>88,005</u>
<b>Expenditures:</b>				
Capital Outlay				
Road Improvement				
Contractual Services	1,642,243	3,587,243	2,378,253	1,208,990
Debt Service:				
Principal Retirement	-	12,800,000	12,800,000	-
Interest and Fiscal Charges	-	3,656,337	642,838	3,013,499
Total Expenditures	<u>1,642,243</u>	<u>20,043,580</u>	<u>15,821,091</u>	<u>4,222,489</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,642,243)</u>	<u>(16,567,658)</u>	<u>(12,257,164)</u>	<u>4,310,494</u>
<b>Other Financing Sources:</b>				
Notes Issued	5,212,200	17,593,000	17,593,000	-
Premium on Debt Issued	-	80,052	83,728	3,676
Transfers - In	-	256,526	256,526	-
Total Other Financing Sources	<u>5,212,200</u>	<u>17,929,578</u>	<u>17,933,254</u>	<u>3,676</u>
Net Change in Fund Balance	3,569,957	1,361,920	5,676,090	4,314,170
Fund Balance at Beginning of Year	2,105,187	2,105,187	2,105,187	-
Prior Year Encumbrances Appropriated	427,243	427,243	427,243	-
Fund Balance at End of Year	<u>\$ 6,102,387</u>	<u>\$ 3,894,350</u>	<u>\$ 8,208,520</u>	<u>\$ 4,314,170</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenses, and**  
**Changes in Fund Equity-Budget and Actual**  
**Sewer -Enterprise Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 20,263,400	\$ 20,274,573	\$ 20,873,191	\$ 598,618
Contributed Capital	6,636,600	3,764,428	3,952,630	188,202
Special Assessments	143,132	25,534	25,534	-
Grants	-	401,692	401,692	-
Other Non-Operating Revenues	234,068	116,296	130,182	13,886
Other Operating Revenues	484,600	241,515	241,645	130
Bonds Issued	-	418,000	418,000	-
<b>Total Revenues</b>	<u>27,761,800</u>	<u>25,242,038</u>	<u>26,042,874</u>	<u>800,836</u>
<b>Expenses:</b>				
Personal Services	6,733,218	6,595,005	6,553,873	41,132
Contractual Services	13,357,429	11,284,753	9,034,625	2,250,128
Materials and Supplies	1,761,319	1,962,025	1,700,613	261,412
Other Operating Expenses	1,044,330	1,121,503	588,027	533,476
Capital Outlay	566,532	1,058,717	647,323	411,394
<b>Debt Service:</b>				
Principal Retirement	4,061,250	3,914,290	3,914,290	-
Interest and Fiscal Charges	4,075,328	2,323,957	2,323,957	-
<b>Total Expenses</b>	<u>31,599,406</u>	<u>28,260,250</u>	<u>24,762,708</u>	<u>3,497,542</u>
Excess of Revenues Over (Under) Expenses	(3,837,606)	(3,018,212)	1,280,166	4,298,378
Transfers - In	-	54,788	54,788	-
Net Change in Fund Equity	(3,837,606)	(2,963,424)	1,334,954	4,298,378
Fund Equity at Beginning of Year	23,413,140	23,413,140	23,413,140	-
Prior Year Encumbrances Appropriated	1,587,426	1,587,426	1,587,426	-
Fund Equity at End of Year	<u>\$21,162,960</u>	<u>\$22,037,142</u>	<u>\$26,335,520</u>	<u>\$4,298,378</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenses, and**  
**Changes in Fund Equity-Budget and Actual**  
**Water -Enterprise Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 23,078,106	\$ 25,310,912	\$ 25,849,284	\$ 538,372
Contributed Capital	3,840,300	2,111,360	2,265,660	154,300
Special Assessments	38,980	51,304	52,797	1,493
Interest Income	-	38,237	38,874	637
Grants	-	708,589	708,589	-
Other Non-Operating Revenues	527,020	387,603	413,906	26,303
Other Operating Revenues	137,000	340,659	323,285	(17,374)
Premium on Debt Issued	-	1,899,405	1,989,373	89,968
Proceeds from Loans	-	757,183	757,183	-
Bonds Issued	-	482,000	482,000	-
Refunding Bonds Issued	-	24,135,000	24,135,000	-
Total Revenues	<u>27,621,406</u>	<u>56,222,252</u>	<u>57,015,951</u>	<u>793,699</u>
<b>Expenses:</b>				
Personal Services	4,762,073	4,792,044	4,752,514	39,530
Contractual Services	20,910,241	21,735,984	20,780,876	955,108
Materials and Supplies	876,090	1,082,573	832,999	249,574
Other Operating Expenses	582,470	766,146	657,395	108,751
Capital Outlay	346,899	852,823	686,932	165,891
<b>Debt Service:</b>				
Principal Retirement	2,965,945	3,219,435	3,219,435	-
Interest and Fiscal Charges	3,167,857	3,003,143	3,003,143	-
Payment to Refunded Bond Escrow Agent	-	25,814,243	25,814,243	-
Bond Issuance Costs	305,939	305,939	305,939	-
Total Expenses	<u>33,917,514</u>	<u>61,572,330</u>	<u>60,053,476</u>	<u>1,518,854</u>
Excess of Revenues Over (Under) Expenses	(6,296,108)	(5,350,078)	(3,037,525)	2,312,553
Fund Equity at Beginning of Year	19,889,391	19,889,391	19,889,391	-
Prior Year Encumbrances Appropriated	3,741,034	3,741,034	3,741,034	-
Fund Equity at End of Year	<u>\$17,334,317</u>	<u>\$18,280,347</u>	<u>\$20,592,900</u>	<u>\$2,312,553</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenses, and**  
**Changes in Fund Equity-Budget and Actual**  
**GSC Parking Facility-Enterprise Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

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	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 172,000	\$ 157,855	\$ 158,964	\$ 1,109
Expenses:				
Personal Services	82,270	82,053	72,196	9,857
Contractual Services	6,000	1,365	1,365	-
Materials and Supplies	8,000	5,750	5,472	278
Other Operating Expenses	58,000	80,179	80,179	-
Total Expenses	<u>154,270</u>	<u>169,347</u>	<u>159,212</u>	<u>10,135</u>
Excess of Revenues Over (Under) Expenses	17,730	(11,492)	(248)	11,244
Fund Equity at Beginning of Year	11,779	11,779	11,779	-
Fund Equity at End of Year	<u>\$ 29,509</u>	<u>\$ 287</u>	<u>\$ 11,531</u>	<u>\$ 11,244</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Real Estate Assessment-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 3,415,000	\$ 3,514,692	\$ 3,520,531	\$ 5,839
Expenditures:				
Current:				
General Government:				
Legislative and Executive				
Real Estate Assessment				
Personal Services	2,399,600	2,518,673	2,497,483	21,190
Materials and Supplies	142,392	202,407	178,747	23,660
Contractual Services	1,248,916	1,583,701	1,374,873	208,828
Capital Outlay	53,785	19,985	19,985	-
Other	8,000	8,000	-	8,000
Total Expenditures	<u>3,852,693</u>	<u>4,332,766</u>	<u>4,071,088</u>	<u>261,678</u>
Excess of Revenues Over (Under) Expenditures	(437,693)	(818,074)	(550,557)	267,517
Other Financing Sources:				
Other Financing Sources	-	308	308	-
Net Change in Fund Balance	(437,693)	(817,766)	(550,249)	267,517
Fund Balance at Beginning of Year	742,234	742,234	742,234	-
Prior Year Encumbrances Appropriated	83,844	83,844	83,844	-
Fund Balance at End of Year	<u>\$ 388,385</u>	<u>\$ 8,312</u>	<u>\$ 275,829</u>	<u>\$ 267,517</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**All Other Legislative and Executive-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 405,000	\$ 409,321	\$ 422,442	\$ 13,121
Charges for Services	2,995,496	3,089,272	3,180,015	90,743
Intergovernmental	15,000	19,902	20,591	689
Payment in Lieu of Taxes	-	377	377	-
Interest	48,000	85,850	93,104	7,254
Other	-	32,779	32,779	-
<b>Total Revenues</b>	<b>3,463,496</b>	<b>3,637,501</b>	<b>3,749,308</b>	<b>111,807</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
Personal Services	2,085,624	2,243,967	2,203,858	40,109
Materials and Supplies	197,251	215,251	143,341	71,910
Contractual Services	822,618	895,510	778,440	117,070
Capital Outlay	41,700	34,000	-	34,000
Other	439,151	433,745	414,128	19,617
<b>Total Expenditures</b>	<b>3,586,344</b>	<b>3,822,473</b>	<b>3,539,767</b>	<b>282,706</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(122,848)</b>	<b>(184,972)</b>	<b>209,541</b>	<b>394,513</b>
<b>Other Financing Sources:</b>				
Other Financing Sources	-	2,173	2,173	-
<b>Net Change in Fund Balance</b>	<b>(122,848)</b>	<b>(182,799)</b>	<b>211,714</b>	<b>394,513</b>
<b>Fund Balance at Beginning of Year</b>	<b>1,949,954</b>	<b>1,949,954</b>	<b>1,949,954</b>	<b>-</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>102,055</b>	<b>102,055</b>	<b>102,055</b>	<b>-</b>
<b>Fund Balance at End of Year</b>	<b>\$ 1,929,161</b>	<b>\$ 1,869,210</b>	<b>\$ 2,263,723</b>	<b>\$ 394,513</b>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**All Other Judicial-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 1,961,764	\$ 2,195,291	\$ 2,290,132	\$ 94,841
Fines and Forfeitures	36,000	40,370	41,770	1,400
Total Revenues	<u>1,997,764</u>	<u>2,235,661</u>	<u>2,331,902</u>	<u>96,241</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
<b>Judicial</b>				
<b>Other Judicial</b>				
Personal Services	1,519,339	1,530,154	1,383,871	146,283
Materials and Supplies	263,439	254,892	176,259	78,633
Contractual Services	558,358	591,152	473,252	117,900
Capital Outlay	4,124	-	-	-
Other	27,700	21,700	15,000	6,700
Total Expenditures	<u>2,372,960</u>	<u>2,397,898</u>	<u>2,048,382</u>	<u>349,516</u>
Excess of Revenues Over (Under) Expenditures	(375,196)	(162,237)	283,520	445,757
<b>Other Financing Sources (Uses):</b>				
Transfers - Out	-	(5,000)	(5,000)	-
Net Change in Fund Balance	(375,196)	(167,237)	278,520	445,757
Fund Balance at Beginning of Year	1,970,556	1,970,556	1,970,556	-
Prior Year Encumbrances Appropriated	41,997	41,997	41,997	-
Fund Balance at End of Year	<u>\$ 1,637,357</u>	<u>\$ 1,845,316</u>	<u>\$ 2,291,073</u>	<u>\$ 445,757</u>



**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**All Other Public Safety-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 3,790,000	\$ 3,910,281	\$ 4,093,811	\$ 183,530
Licenses and Permits	43,180	55,012	59,043	4,031
Fines and Forfeitures	4,000	3,730	3,813	83
Intergovernmental	8,090,140	7,130,581	7,132,033	1,452
Other	4,800	105,518	105,518	-
Total Revenues	<u>11,932,120</u>	<u>11,205,122</u>	<u>11,394,218</u>	<u>189,096</u>
Expenditures:				
Current:				
Public Safety				
Other Public Safety				
Personal Services	6,187,162	6,208,087	6,073,382	134,705
Materials and Supplies	1,091,043	1,124,928	1,048,060	76,868
Contractual Services	3,744,329	4,161,798	3,998,176	163,622
Capital Outlay	200,000	199,656	199,047	609
Other	125,031	119,707	104,208	15,499
Total Expenditures	<u>11,347,565</u>	<u>11,814,176</u>	<u>11,422,873</u>	<u>391,303</u>
Excess of Revenues Over (Under) Expenditures	<u>584,555</u>	<u>(609,054)</u>	<u>(28,655)</u>	<u>580,399</u>
Other Financing Sources:				
Other Financing Sources	48,800	46,874	51,204	4,330
Transfers - In	-	100,393	3,593	(96,800)
Total Other Financing Sources	<u>48,800</u>	<u>147,267</u>	<u>54,797</u>	<u>(92,470)</u>
Net Change in Fund Balance	633,355	(461,787)	26,142	487,929
Fund Balance at Beginning of Year	2,379,139	2,379,139	2,379,139	-
Prior Year Encumbrances Appropriated	187,732	187,732	187,732	-
Fund Balance at End of Year	<u>\$ 3,200,226</u>	<u>\$ 2,105,084</u>	<u>\$ 2,593,013</u>	<u>\$ 487,929</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Child Support Enforcement-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 1,053,000	\$ 958,512	\$ 1,062,785	\$ 104,273
Intergovernmental	5,088,564	5,388,564	5,394,711	6,147
Other	200	20	20	-
Total Revenues	<u>6,141,764</u>	<u>6,347,096</u>	<u>6,457,516</u>	<u>110,420</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Human Services</b>				
<b>Child Support Enforcement</b>				
Personal Services	4,310,408	4,428,408	4,350,974	77,434
Materials and Supplies	126,538	147,538	133,335	14,203
Contractual Services	1,321,872	1,371,372	1,192,792	178,580
Other	549,000	360,500	349,501	10,999
Total Expenditures	<u>6,307,818</u>	<u>6,307,818</u>	<u>6,026,602</u>	<u>281,216</u>
Excess of Revenues Over (Under) Expenditures	<u>(166,054)</u>	<u>39,278</u>	<u>430,914</u>	<u>391,636</u>
<b>Other Financing Sources:</b>				
Transfer In	23,103	23,103	34,655	11,552
Other Financing Sources	3,000	97,668	100,067	2,399
Total Other Financing Sources	<u>26,103</u>	<u>120,771</u>	<u>134,722</u>	<u>13,951</u>
Net Change in Fund Balance	(139,951)	160,049	565,636	405,587
Fund Balance at Beginning of Year	219,400	219,400	219,400	-
Prior Year Encumbrances Appropriated	25,035	25,035	25,035	-
Fund Balance at End of Year	<u>\$ 104,484</u>	<u>\$ 404,484</u>	<u>\$ 810,071</u>	<u>\$ 405,587</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**All Other Conservation and Recreation-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

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	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 25,484	\$ 25,484	\$ 26,784	\$ 1,300
Fund Balance at Beginning of Year	-	-	-	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ 25,484</u>	<u>\$ 25,484</u>	<u>\$ 26,784</u>	<u>\$ 1,300</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**All Other Public Works-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 3,189,846	\$ 167,477	\$ 189,590	\$ 22,113
Intergovernmental	67,500	2,484,792	2,497,779	12,987
Special Assessments	1,600,000	2,655,074	2,751,592	96,518
Interest	45,748	37,991	42,569	4,578
Other	75,348	135,767	136,357	590
Total Revenues	<u>4,978,442</u>	<u>5,481,101</u>	<u>5,617,887</u>	<u>136,786</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Public Works</b>				
<b>Other Public Works</b>				
Personal Services	991,480	990,320	892,602	97,718
Materials and Supplies	431,783	439,176	131,018	308,158
Contractual Services	3,440,354	4,063,918	3,171,184	892,734
Capital Outlay	75,000	127,237	127,237	-
Other	759,460	708,934	414,006	294,928
<b>Debt Service:</b>				
Principal Retirement	-	2,100,000	2,100,000	-
Interest and Fiscal Charges	-	103,389	103,389	-
Total Expenditures	<u>5,698,077</u>	<u>8,532,974</u>	<u>6,939,436</u>	<u>1,593,538</u>
Excess of Revenues Over (Under) Expenditures	<u>(719,635)</u>	<u>(3,051,873)</u>	<u>(1,321,549)</u>	<u>1,730,324</u>
<b>Other Financing Sources:</b>				
Other Financing Sources		275	275	-
Notes Issued		2,070,000	2,070,000	-
Premium on Debt Issued	-	10,578	10,578	-
Transfers - In	80,000	360,000	360,000	-
Total Other Financing Sources	<u>80,000</u>	<u>2,440,853</u>	<u>2,440,853</u>	<u>-</u>
Net Change in Fund Balance	(639,635)	(611,020)	1,119,304	1,730,324
Fund Balance at Beginning of Year	4,172,818	4,172,818	4,172,818	-
Prior Year Encumbrances Appropriated	172,482	172,482	172,482	-
Fund Balance at End of Year	<u>\$ 3,705,665</u>	<u>\$ 3,734,280</u>	<u>\$ 5,464,604</u>	<u>\$ 1,730,324</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Alcohol and Drug Addiction -Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 94,800	\$ 135,586	\$ 136,037	\$ 451
Intergovernmental	5,189,553	5,171,299	5,565,325	394,026
Other	48,210	176,043	176,330	287
Total Revenues	<u>5,332,563</u>	<u>5,482,928</u>	<u>5,877,692</u>	<u>394,764</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Health</b>				
Alcohol and Drug Addiction				
Personal Services	405,046	439,009	426,403	12,606
Materials and Supplies	18,602	27,954	26,605	1,349
Contractual Services	5,468,368	5,540,616	5,402,980	137,636
Other	48,800	10,235	10,235	-
Total Expenditures	<u>5,940,816</u>	<u>6,017,814</u>	<u>5,866,223</u>	<u>151,591</u>
Excess of Revenues Over (Under) Expenditures	<u>(608,253)</u>	<u>(534,886)</u>	<u>11,469</u>	<u>546,355</u>
<b>Other Financing Sources:</b>				
Transfers - In	110,000	110,000	110,000	-
Other Financing Sources	-	39,965	45,048	5,083
Total Other Financing Sources	<u>110,000</u>	<u>149,965</u>	<u>155,048</u>	<u>5,083</u>
Net Change in Fund Balance	(498,253)	(384,921)	166,517	551,438
Fund Balance at Beginning of Year	735,984	735,984	735,984	-
Prior Year Encumbrances Appropriated	147,572	147,572	147,572	-
Fund Balance at End of Year	<u>\$ 385,303</u>	<u>\$ 498,635</u>	<u>\$ 1,050,073</u>	<u>\$ 551,438</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Residential Incentive Districts and Tax Incremental Financings -Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Payments in Lieu of Taxes	\$ 1,517,982	\$ 1,517,982	\$ 1,518,043	\$ 61
Expenditures:				
Current:				
Health				
Alcohol and Drug Addiction				
Contractual Services	76,900	354,133	354,080	53
Net Change in Fund Balance	1,441,082	1,163,849	1,163,963	114
Fund Balance at Beginning of Year	-	-	-	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ 1,441,082</u>	<u>\$ 1,163,849</u>	<u>\$ 1,163,963</u>	<u>\$ 114</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**All Other Health-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ -	\$ 54,590	\$ 54,590	\$ -
Licenses and Permits	500,000	428,837	452,599	23,762
Fines and Forfeitures	19,000	15,539	15,914	375
Other	-	34	34	-
Total Revenues	<u>519,000</u>	<u>499,000</u>	<u>523,137</u>	<u>24,137</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Health</b>				
<b>Other Health</b>				
Personal Services	250,036	328,229	320,692	7,537
Materials and Supplies	27,868	26,423	19,895	6,528
Contractual Services	31,785	49,467	31,292	18,175
Capital Outlay	-	32,000	31,304	696
Other	174,751	181,696	175,660	6,036
Total Expenditures	<u>484,440</u>	<u>617,815</u>	<u>578,843</u>	<u>38,972</u>
Net Change in Fund Balance	34,560	(118,815)	(55,706)	63,109
Fund Balance at Beginning of Year	179,917	179,917	179,917	-
Prior Year Encumbrances Appropriated	6,439	6,439	6,439	-
Fund Balance at End of Year	<u>\$ 220,916</u>	<u>\$ 67,541</u>	<u>\$ 130,650</u>	<u>\$ 63,109</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**County Care Facility-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 1,224,122	\$ 1,221,858	\$ 1,297,085	\$ 75,227
Intergovernmental	6,199,760	5,962,468	6,045,867	83,399
Other	63,454	381,010	396,421	15,411
Total Revenues	<u>7,487,336</u>	<u>7,565,336</u>	<u>7,739,373</u>	<u>174,037</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Human Services				
County Care Facility				
Personal Services	5,760,915	5,835,971	5,796,361	39,610
Materials and Supplies	945,702	1,071,460	1,044,875	26,585
Contractual Services	508,123	707,274	687,296	19,978
Capital Outlay	183,000	136,252	134,833	1,419
Other	210,000	174,780	174,780	-
Total Expenditures	<u>7,607,740</u>	<u>7,925,737</u>	<u>7,838,145</u>	<u>87,592</u>
Excess of Revenues Over (Under) Expenditures	<u>(120,404)</u>	<u>(360,401)</u>	<u>(98,772)</u>	<u>261,629</u>
<b>Other Financing Sources:</b>				
Transfers In	-	230,000	-	(230,000)
Other Financing Sources	-	50,000	53,177	3,177
Total Other Financing Sources	<u>-</u>	<u>280,000</u>	<u>53,177</u>	<u>(226,823)</u>
Net Change in Fund Balance	(120,404)	(80,401)	(45,595)	34,806
Fund Balance at Beginning of Year	243,818	243,818	243,818	-
Prior Year Encumbrances Appropriated	20,797	20,797	20,797	-
Fund Balance at End of Year	<u>\$ 144,211</u>	<u>\$ 184,214</u>	<u>\$ 219,020</u>	<u>\$ 34,806</u>



**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Elderly Services Levy-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 13,500,000	\$ 13,592,000	\$ 13,605,124	\$ 13,124
Intergovernmental	1,250,000	1,159,812	1,276,247	116,435
Payment in Lieu of Taxes	18,000	16,188	16,188	-
Total Revenues	<u>14,768,000</u>	<u>14,768,000</u>	<u>14,897,559</u>	<u>129,559</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Human Services				
Contractual Services	12,718,935	12,718,935	9,742,527	2,976,408
Total Expenditures	<u>12,718,935</u>	<u>12,718,935</u>	<u>9,742,527</u>	<u>2,976,408</u>
Net Change in Fund Balance	2,049,065	2,049,065	5,155,032	3,105,967
Fund Balance at Beginning of Year	7,709,901	7,709,901	7,709,901	-
Prior Year Encumbrances Appropriated	718,935	718,935	718,935	-
Fund Balance at End of Year	<u>\$ 10,477,901</u>	<u>\$ 10,477,901</u>	<u>\$ 13,583,868</u>	<u>\$ 3,105,967</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**All Other Human Services-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Intergovernmental	\$ 204,765	\$ 173,664	\$ 187,153	\$ 13,489
Other	500	4,400	4,400	-
Total Revenues	<u>205,265</u>	<u>178,064</u>	<u>191,553</u>	<u>13,489</u>
Expenditures:				
Current:				
Human Services				
Other Human Services				
Personal Services	235,793	226,671	223,463	3,208
Materials and Supplies	7,469	11,678	10,474	1,204
Contractual Services	11,198	38,173	35,112	3,061
Other	900	408	8	400
Total Expenditures	<u>255,360</u>	<u>276,930</u>	<u>269,057</u>	<u>7,873</u>
Excess of Revenues Over (Under) Expenditures	(50,095)	(98,866)	(77,504)	21,362
Other Financing Sources				
Transfers - In	<u>58,543</u>	<u>53,118</u>	<u>53,118</u>	<u>-</u>
Net Change in Fund Balance	8,448	(45,748)	(24,386)	21,362
Fund Balance at Beginning of Year	59,805	59,805	59,805	-
Prior Year Encumbrances Appropriated	2,808	2,808	2,808	-
Fund Balance at End of Year	<u>\$ 71,061</u>	<u>\$ 16,865</u>	<u>\$ 38,227</u>	<u>\$ 21,362</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Technology-Capital Projects Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures:				
Capital Outlay				
Technology				
Contractual Services	\$ 80,000	\$ 64,440	\$ 64,440	\$ -
Debt Service:				
Principal Retirement	-	3,105,000	3,105,000	-
Interest and Fiscal Charges	-	170,301	170,301	-
Total Expenditures	<u>80,000</u>	<u>3,339,741</u>	<u>3,339,741</u>	<u>-</u>
Excess of Revenues (Under) Expenditures	<u>(80,000)</u>	<u>(3,339,741)</u>	<u>(3,339,741)</u>	<u>-</u>
Other Financing Sources:				
Notes Issued	-	3,105,000	3,105,000	-
Transfers - In	80,000	234,741	234,741	-
Total Other Financing Sources	<u>80,000</u>	<u>3,339,741</u>	<u>3,339,741</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Other Capital Improvement Funds-Capital Projects Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Interest	\$ -	\$ 1,249	\$ 5,228	\$ 3,979
Expenditures:				
Other Capital Improvement				
Contractual Services	62,656	139,651	94,396	45,255
Materials and Supplies	-	3,880	3,866	14
Capital Outlay	-	268,776	267,980	796
Debt Service:				
Principal Retirement	-	335,000	335,000	-
Interest and Fiscal Charges	-	16,282	16,282	-
Total Expenditures	<u>62,656</u>	<u>763,589</u>	<u>717,524</u>	<u>46,065</u>
Excess of Revenues Over (Under) Expenditures	<u>(62,656)</u>	<u>(762,340)</u>	<u>(712,296)</u>	<u>50,044</u>
Other Financing Sources:				
Notes Issued	-	335,000	335,000	-
Premium on Debt Issued	-	1,631	1,631	-
Advances - In	-	209,813	210,000	187
Transfers - In	62,656	109,108	111,606	2,498
Total Other Financing Sources	<u>62,656</u>	<u>655,552</u>	<u>658,237</u>	<u>2,685</u>
Net Change in Fund Balance	-	(106,788)	(54,059)	52,729
Fund Balance at Beginning of Year	20,379	20,380	20,380	-
Prior Year Encumbrances Appropriated	105,351	105,351	105,351	-
Fund Balance at End of Year	<u>\$ 125,730</u>	<u>\$ 18,943</u>	<u>\$ 71,672</u>	<u>\$ 52,729</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Bond Retirement-Debt Service Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Special Assessments	\$ 1,200,200	\$ 1,351,374	\$ 1,405,765	\$ 54,391
Payments in Lieu of Taxes	1,809,000	2,209,000	2,243,392	34,392
Total Revenues	<u>3,009,200</u>	<u>3,560,374</u>	<u>3,649,157</u>	<u>88,783</u>
Expenditures:				
Debt Service:				
Principal Retirement	908,336	1,045,570	1,030,170	15,400
Interest and Fiscal Charges	905,304	904,016	853,085	50,931
Total Expenditures	<u>1,813,640</u>	<u>1,949,586</u>	<u>1,883,255</u>	<u>66,331</u>
Excess of Revenues Over Expenditures	<u>1,195,560</u>	<u>1,610,788</u>	<u>1,765,902</u>	<u>155,114</u>
Other Financing Sources (Uses):				
Refunding Bonds Issued	-	4,790,000	4,790,000	-
Premium on Debt Issued	-	275,266	279,027	3,761
Transfers - Out	-	(54,788)	(54,788)	-
Bond Issuance Costs	-	(58,445)	(58,445)	-
Payment to Refunded Bond Escrow Agent	-	(5,006,025)	(5,006,025)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(53,992)</u>	<u>(50,231)</u>	<u>3,761</u>
Net Change in Fund Balance	1,195,560	1,556,796	1,715,671	158,875
Fund Balance at Beginning of Year	3,293,875	3,293,875	3,293,875	-
Fund Balance at End of Year	<u>\$ 4,489,435</u>	<u>\$ 4,850,671</u>	<u>\$ 5,009,546</u>	<u>\$ 158,875</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenses, and**  
**Changes in Fund Equity-Budget and Actual**  
**Health Insurance-Internal Service Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 14,620,000	\$ 13,993,570	\$ 14,164,331	\$ 170,761
Other Operating Revenues	-	1,800	1,800	-
Total Revenues	<u>14,620,000</u>	<u>13,995,370</u>	<u>14,166,131</u>	<u>170,761</u>
Expenses:				
Personal Services	182,980	162,707	161,902	805
Contractual Services	13,707,925	14,088,525	13,904,986	183,539
Materials and Supplies	-	1,000	630	370
Other	2,000	1,000	336	664
Total Expenses	<u>13,892,905</u>	<u>14,253,232</u>	<u>14,067,854</u>	<u>185,378</u>
Net Change in Fund Equity	727,095	(257,862)	98,277	356,139
Fund Equity at Beginning of Year	150,008	150,008	150,008	-
Prior Year Encumbrances Appropriated	117,925	117,925	117,925	
Fund Equity at End of Year	<u>\$ 995,028</u>	<u>\$ 10,071</u>	<u>\$ 366,210</u>	<u>\$ 356,139</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenses, and**  
**Changes in Fund Equity-Budget and Actual**  
**Workers Compensation Benefit-Internal Service Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 1,950,000	\$ 1,921,281	\$ 1,921,337	\$ 56
Other	-	23,919	23,919	-
Total Revenues	1,950,000	1,945,200	1,945,256	56
Expenses:				
Personal Services	325,550	325,187	320,285	4,902
Contractual Services	692,439	692,439	678,601	13,838
Claims and Judgments	800,000	1,010,000	1,005,276	4,724
Other	2,000	2,000	-	2,000
Total Expenses	1,819,989	2,029,626	2,004,162	25,464
Excess of Revenues Over (Under) Expenses	130,011	(84,426)	(58,906)	25,520
Other Financing Sources:				
Advances - In	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Equity	130,011	(84,426)	(58,906)	25,520
Fund Equity at Beginning of Year	674,020	674,020	674,020	-
Prior Year Encumbrances Appropriated	439	439	439	0
Fund Equity at End of Year	\$ 804,470	\$ 590,033	\$ 615,553	\$ 25,520

**Butler County, Ohio**  
**Schedule of Revenues, Expenses, and**  
**Changes in Fund Equity-Budget and Actual**  
**County Fuel Depot-Internal Service Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ -	\$ 150,000	\$ 159,236	\$ 9,236
Expenses:				
Contractual Services	\$ 10,000	\$ 10,000	\$ 2,084	\$ 7,916
Materials and Supplies	-	307,500	298,045	9,455
Total Expenses	<u>10,000</u>	<u>317,500</u>	<u>300,129</u>	<u>17,371</u>
Excess of Revenues Under Expenses	(10,000)	(167,500)	(140,893)	26,607
Other Financing Sources:				
Advances - In	<u>25,000</u>	<u>170,000</u>	<u>150,000</u>	<u>(20,000)</u>
Net Change in Fund Equity	15,000	2,500	9,107	6,607
Fund Equity at Beginning of Year	11,584	11,584	11,584	-
Prior Year Encumbrances Appropriated	-	-	-	
Fund Equity at End of Year	<u>\$ 26,584</u>	<u>\$ 14,084</u>	<u>\$ 20,691</u>	<u>\$ 6,607</u>



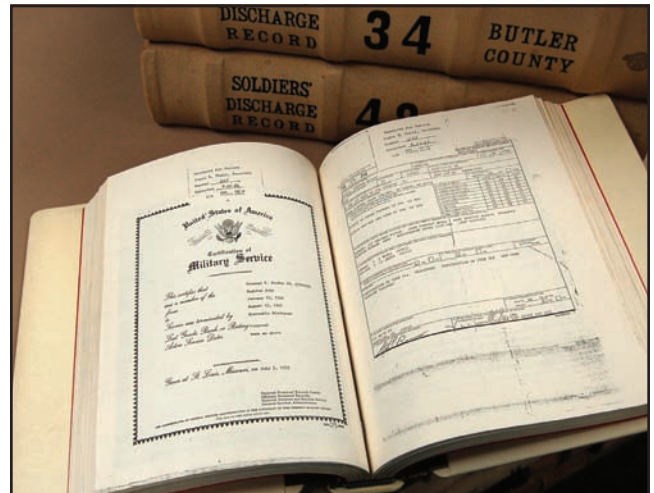
# STATISTICAL SECTION



Deputies Fran Gelasi & Wendy Huebner work the Registered Land Department.

Registered Land is real property which formerly had serious record title problems rendering the title to premises unmarketable and unable to be sold. In order to clear the title to the premises, an owner can “register” the title in court and wipe out any and all adverse claims to the title once and for all. The process is called Registration or Confirmation of Title. Once the court issues a decree, the title to the premises is now guaranteed by the State of Ohio. The majority of real property is not Registered due to the high legal and surveying expenses and time involved. Unregistered real property is guaranteed only by an attorney who so certifies that the title is marketable. The Torrens System was enacted in Ohio in 1913. Only 13 of the 88 Ohio Counties have Registered Land.

Veterans are encouraged to have their military discharge papers (DD214) recorded in the County Recorder’s Office. The recorder will copy and index the DD214 and give the original back to the veteran. If the original is ever lost, destroyed or damaged, the veteran can always get a certified copy from the Recorder’s Office. These records are filed as a courtesy to our Veterans and there is no charge to filing or to receive certified copies. Military discharge papers are valuable to veterans because they may be required to prove eligibility for certain benefits and programs.



All plats of subdivided land must be recorded in the Recorder’s Office. These documents, after receiving planning approval and being transferred by the auditor, are recorded and scanned.

Copies of these plats are available to the public upon request. These plats show the property lines and dimensions, as well as building set back lines, various easements that may affect the property, road curve data and other pertinent information.



Abstractors and attorneys from throughout the region use the 20 public search stations located in the Butler County Recorder's Office to research real estate records. The computers contain scanned images of all recorded documents from 1987 to present.

Office hours are 8:00 a.m. to 4:30 p.m. The recording desk closes daily at 4:00 p.m., however, one can do research in the Recorder's Office from 6:30 a.m. to 6:00 p.m. Monday through Friday.



Jean Oerther works in the copy department, sealing mail and making copies of forms for customers.



# Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the County's financial position has changed over time.	<b>160-164</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader understand and assess the factors affecting the County's ability to generate its most significant local revenue sources, the property tax and the sales tax.	<b>165-176</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	<b>177-181</b>
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	<b>182-183</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	<b>184-187</b>

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

**Butler County, Ohio**  
**Net Assets by Component**  
**Last Six Years**  
**(accrual basis of accounting)**

	2002	2003	2004	2005	2006	2007
<b>Governmental Activities:</b>						
Invested in Capital Assets, Net of Related Debt	\$ 261,504,606	\$ 273,113,179	\$ 274,568,990	\$ 284,893,107	\$ 290,996,712	\$ 307,427,268
Restricted for:						
Capital Projects	302,669	1,453,290	5,014,909	519,749	7,075,705	13,390,047
Debt Service	5,826,160	10,014,410	6,956,835	7,008,908	6,267,820	4,081,955
Other Purposes	61,021,859	68,545,971	79,585,288	86,481,269	100,151,013	114,336,558
Unrestricted (Deficit)	19,884,831	(2,953,484)	(9,110,830)	(2,854,954)	8,438,851	15,624,929
Total Governmental Activities Net Assets	<u>348,540,125</u>	<u>350,173,366</u>	<u>357,015,192</u>	<u>376,048,079</u>	<u>412,930,101</u>	<u>454,860,757</u>
<b>Business-type Activities:</b>						
Invested in Capital Assets, Net of Related Debt	142,565,025	147,192,603	175,845,751	203,448,271	218,544,211	220,104,614
Restricted						
Debt Service	8,951,296	9,123,280	7,894,357	6,406,549	6,615,860	5,791,705
Replacement and Improvement	8,064,434	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Unrestricted	28,037,520	39,070,468	30,939,460	35,131,712	32,779,386	38,024,420
Total Business-type Activities Net Assets	<u>187,618,275</u>	<u>201,386,351</u>	<u>220,679,568</u>	<u>250,986,532</u>	<u>263,939,457</u>	<u>269,920,739</u>
<b>Primary Government:</b>						
Invested in Capital Assets, Net of Related Debt	404,069,631	420,305,782	450,414,741	488,341,378	509,540,923	527,531,882
Restricted	84,166,418	95,136,951	105,451,389	106,416,475	125,264,054	143,600,265
Unrestricted	47,922,351	36,116,984	21,828,630	32,276,758	41,218,237	53,649,349
Total Primary Government Net Assets	<u>\$ 536,158,400</u>	<u>\$ 551,559,717</u>	<u>\$ 577,694,760</u>	<u>\$ 627,034,611</u>	<u>\$ 676,023,214</u>	<u>\$ 724,781,496</u>

**Butler County, Ohio**  
**Changes in Net Assets of Governmental Activities**  
**Last Six Years**  
**(accrual basis of accounting)**

	2002	2003	2004	2005	2006	2007
<b>Expenses</b>						
Governmental Activities						
General Government:						
Legislative and Executive	\$ 24,241,162	\$ 31,288,759	\$ 41,811,607	\$ 29,973,286	\$ 31,211,969	\$ 35,086,479
Judicial	12,735,544	12,834,297	13,961,424	15,310,560	15,952,902	16,766,093
Public Safety	34,599,025	36,659,180	39,076,252	39,391,890	44,865,490	51,218,782
Public Works	15,657,130	17,582,429	20,443,207	22,396,375	20,803,499	24,981,832
Health	47,395,622	46,285,012	47,785,590	47,524,463	56,672,547	54,781,525
Human Services	69442215	69,048,201	70,220,434	78,630,914	82,199,251	89,695,591
Conservation and Recreation	520,722	531,971	477,828	517,825	589,151	686,496
Interest and Fiscal Charges	4,905,164	4,795,392	4,445,020	4,546,165	5,351,240	5,459,844
Total Governmental Activities Expenses	209,496,584	219,025,241	238,221,362	238,291,478	257,646,049	278,676,642
Business-type Activities:						
Sewer	\$20,016,850	20,988,143	24,059,068	26,013,574	26,108,534	27,027,272
Water	\$22,896,846	21,173,268	22,957,096	28,528,100	25,975,558	29,630,418
GSC Parking Garage	\$83,212	80,760	162,505	167,163	170,220	162,063
Total Business-type Activities Expenses	42,996,908	42,242,171	47,178,669	54,708,837	52,254,312	56,819,753
Total Primary Government Expenses	252,493,492	261,267,412	285,400,031	293,000,315	309,900,361	335,496,395
<b>Program Revenues</b>						
Governmental Activities						
Charges for Services						
General Government:						
Legislative and Executive	16,942,229	26,064,981	39,481,913	26,096,369	25,539,301	25,761,198
Judicial	5,220,484	3,703,685	3,711,346	4,171,246	5,405,269	5,818,814
Public Safety	1,436,746	5,996,412	6,490,098	4,435,139	9,018,145	12,368,985
Human Services	1,911,831	1,945,316	1,946,389	1,928,863	2,336,047	2,448,406
Public Works	1131460	2,175,913	10,026,807	10,382,866	7,095,760	767,323
Health	897,590	1,042,160	1,355,895	1,446,007	930,496	1,317,932
Conservation and Recreation	-	-	-	-	-	26,784
Subtotal - Charges for Services	27,540,340	40,928,467	63,012,448	48,460,490	50,325,018	48,509,442
Operating Grants, Contributions and Interest						
General Government:						
Legislative and Executive	1,226,721	160,789	355,609	353,185	16,966	43,820
Judicial	48,770	1,182,707	1,020,690	1,186,715	1,246,084	986,906
Public Safety	6,136,704	6,721,740	6,671,901	7,086,662	7,661,085	7,087,851
Human Services	41,788,193	46,424,550	44,947,797	46,836,974	54,423,787	63,185,700
Public Works	2,305,868	193,292	3,658,865	3,960,609	4,851,754	11,398,189
Health	30,257,939	30,579,700	29,222,174	30,622,659	36,549,354	32,777,452
Subtotal - Operating Grants, Contributions and Interest	81,764,195	85,262,778	85,877,036	90,046,804	104,749,030	115,479,918
Capital Grants Contributions and Interest						
General Government:						
Legislative and Executive	34,813	-	-	3,543,122	-	-
Judicial	5,757	-	-	89,041	-	-
Public Safety	6,158,459	301,836	20,272	-	-	-
Human Services	-	15,736,890	-	-	1,244,826	-
Public Works	17,880,521	-	13,337,057	16,317,031	11,062,312	6,785,122
Health	-	-	758,073	-	-	-
Subtotal - Capital Grants, Contributions and Interest	24,079,550	16,038,726	14,115,402	19,949,194	12,307,138	6,785,122
Total Governmental Activities Program Revenues	133,384,085	142,229,971	163,004,886	158,456,488	167,381,186	170,774,482

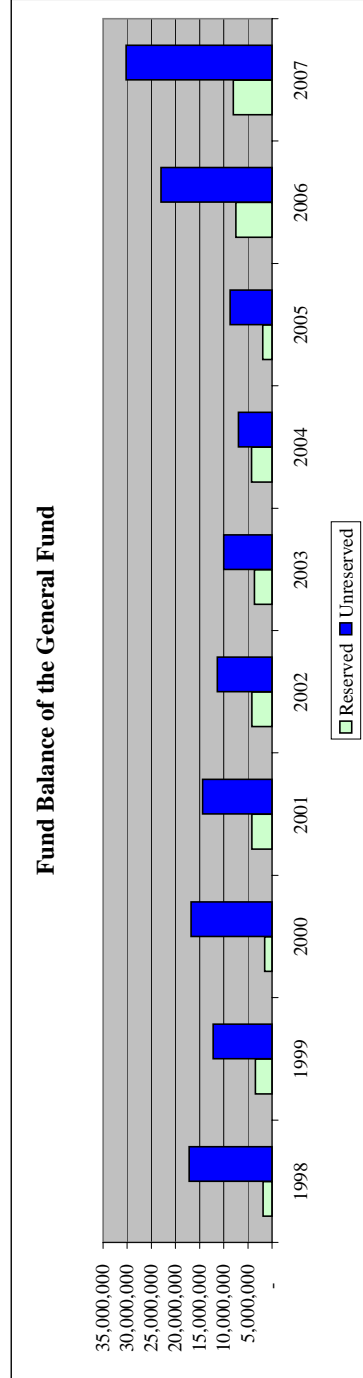
(continued)

**Butler County, Ohio**  
**Changes in Net Assets of Governmental Activities (continued)**  
**Last Six Years**  
**(accrual basis of accounting)**

	2002	2003	2004	2005	2006	2007
<b>Business-type Activities:</b>						
Charges for Services						
Sewer	16,527,843	16,464,896	17,330,204	17,547,243	18,988,269	20,980,896
Water	20,166,493	16,500,238	19,243,602	21,836,928	21,956,744	26,065,961
GSC Parking Facility	131,445	176,084	160,594	172,315	169,805	158,869
Capital Grants, Contributions and Interest	19,328,626	21,624,175	26,867,947	34,706,212	22,321,495	14,010,237
<b>Total Business-type Activities Program Revenues</b>	<b>56,154,407</b>	<b>54,765,393</b>	<b>63,602,347</b>	<b>74,262,698</b>	<b>63,436,313</b>	<b>61,215,963</b>
<b>Total Primary Government Program Revenues</b>	<b>189,538,492</b>	<b>196,995,364</b>	<b>226,607,233</b>	<b>232,719,186</b>	<b>230,817,499</b>	<b>231,990,445</b>
<b>Net (Expense)/Revenue</b>						
Governmental Activities	(76,112,499)	(219,025,241)	(238,221,362)	(238,291,478)	(257,646,049)	(107,902,160)
Business-type Activities	13,157,499	12,523,222	16,423,678	19,553,861	11,182,001	4,396,210
<b>Total Primary Government Net (Expense)/Revenue</b>	<b>(62,955,000)</b>	<b>(206,502,019)</b>	<b>(221,797,684)</b>	<b>(218,737,617)</b>	<b>(246,464,048)</b>	<b>(103,505,950)</b>
<b>General Revenues and Other Changes in Net Assets</b>						
<b>Governmental Activities:</b>						
<b>Property Taxes Levied for:</b>						
General Purposes	9,571,297	12,810,448	12,419,287	12,956,608	14,737,266	14,620,159
Health - Mental Retardation and Developmental Disabilities	16,803,125	14,890,749	14,765,474	18,467,802	20,014,999	19,665,938
Human Services - Child Welfare	7,804,510	8,214,528	12,829,080	13,282,374	14,283,235	14,269,273
Health - Alcohol, Drug Abuse and Mental Health	1,869,810	1,959,018	1,920,227	1,995,109	2,239,541	9,343,505
Human Services - Council on Aging	7,259,359	7,583,447	7,476,865	7,803,077	13,973,467	13,992,100
Animal Shelter	-	-	-	-	29,997	3,340,811
Sales Tax	16,642,460	17,182,889	18,414,113	22,607,425	40,662,394	41,317,071
Local Taxes	2,110,549	2,278,929	-	-	2,699,651	2,450,378
Payments in Lieu of Taxes	-	-	-	-	93,487	3,620,542
Grants and Entitlements not Restricted to Specific Programs	10,072,833	9,966,355	11,232,408	11,954,539	6,276,571	7,659,749
Interest	4,968,360	1,397,806	2,891,968	5,069,405	9,258,342	13,783,637
Net increase (decrease) in Fair Value of Investments	(241,646)	(746,510)	(1,159,879)	(147,597)	861,416	1,096,005
Other	819,767	2,771,852	2,412,759	4,847,763	3,277,088	5,238,068
Gain on Sale of Capital Assets	-	-	-	-	-	281,924
Transfers	(380,965)	119,000	-	31,372	-	-
<b>Total Governmental Activities</b>	<b>77,299,459</b>	<b>78,428,511</b>	<b>83,202,302</b>	<b>98,867,877</b>	<b>128,407,454</b>	<b>150,679,160</b>
<b>Business-type Activities:</b>						
Interest	112,115	77,142	276,589	781,251	635,202	462,058
Other	1,678,347	1,286,712	1,448,950	10,003,224	1,135,722	1,123,014
Transfers	380,965	(119,000)	-	(31,372)	-	-
<b>Total Business-type Activities</b>	<b>2,171,427</b>	<b>1,244,854</b>	<b>1,725,539</b>	<b>10,753,103</b>	<b>1,770,924</b>	<b>1,585,072</b>
<b>Total Primary Government</b>	<b>79,470,886</b>	<b>79,673,365</b>	<b>84,927,841</b>	<b>109,620,980</b>	<b>130,178,378</b>	<b>152,264,232</b>
<b>Change in Net Assets</b>						
Governmental Activities	1,186,960	1,633,241	7,985,826	19,032,887	38,142,591	42,777,000
Business-type Activities	15,328,926	13,768,076	18,149,217	30,306,964	12,952,925	5,981,282
<b>Total Primary Government Change in Net Assets</b>	<b>\$ 16,515,886</b>	<b>\$ 15,401,317</b>	<b>\$ 26,135,043</b>	<b>\$ 49,339,851</b>	<b>\$ 51,095,516</b>	<b>\$ 48,758,282</b>

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

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>General Fund</b>										
Reserved	\$ 1,832,717	\$ 3,427,392	\$ 1,496,938	\$ 4,187,656	\$ 4,195,492	\$ 3,637,460	\$ 4,216,411	\$ 1,912,847	\$ 7,520,543	\$ 8,048,067
Unreserved, Designated	-	-	-	-	-	-	-	-	17,729,295	16,953,260
Unreserved	17,183,624	12,185,981	16,743,199	14,352,808	11,313,356	10,013,728	6,957,053	8,715,587	5,262,983	13,287,018
<b>Total General Fund</b>	<b>19,016,341</b>	<b>15,613,373</b>	<b>18,240,137</b>	<b>18,540,464</b>	<b>15,508,848</b>	<b>13,651,188</b>	<b>11,173,464</b>	<b>10,628,434</b>	<b>30,512,821</b>	<b>38,288,345</b>
<b>All Other Governmental Funds</b>										
Reserved	29,894,293	15,282,275	9,089,084	6,797,712	7,512,507	5,870,249	10,462,267	10,488,074	8,520,627	8,496,349
Unreserved, Undesignated, Reported in:										
Special Revenue Funds	22,838,338	28,907,206	35,452,761	37,326,719	26,955,861	28,827,510	38,329,806	49,050,968	60,449,732	75,216,379
Debt Service Funds	1,118,247	1,167,711	1,079,271	930,745	701,453	7,056,879	9,394,492	9,860,557	10,274,042	11,421,747
Capital Projects Funds	(7,654,929)	(17,877,839)	(20,261,460)	(39,631,918)	(7,405,332)	(12,841,676)	(5,623,226)	(4,329,568)	(5,673,702)	(5,709,991)
<b>Total All Other Governmental Funds</b>	<b>46,195,949</b>	<b>27,479,353</b>	<b>25,359,656</b>	<b>5,423,258</b>	<b>27,764,489</b>	<b>28,912,962</b>	<b>52,563,339</b>	<b>65,070,031</b>	<b>73,570,699</b>	<b>89,424,484</b>
<b>Total Governmental Funds</b>	<b>\$ 65,212,290</b>	<b>\$ 43,092,726</b>	<b>\$ 43,599,793</b>	<b>\$ 23,963,722</b>	<b>\$ 43,273,337</b>	<b>\$ 42,564,150</b>	<b>\$ 63,736,803</b>	<b>\$ 75,698,465</b>	<b>\$ 104,083,520</b>	<b>\$ 127,712,829</b>



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

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Revenues</b>										
Property and Other Taxes	\$ 46,214,218	\$ 48,921,817	\$ 51,471,925	\$ 56,994,477	\$ 56,635,633	\$ 47,667,011	\$ 49,452,124	\$ 54,548,053	\$ 63,587,785	\$ 77,262,187
Sales Tax*	-	-	-	-	-	17,071,061	18,226,392	21,013,937	40,557,333	41,256,564
Charges for Services	19,015,113	20,178,062	24,781,590	22,895,309	24,051,238	37,586,693	54,430,214	39,599,181	50,623,555	45,676,573
Licenses and Permits	28,660	27,748	29,286	451,134	356,079	395,704	625,484	576,368	578,800	528,432
Fines and Forfeitures	1,150,712	1,061,046	1,745,472	1,381,193	1,496,642	1,577,450	1,588,923	1,596,855	1,990,868	2,123,869
Intergovernmental	78,794,396	89,356,200	97,673,685	109,774,122	116,397,421	104,819,010	115,938,364	121,141,697	115,942,192	127,289,857
Special Assessments	869,453	1,438,009	1,540,991	3,243,508	1,935,767	1,796,964	3,437,822	4,069,049	4,769,460	3,797,896
Payments in Lieu of Taxes	-	-	-	-	-	-	102,604	98,044	93,487	3,371,248
Interest	8,264,370	6,861,399	7,565,330	7,088,825	5,150,982	3,066,622	3,202,111	4,900,790	9,013,598	13,767,582
Net Increase (Decrease) in Fair Value of Investments	58,276	(1,542,196)	1,678,776	961,775	(241,646)	(746,510)	(1,159,879)	(147,597)	861,416	1,096,005
Contributions and Donations	-	-	-	-	-	-	-	-	-	57,442
Other	619,806	1,217,584	1,233,265	3,319,072	3,347,703	2,476,504	2,152,051	4,733,899	3,324,541	5,238,068
<b>Total Revenues</b>	<b>155,015,004</b>	<b>167,519,669</b>	<b>187,720,320</b>	<b>206,109,415</b>	<b>209,129,819</b>	<b>215,710,509</b>	<b>247,996,210</b>	<b>252,187,718</b>	<b>291,343,015</b>	<b>321,408,281</b>
<b>Expenditures</b>										
Current:										
General Government:										
Legislative and Executive	15,656,274	20,145,825	24,227,740	22,320,463	22,416,059	27,389,325	39,470,890	32,422,732	28,864,871	33,006,531
Judicial	9,192,151	9,832,946	10,075,022	10,774,926	11,973,877	12,417,152	13,600,268	14,903,814	15,614,805	16,293,690
Public Safety	21,815,087	20,922,077	25,779,523	28,030,833	32,038,169	33,995,976	36,712,267	37,831,821	48,197,839	60,514,200
Public Works	21,820,580	27,231,103	20,874,389	22,342,883	17,495,693	16,723,691	21,793,001	24,075,562	22,258,619	30,092,525
Health	34,890,693	36,559,053	38,633,572	43,063,262	47,016,101	47,016,129	47,080,225	46,791,219	55,828,433	54,243,058
Human Services	36,401,630	40,866,226	53,583,561	74,701,273	70,167,063	68,945,768	69,795,718	78,182,733	82,122,458	89,324,671
Conservation and Recreation	410,878	446,976	460,000	487,768	520,722	531,971	477,828	517,825	589,151	686,496
Other	1,524,994	407,636	267,497	743,474	-	-	-	-	-	-
Capital Outlay	23,033,437	28,159,608	18,192,673	33,491,306	17,202,016	2,864,741	902,028	702,757	748,995	4,254,031
Intergovernmental	1,546,302	1,529,327	1,410,577	-	-	-	-	-	-	-
Debt Service:										
Principal Retirement	890,143	947,585	2,164,123	2,431,193	12,196,730	14,895,447	18,282,294	19,421,622	21,760,855	5,943,125
Interest and Fiscal Charges	3,393,490	3,324,510	4,252,619	4,404,660	-	4,892,067	4,801,820	4,463,136	5,755,766	5,454,896
Refunding Bond Issuance Cost	-	-	-	-	-	-	156,127	555,185	245,108	210,797
<b>Total Expenditures</b>	<b>170,575,659</b>	<b>190,372,872</b>	<b>199,921,296</b>	<b>242,792,041</b>	<b>231,026,430</b>	<b>229,672,267</b>	<b>253,072,466</b>	<b>259,868,406</b>	<b>281,966,900</b>	<b>300,024,020</b>
Excess of Revenues Over (Under) Expenditures	(15,560,655)	(22,853,203)	(12,200,976)	(36,682,626)	(21,896,611)	(13,961,758)	(5,076,256)	(7,680,688)	9,376,115	21,384,261
<b>Other Financing Sources (Uses)</b>										
General Obligation Bonds Issued	-	-	8,260,000	3,045,000	32,620,000	-	10,350,000	-	17,500,000	-
Premium from Debt Issued	-	-	-	-	2,163,461	192,695	470,259	2,042,726	578,718	960,332
Notes Issued	-	-	-	-	11,465,000	14,485,000	15,470,000	17,105,000	-	-
Refunding Bonds Issued	-	-	-	-	-	-	8,905,000	29,365,000	-	17,095,000
Special Assessment Bonds Issued	-	-	-	-	-	-	-	1,144,000	-	-
Proceeds of Loans	-	-	-	-	-	-	768,868	-	-	374,761
Accrued Interest Received on Debt Issued	-	-	-	-	-	-	11,851	-	-	-
Payment to Refund Bond Escrow Agent	-	-	-	-	4,776,101	72,200	(8,841,258)	32,908,080	-	(17,836,926)
Inception of Capital Lease	-	-	-	-	87,215	-	-	2,862,332	83,878	1,532,939
Sale of Fixed Assets	60,903	44,099	-	672,237	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	-	-	-	118,942
Transfers In	6,970,561	6,430,115	6,447,331	7,764,627	6,322,346	6,242,489	6,100,441	7,071,258	7,928,785	2,803,627
Transfers Out	(6,996,635)	(6,460,115)	(6,648,885)	(8,098,273)	(6,703,311)	(6,123,489)	(6,100,441)	(7,039,886)	(7,928,785)	(2,803,627)
<b>Total Other Financing Sources</b>	<b>34,829</b>	<b>14,099</b>	<b>8,058,446</b>	<b>3,383,591</b>	<b>50,730,812</b>	<b>14,868,895</b>	<b>27,454,720</b>	<b>85,458,510</b>	<b>18,162,596</b>	<b>2,245,048</b>
<b>Prior Year Restatement of Fund Balance</b>	<b>25,554</b>	<b>719,540</b>	<b>4,649,597</b>	<b>13,662,964</b>	<b>27,616</b>	<b>(1,616,324)</b>	<b>(1,185,811)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$ (15,500,272)</b>	<b>\$ (22,119,564)</b>	<b>\$ 507,067</b>	<b>\$ (19,636,071)</b>	<b>\$ 28,861,817</b>	<b>\$ (709,187)</b>	<b>\$ 21,172,653</b>	<b>\$ 77,777,822</b>	<b>\$ 27,538,711</b>	<b>\$ 23,629,309</b>
Debt Service as a Percentage of Noncapital Expenditures	2.53%	2.26%	3.23%	2.82%	5.78%	8.62%	9.30%	9.75%	10.15%	4.22%

\*.05 Sales Tax imposed in 2006



**Butler County, Ohio**  
**Assessed and Estimated Actual Value of Taxable Property**  
**Last Ten Years**

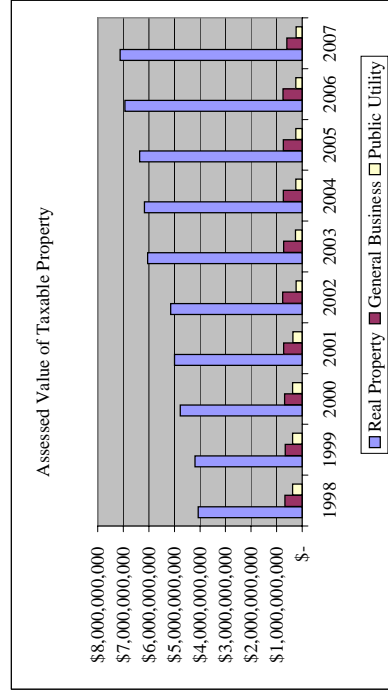
Collection Year	Real Property			Tangible Personal Property						Weighted Average Tax Rate	
	Assessed Value			General Business			Public Utility				Total
	Residential/Agricultural	Commercial/Industrial/PU	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
1998	\$ 3,107,944,820	\$ 958,160,030	\$ 11,617,442,429	\$ 680,948,334	\$ 2,723,793,336	\$ 370,024,500	\$ 420,482,386	\$ 5,117,077,684	\$ 14,761,718,151	34.66%	\$ 6.81
1999	3,200,230,460	999,234,450	11,998,471,171	659,774,662	2,639,098,648	377,009,040	428,419,364	5,236,248,612	15,065,989,183	34.76%	6.79
2000	3,629,217,240	1,135,502,180	13,613,484,057	694,566,748	2,778,266,992	381,459,890	433,477,148	5,840,746,058	16,825,228,197	34.71%	6.42
2001	3,783,180,290	1,206,848,680	14,257,225,629	722,909,820	2,891,639,280	360,025,500	409,119,886	6,072,964,290	17,557,984,795	34.59%	7.05
2002	3,922,893,560	1,221,719,660	14,698,894,914	766,473,543	3,193,639,763	237,777,970	270,202,239	6,148,864,733	18,162,736,915	33.85%	7.44
2003	4,638,038,390	1,405,199,000	17,266,392,543	724,768,577	3,151,167,726	258,533,610	293,788,193	7,026,539,577	20,711,348,462	33.93%	5.65
2004	4,762,263,590	1,413,231,970	17,644,273,029	739,614,001	3,215,713,048	246,408,050	280,009,148	7,161,517,611	21,139,995,224	33.88%	7.32
2005	4,942,502,150	1,420,219,660	18,179,205,171	744,780,872	3,238,177,704	251,886,670	286,234,852	7,359,389,352	21,703,617,728	33.91%	6.98
2006	5,425,220,650	1,510,667,250	19,816,822,571	756,743,427	4,035,964,944	244,863,700	278,254,205	7,937,495,027	24,131,041,720	32.89%	8.65
2007	5,593,932,480	1,530,799,300	20,356,376,514	604,188,591	4,833,508,728	236,656,000	268,927,272	7,965,576,371	25,458,812,514	31.29%	10.11

**Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.**

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for machinery and equipment and 23 percent for inventories. The general business tangible personal property tax is being phased out beginning in 2006. The listing percentage is 12.5% for 2007, 6.25% for 2008 and zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed.

Source: Butler County Auditor



**Butler County, Ohio**  
**Property Tax Rates - Direct and Overlapping Governments**  
 (Per \$1,000 Assessed Value)  
 Last Ten Years

Collection Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Unvoted Millage</b>										
Operating	\$ 1.92	\$ 1.92	\$ 1.92	\$ 1.92	\$ 1.92	\$ 1.92	\$ 1.92	\$ 1.92	\$ 1.92	\$ 1.92
Miami Conservancy	0.03	0.03	0.03	0.03	0.03	0.02	0.02	0.02	0.02	0.03
<b>Voted Millage - by levy</b>										
1976 Mental Retardation Board										
Residential/Agricultural Real	0.17278	0.17241	0.15542	0.15359	0.15242	0.13203	0.13161	-	-	-
Commercial/Industrial and Public Utility Real	0.24673	0.24662	0.22676	0.22908	0.22919	0.21211	0.21719	-	-	-
General Business and Public Utility Personal	0.50	0.50	0.50	0.50	0.50	0.50	0.50	-	-	-
1984 Mental Retardation Board										
Residential/Agricultural Real	0.29193	0.29131	0.26260	0.25950	0.25754	0.22308	0.22237	-	-	-
Commercial/Industrial and Public Utility Real	0.33543	0.33528	0.30828	0.31146	0.31158	0.28836	0.29527	-	-	-
General Business and Public Utility Personal	0.50	0.50	0.50	0.50	0.50	0.50	0.50	-	-	-
1986 Mental Retardation Board										
Residential/Agricultural Real	1.28710	1.28436	1.15779	-	-	-	-	-	-	-
Commercial/Industrial and Public Utility Real	1.38782	1.38721	1.27549	-	-	-	-	-	-	-
General Business and Public Utility Personal	2.00	2.00	2.00	-	-	-	-	-	-	-
2000 Mental Retardation Board										
Residential/Agricultural Real	-	-	-	1.97639	1.96143	1.69901	1.69357	1.68058	1.57403	1.56238
Commercial/Industrial and Public Utility Real	-	-	-	2.00000	2.00000	1.85098	1.89535	1.89852	1.86687	1.88957
General Business and Public Utility Personal	-	-	-	2.00	2.00	2.00	2.00	2.00	2.00	2.00
2004 Mental Retardation Board										
Residential/Agricultural Real	-	-	-	-	-	-	-	0.99233	0.92941	0.92253
Commercial/Industrial and Public Utility Real	-	-	-	-	-	-	-	1.00000	0.98333	0.99529
General Business and Public Utility Personal	-	-	-	-	-	-	-	1.00	1.00	1.00
1985 Mental Health Board										
Residential/Agricultural Real	0.32040	0.31971	0.28821	0.28480	0.28265	0.24483	0.24405	0.24218	0.22682	0.22514
Commercial/Industrial and Public Utility Real	0.34464	0.34449	0.31675	0.32001	0.32013	0.29628	0.30338	0.30389	0.29882	0.30246
General Business and Public Utility Personal	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
2006 Mental Health Board										
Residential/Agricultural Real	-	-	-	-	-	-	-	-	0.99260	-
Commercial/Industrial and Public Utility Real	-	-	-	-	-	-	-	-	1.00000	-
General Business and Public Utility Personal	-	-	-	-	-	-	-	-	-	1.00
2006 Animal Shelter										
Residential/Agricultural Real	-	-	-	-	-	-	-	-	-	0.49630
Commercial/Industrial and Public Utility Real	-	-	-	-	-	-	-	-	-	0.50000
General Business and Public Utility Personal	-	-	-	-	-	-	-	-	-	0.50
1989 Childrens Services Board										
Residential/Agricultural Real	1.35183	1.34894	1.21601	1.20165	1.19256	-	-	-	-	-
Commercial/Industrial and Public Utility Real	1.50154	1.50088	1.38001	1.39422	1.39475	-	-	-	-	-
General Business and Public Utility Personal	2.00	2.00	2.00	2.00	2.00	2.00	-	-	-	-
2003 Childrens Services Board										
Residential/Agricultural Real	-	-	-	-	-	-	1.99360	1.97830	1.85287	1.83916
Commercial/Industrial and Public Utility Real	-	-	-	-	-	-	2.00000	2.00000	1.96666	1.99058
General Business and Public Utility Personal	-	-	-	-	-	-	2.00	2.00	2.00	2.00

(continued)

**Butler County, Ohio**  
**Property Tax Rates - Direct and Overlapping Governments**  
 (Per \$1,000 Assessed Value)  
 Last Ten Years  
 (continued)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>1996 Senior Citizens</b>										
Residential/Agricultural Real	\$ 0.90309	\$ 0.90117	\$ 0.81236	\$ 0.80277	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial/Industrial and Public Utility Real	0.98	0.98	0.90	0.91	-	-	-	-	-	-
General Business and Public Utility Personal	1.00	1.00	1.00	1.00	-	-	-	-	-	-
<b>2001 Senior Citizens</b>										
Residential/Agricultural Real	-	-	-	-	1.29016	1.11755	1.11397	1.10543	-	-
Commercial/Industrial and Public Utility Real	-	-	-	-	1.30000	1.20314	1.23198	1.23404	-	-
General Business and Public Utility Personal	-	-	-	-	1.30	1.30	1.30	1.30	-	-
<b>2005 Senior Citizens</b>										
Residential/Agricultural Real	-	-	-	-	-	-	-	-	1.87320	1.85933
Commercial/Industrial and Public Utility Real	-	-	-	-	-	-	-	-	1.96666	1.99058
General Business and Public Utility Personal	-	-	-	-	-	-	-	-	2.00	2.00
<b>Total voted millage by type of property</b>										
Residential/Agricultural Real	4.32713	4.31790	3.89239	4.67870	5.13677	3.41651	5.39917	4.89339	6.45633	7.89744
Commercial/Industrial and Public Utility Real	4.79976	4.79764	4.41127	5.16806	5.55655	3.85086	5.94317	5.20241	7.08234	8.66848
General Business and Public Utility Personal	6.50	6.50	6.50	6.50	6.80	4.80	4.50	5.50	7.50	9.00
<b>Total millage by type of property</b>										
Residential/Agricultural Real	6.27713	6.26790	5.84239	6.62870	7.08677	5.35651	7.33917	6.83339	8.39633	9.84744
Commercial/Industrial and Public Utility Real	6.74976	6.74764	6.36127	7.11806	7.50565	5.79086	7.88317	7.14241	9.02234	10.61848
General Business and Public Utility Personal	8.45	8.45	8.45	8.45	8.75	6.74	6.44	7.44	9.44	10.95
<b>Rates by Taxing District</b>										
<b>Cities</b>										
<b>Fairfield</b>										
Residential/Agricultural Real	3.61100	3.60731	3.38981	5.90933	5.90272	5.35541	5.35741	5.34934	5.02221	5.01206
Commercial/Industrial and Public Utility Real	3.64987	3.66173	3.50206	5.94000	5.94000	5.46168	5.52777	5.58406	5.37459	5.42924
General Business and Public Utility Personal	4.54	4.54	4.54	5.94	5.94	5.94	5.94	5.94	5.94	5.94
<b>Hamilton</b>										
Residential/Agricultural Real	5.06000	5.06000	5.06000	5.12000	5.12000	6.79564	6.79902	6.83473	6.69492	6.689172
Commercial/Industrial and Public Utility Real	5.06000	5.06000	5.06000	5.12000	5.12000	7.01672	7.06603	7.14589	7.09028	7.11923
General Business and Public Utility Personal	5.06	5.06	5.06	5.12	5.12	7.12	7.12	7.16	7.16	7.16
<b>Indian Springs</b>										
Residential/Agricultural Real	4.24116	4.20350	-	-	-	-	-	-	-	-
Commercial/Industrial and Public Utility Real	3.85556	3.93392	-	-	-	-	-	-	-	-
General Business and Public Utility Personal	7.19	7.19	-	-	-	-	-	-	-	-
<b>Middletown</b>										
Residential/Agricultural Real	6.31000	6.36000	6.46000	5.86000	5.86000	5.86000	5.88000	5.90000	5.90000	5.90000
Commercial/Industrial and Public Utility Real	6.31000	6.36000	6.46000	5.86000	5.86000	5.86000	5.88000	5.90000	5.90000	5.90000
General Business and Public Utility Personal	6.31	6.36	6.46	5.86	5.86	5.86	5.88	5.90	5.90	5.90

(continued)

**Butler County, Ohio**  
**Property Tax Rates - Direct and Overlapping Governments**  
 (Per \$1,000 Assessed Value)  
 Last Ten Years  
 (continued)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Monroe</b>										
Residential/Agricultural Real	\$ 6.72390	\$ 6.71583	\$ 6.14274	\$ 6.60934	\$ 6.46646	\$ 5.78934	\$ 7.06429	\$ 6.98737	\$ 7.01895	\$ 6.18114
Commercial/Industrial and Public Utility Real	8.37290	8.31752	7.93183	8.31289	8.39148	8.21447	10.01255	10.00393	10.03001	8.51989
General Business and Public Utility Personal	9.17	9.17	9.17	9.85	9.85	9.85	11.17	11.17	11.17	9.32
<b>Oxford</b>										
Residential/Agricultural Real	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000
Commercial/Industrial and Public Utility Real	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000
General Business and Public Utility Personal	3.65	3.65	3.65	3.65	3.65	3.65	3.65	3.65	3.65	3.65
<b>Trenton</b>										
Residential/Agricultural Real	4.62972	4.62325	4.60046	4.55989	4.54447	4.40188	4.39271	3.24000	3.24000	3.24000
Commercial/Industrial and Public Utility Real	4.91624	4.90587	4.58380	4.58285	4.56804	4.43234	4.43413	3.24000	3.24000	3.24000
General Business and Public Utility Personal	4.99	4.99	4.74	4.74	4.74	4.74	4.74	3.24	3.24	3.24
<b>Villages</b>										
<b>College Corner</b>										
Residential/Agricultural Real	7.18294	7.18294	6.16105	6.15572	6.15572	5.50066	5.50066	5.50095	5.49357	5.492928
Commercial/Industrial and Public Utility Real	8.34398	8.34398	7.60372	7.60372	7.60372	6.79368	6.84204	6.84204	6.83666	6.83666
General Business and Public Utility Personal	14.40	14.40	14.40	14.40	14.40	14.40	14.40	14.40	14.40	14.40
<b>Jacksonburg</b>										
Residential/Agricultural Real	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000
Commercial/Industrial and Public Utility Real	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000
General Business and Public Utility Personal	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Millville</b>										
Residential/Agricultural Real	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	4.10000	2.30000
Commercial/Industrial and Public Utility Real	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	4.10000	2.30000
General Business and Public Utility Personal	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	4.10	2.30
<b>New Miami</b>										
Residential/Agricultural Real	3.87009	3.87009	3.69009	3.69032	7.99488	7.29526	7.30259	7.30259	7.05463	7.057468
Commercial/Industrial and Public Utility Real	4.27674	4.27674	4.10089	4.10089	8.20041	7.51588	7.51591	7.51591	7.17936	7.055503
General Business and Public Utility Personal	4.30	4.30	4.30	4.30	8.30	8.30	8.30	8.30	8.30	8.30
<b>Sevensville</b>										
Residential/Agricultural Real	6.14568	7.64217	6.66123	6.26028	5.66027	5.25700	5.15851	5.15752	7.05464	3.705286
Commercial/Industrial and Public Utility Real	6.90855	8.40855	7.40442	7.00442	6.40442	6.18269	6.08269	6.08269	7.17936	4.709944
General Business and Public Utility Personal	7.32	8.82	8.02	7.62	7.02	6.82	6.72	6.72	6.72	5.42
<b>Somerville</b>										
Residential/Agricultural Real	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000
Commercial/Industrial and Public Utility Real	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000
General Business and Public Utility Personal	3.09	3.09	3.09	3.09	3.09	3.09	3.09	3.09	3.09	3.09

(continued)

**Butler County, Ohio**  
**Property Tax Rates - Direct and Overlapping Governments**  
 (Per \$1,000 Assessed Value)  
 Last Ten Years  
 (continued)

Townships	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Fairfield</b>										
Residential/Agricultural Real	\$ -	\$ -	\$ 3.97666	\$ 6.97612	\$ 6.84975	\$ 6.00824	\$ 5.96827	\$ 5.93866	\$ 5.69314	\$ 5.63499
Commercial/Industrial and Public Utility Real	-	-	3.61927	7.17721	7.19000	6.16790	6.38986	5.16953	5.75430	6.07546
General Business and Public Utility Personal	-	-	7.19	7.19	7.19	7.19	7.19	7.19	7.19	7.19
<b>Fairfield - Fire District</b>										
Residential/Agricultural Real	-	-	6.45376	11.79268	11.55814	10.00553	9.93105	9.87616	9.42364	9.31581
Commercial/Industrial and Public Utility Real	-	-	5.83524	12.16542	12.19000	10.25863	10.68224	8.37058	9.47644	10.08158
General Business and Public Utility Personal	-	-	12.19	12.19	12.19	12.19	12.19	12.19	12.19	12.19
<b>Hanover</b>										
Residential/Agricultural Real	2.72000	2.72000	2.72000	2.72000	2.72000	2.72000	2.72000	2.72000	2.72000	4.46341
Commercial/Industrial and Public Utility Real	2.72000	2.72000	2.72000	2.72000	2.72000	2.72000	2.72000	2.72000	2.72000	4.45866
General Business and Public Utility Personal	2.72	2.72	2.72	2.72	2.72	2.72	2.72	2.72	2.72	4.47
<b>Liberty</b>										
Residential/Agricultural Real	7.16289	7.13315	8.29426	9.65225	9.44701	8.60930	8.46939	8.29812	8.08019	9.072858
Commercial/Industrial and Public Utility Real	7.10322	7.04726	7.68319	9.36170	9.05024	8.81452	8.80417	8.51552	8.74424	9.765146
General Business and Public Utility Personal	7.59	7.59	9.09	10.59	10.59	10.59	10.59	10.59	10.59	11.09
<b>Madison</b>										
Residential/Agricultural Real	1.08924	1.80863	1.74684	1.74579	1.74402	1.67161	1.67146	1.67062	1.62584	1.626605
Commercial/Industrial and Public Utility Real	1.90074	1.90008	1.84544	1.88711	1.88711	1.83876	1.84668	1.86908	1.84953	1.852322
General Business and Public Utility Personal	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26
<b>Millford</b>										
Residential/Agricultural Real	4.90433	4.90159	4.65993	4.65391	4.64783	4.48500	4.49477	4.49446	4.32320	6.32517
Commercial/Industrial and Public Utility Real	5.25068	5.25068	5.15822	5.15822	5.10450	4.99677	4.99677	4.99677	4.92652	6.887879
General Business and Public Utility Personal	5.74	5.74	5.74	5.74	5.74	5.74	5.74	5.74	5.74	7.74
<b>Morgan</b>										
Residential/Agricultural Real	4.87556	5.87151	5.41015	5.40332	5.54938	5.21615	5.46729	5.45731	5.12685	5.588967
Commercial/Industrial and Public Utility Real	5.17635	6.13727	5.81046	5.80073	5.61132	5.02325	5.29820	5.29820	5.23022	5.684251
General Business and Public Utility Personal	5.22	6.22	6.22	6.22	5.72	5.72	5.72	5.72	5.72	5.72
<b>Oxford</b>										
Residential/Agricultural Real	6.63252	6.63499	5.62843	5.61958	5.60183	5.20114	6.95904	6.95211	6.17824	6.172409
Commercial/Industrial and Public Utility Real	7.37146	7.37146	6.51285	6.51188	6.51188	6.48900	8.23900	8.23900	7.64170	6.48060
General Business and Public Utility Personal	7.84	7.84	7.84	7.84	7.84	7.84	9.59	9.59	9.59	9.59
<b>Reily</b>										
Residential/Agricultural Real	5.19952	7.38465	6.77284	7.24589	6.75579	6.44892	7.39000	7.36915	7.05233	7.045005
Commercial/Industrial and Public Utility Real	5.35296	7.39000	7.24589	7.24589	7.23638	6.79602	7.39000	7.39000	7.32789	7.327889
General Business and Public Utility Personal	5.39	7.39	7.39	7.39	7.39	7.39	7.39	7.39	7.39	7.39

(continued)

**Butler County, Ohio**  
**Property Tax Rates - Direct and Overlapping Governments**  
 (Per \$1,000 Assessed Value)  
 Last Ten Years  
 (continued)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Ross</b>										
Residential/Agricultural Real	\$ 5.32907	\$ 5.32396	\$ 4.91859	\$ 4.89024	\$ 6.43050	\$ 6.10720	\$ 6.07934	\$ 6.33714	\$ 6.00272	\$ 6.57842
Commercial/Industrial and Public Utility Real	5.45802	5.43170	5.06395	5.06233	6.50392	6.18917	6.21257	6.47485	6.22600	6.65257
General Business and Public Utility Personal	5.72	5.72	5.72	5.72	6.72	6.72	6.72	6.72	6.72	6.72
<b>St Clair</b>										
Residential/Agricultural Real	3.65351	3.95230	3.82485	3.82496	3.82343	3.69544	4.14391	4.46851	4.44145	4.445978
Commercial/Industrial and Public Utility Real	3.69633	3.95976	3.84700	3.84590	3.84593	3.86077	4.23634	4.46689	4.45291	4.44457
General Business and Public Utility Personal	4.47	4.47	4.47	4.47	4.47	4.47	4.47	4.47	4.47	4.47
<b>Union</b>										
Residential/Agricultural Real	8.81167	8.79777	9.15252	-	-	-	-	-	-	-
Commercial/Industrial and Public Utility Real	8.93968	8.87546	9.23068	-	-	-	-	-	-	-
General Business and Public Utility Personal	9.59	9.59	10.59	-	-	-	-	-	-	-
<b>Wayne</b>										
Residential/Agricultural Real	4.25224	3.41399	3.30787	3.57639	3.56717	3.46418	3.46469	4.76164	4.60155	4.59691
Commercial/Industrial and Public Utility Real	4.09246	3.33622	3.23848	3.58000	3.58000	3.48059	3.47766	4.77766	4.81274	4.812741
General Business and Public Utility Personal	4.58	3.58	3.58	3.58	3.58	3.58	3.58	4.88	4.88	4.88
<b>West Chester</b>										
Residential/Agricultural Real	-	-	-	9.68700	12.39019	11.29850	11.28300	11.20549	10.86922	13.298642
Commercial/Industrial and Public Utility Real	-	-	-	9.44359	12.44096	12.01912	12.24324	12.03437	12.22604	14.429398
General Business and Public Utility Personal	-	-	-	10.59	13.09	13.09	13.09	13.09	13.09	14.59
<b>Joint Vocational Schools</b>										
<b>Butler County JVS</b>										
Residential/Agricultural Real	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000
Commercial/Industrial and Public Utility Real	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000
General Business and Public Utility Personal	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93
<b>Great oaks JVS</b>										
Residential/Agricultural Real	2.00000	2.00000	2.37848	2.34421	2.33712	2.13885	2.11538	2.108827	2.00000	2.00000
Commercial/Industrial and Public Utility Real	2.12922	2.12525	2.50207	2.46880	2.48728	2.34505	2.36535	2.376635	2.23693	2.219364
General Business and Public Utility Personal	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70
<b>Montgomery County JVS</b>										
Residential/Agricultural Real	2.05192	2.01751	2.00000	2.00000	2.00000	2.30689	2.29585	2.275391	2.10844	2.098318
Commercial/Industrial and Public Utility Real	2.43718	2.36872	2.27947	2.75376	2.25602	2.33263	2.33654	2.348741	2.25405	2.259504
General Business and Public Utility Personal	2.58	2.58	2.58	2.58	2.58	2.58	2.58	2.58	2.58	2.58
<b>Schools</b>										
<b>Edgewood City</b>										
Residential/Agricultural Real	22.75001	26.69000	26.25001	26.25001	32.73708	30.27635	30.21236	30.03971	35.28072	35.280013
Commercial/Industrial and Public Utility Real	25.05480	28.96861	26.86926	27.16008	33.74129	33.40668	33.39966	33.38948	39.83427	39.807444
General Business and Public Utility Personal	33.61	37.55	37.11	37.11	43.76	43.76	43.76	43.76	50.64	50.64

(continued)

**Butler County, Ohio**  
**Property Tax Rates - Direct and Overlapping Governments**  
 (Per \$1,000 Assessed Value)  
 Last Ten Years  
 (continued)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Fairfield City</b>										
Residential/Agricultural Real	\$ 32,011.19	\$ 32,502.89	\$ 30,794.70	\$ 30,242.06	\$ 29,954.67	\$ 27,057.24	\$ 28,484.67	\$ 33,238.18	\$ 31,550.48	\$ 31,401.27
Commercial/Industrial and Public Utility Real	35,297.72	34,028.43	32,668.40	33,093.22	33,050.70	30,285.42	31,982.80	36,817.83	35,693.84	36,141.47
General Business and Public Utility Personal	53.56	54.16	54.46	54.23	54.11	53.82	53.82	58.66	58.60	58.60
<b>Hamilton City</b>										
Residential/Agricultural Real	25,856.00	25,846.80	27,682.87	27,656.90	27,643.53	27,200.02	27,437.44	27,400.02	27,200.01	32,607.93
Commercial/Industrial and Public Utility Real	31,396.79	31,572.94	34,054.98	34,195.38	34,238.23	32,656.64	33,329.85	33,929.30	32,967.34	38,679.349
General Business and Public Utility Personal	43.81	43.81	48.21	48.21	48.21	48.01	48.21	48.21	48.01	53.42
<b>Lakota Local</b>										
Residential/Agricultural Real	35,379.60	35,315.70	32,788.70	39,041.58	38,710.42	34,206.58	33,233.84	32,928.70	37,611.33	37,012.536
Commercial/Industrial and Public Utility Real	36,726.87	36,475.60	32,696.04	39,311.70	39,148.37	36,610.06	36,309.44	35,710.49	41,818.48	41,906.875
General Business and Public Utility Personal	56.14	56.14	55.14	61.88	61.88	60.84	60.04	60.04	65.64	65.39
<b>Madison Local</b>										
Residential/Agricultural Real	24,400.02	24,400.01	29,400.00	29,750.01	30,000.01	29,300.00	29,150.01	29,100.01	36,500.02	36,537.476
Commercial/Industrial and Public Utility Real	24,593.83	24,572.37	29,400.00	29,952.64	30,202.76	29,300.01	29,471.05	30,352.33	37,177.64	37,291.347
General Business and Public Utility Personal	30.94	30.94	35.94	36.29	36.54	32.14	31.99	31.94	39.34	39.34
<b>Middletown City</b>										
Residential/Agricultural Real	33,440.00	33,370.00	32,140.00	31,790.00	31,590.00	30,390.00	34,898.72	34,893.82	41,940.00	41,940.00
Commercial/Industrial and Public Utility Real	33,643.26	33,542.16	32,140.00	31,790.00	31,624.66	30,390.00	35,330.44	35,836.17	45,522.61	42,201.794
General Business and Public Utility Personal	36.63	36.56	35.33	34.98	34.78	33.58	38.08	38.08	45.13	45.13
<b>Monroe Local</b>										
Residential/Agricultural Real	-	-	-	31,790.00	39,930.01	-	37,250.01	36,620.01	36,890.01	41,440.008
Commercial/Industrial and Public Utility Real	-	-	-	31,790.00	40,324.49	-	38,326.15	37,678.02	38,012.13	42,290.586
General Business and Public Utility Personal	-	-	-	34.98	43.36	-	40.68	40.05	40.32	44.87
<b>New Miami Local</b>										
Residential/Agricultural Real	20,000.607	20,059.08	24,000.01	24,300.01	24,329.61	24,255.75	24,292.20	24,295.22	24,241.46	24,241.093
Commercial/Industrial and Public Utility Real	19,983.37	20,000.01	24,000.01	24,300.01	24,331.36	24,305.28	24,305.31	24,302.31	24,286.61	24,277.54
General Business and Public Utility Personal	25.09	25.09	29.09	29.39	29.42	29.42	29.42	29.42	29.42	29.42
<b>Ross Local</b>										
Residential/Agricultural Real	28,201.04	28,177.35	24,761.18	24,626.02	24,567.34	28,942.95	28,874.05	28,647.43	26,719.95	26,700.024
Commercial/Industrial and Public Utility Real	30,556.91	30,387.26	27,225.18	27,197.16	27,256.79	31,110.14	31,172.61	31,125.16	29,848.49	29,874.938
General Business and Public Utility Personal	45.73	45.73	45.73	45.73	45.73	51.98	51.98	51.98	51.73	51.73
<b>Talawanda City</b>										
Residential/Agricultural Real	21,677.68	21,661.71	20,000.02	26,402.72	26,315.17	24,244.43	25,454.27	25,371.83	23,170.02	23,170.026
Commercial/Industrial and Public Utility Real	23,501.30	23,531.06	21,190.66	27,988.17	27,938.29	25,215.30	26,776.22	26,868.96	25,521.64	25,638.202
General Business and Public Utility Personal	43.80	43.80	43.80	50.30	50.30	50.30	51.49	51.49	51.47	51.47

(continued)

**Butler County, Ohio**  
**Property Tax Rates - Direct and Overlapping Governments**  
 (Per \$1,000 Assessed Value)  
 Last Ten Years  
 (continued)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Out-of-County School Districts</b>										
College Corner Local										
Residential/Agricultural Real	\$ 25.76998	\$ 25.76860	\$ 24.72155	\$ 24.71343	\$ 24.71943	\$ 24.30488	\$ 24.32231	\$ 24.33114	\$ 24.37675	\$ 24.38430
Commercial/Industrial and Public Utility Real	25.75480	25.75480	25.77504	25.77504	25.77504	25.13507	25.23619	25.23619	24.76491	24.76491
General Business and Public Utility Personal	32.10	32.10	32.10	32.10	32.10	32.10	32.10	32.10	32.10	32.10
Mason Local										
Residential/Agricultural Real	32.99672	32.34030	31.71708	31.48572	37.73514	38.76762	37.95676	37.59062	43.74732	41.001409
Commercial/Industrial and Public Utility Real	35.27034	34.88509	34.67035	34.11770	40.64756	41.79058	42.85488	42.08389	48.17900	43.76230
General Business and Public Utility Personal	61.95	61.95	61.95	64.57	71.11	72.61	74.11	74.11	80.65	81.76
Northwest Local										
Residential/Agricultural Real	32.76447	32.77377	28.82161	28.51493	28.54339	26.89285	26.84669	26.80263	23.96740	23.82354
Commercial/Industrial and Public Utility Real	34.32705	34.63690	31.48023	31.57760	32.31974	30.13759	30.41112	30.76530	28.33662	27.989296
General Business and Public Utility Personal	50.18	50.18	50.13	49.80	49.80	49.64	49.64	49.64	49.64	49.50
Pleble Shawnee Local										
Residential/Agricultural Real	22.50000	25.49000	25.49000	25.49000	25.48901	25.44130	22.99000	23.44086	23.39818	23.399192
Commercial/Industrial and Public Utility Real	22.50000	25.49000	25.49000	25.49000	25.48591	25.47680	22.99000	23.48172	23.44091	23.442185
General Business and Public Utility Personal	22.50	25.49	25.49	25.49	25.49	25.49	23.49	23.49	23.49	23.49
Princeton Local										
Residential/Agricultural Real	23.88256	23.89818	24.78618	24.67755	24.69631	22.93628	25.99338	25.97780	23.48106	23.423617
Commercial/Industrial and Public Utility Real	28.24986	28.36265	29.14202	29.32211	29.53832	28.03975	31.51204	31.90181	30.13473	30.370811
General Business and Public Utility Personal	42.24	42.24	46.19	46.19	46.19	45.79	49.03	49.03	49.03	49.03
Southwest Local										
Residential/Agricultural Real	23.82558	27.30029	26.15454	25.84902	25.74574	25.31913	25.12157	24.94505	24.46831	23.62001
Commercial/Industrial and Public Utility Real	30.80573	34.29659	31.35189	31.11609	31.04264	29.47580	29.22645	28.99390	27.08158	26.13142
General Business and Public Utility Personal	44.74	48.22	48.22	47.88	47.75	47.44	47.25	47.08	46.68	45.30

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.  
 Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes.  
 Real property is reappraised every six years and property values are updated in the third year following each reappraisal.  
 Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

Source: Butler County Auditor



**Butler County, Ohio**  
**Property Tax Levies and Collections (1)**  
**Last Ten Years**

Collection Year	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (2)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
1998	\$ 28,283,906	\$ 28,152,592	99.54 %	\$ 686,905	\$ 28,839,497	101.96 %
1999	29,948,107	29,250,458	97.67	851,008	30,101,466	100.51
2000	32,781,175	30,576,335	93.27	708,757	31,285,092	95.44
2001	36,710,203	35,296,717	96.15	924,003	36,220,720	98.67
2002	39,050,967	37,431,914	95.85	1,166,797	38,598,711	98.84
2003	41,908,616	40,079,541	95.64	1,288,439	41,367,980	98.71
2004	48,245,395	46,139,554	95.64	1,642,553	47,782,107	99.04
2005	53,335,484	51,293,478	96.17	1,741,707	53,035,185	99.44
2006	61,493,150	58,964,700	95.89	2,096,044	61,060,744	99.30
2007	80,547,889	74,545,921	92.55	2,937,556	77,483,477	96.20

**Source: Butler County Auditor**

**(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.**

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

**Butler County, Ohio**  
**Principal Taxpayers**  
**Real Estate Tax**  
**2007 and 2002 (1)**

Name of Taxpayer	2007	
	Assessed Value	Percent of Real Property Assessed Value
Cincinnati Gas & Electric	\$196,758,890	2.76%
Duke Realty Ohio	37,361,770	0.52%
Cincinnati Financial Insurance	31,442,480	0.44%
Miller Breweries East Inc	25,638,010	0.36%
AK Steel Corp.	15,965,410	0.22%
Bridgewater Falls LLC	14,159,490	0.20%
J & J Ohio LLC	13,983,780	0.20%
Sisters of Mercy	13,597,540	0.19%
MB West Chester LLC	13,138,220	0.18%
Meijer	12,451,050	0.17%
Totals	<u>\$374,496,640</u>	<u>5.24%</u>
Total Assessed Valuation	<u><u>\$7,124,731,780</u></u>	

Name of Taxpayer	2002	
	Assessed Value	Percent of Real Property Assessed Value
Dugan Financial LLC	\$44,197,930	0.86%
Cincinnati Financial Insurance	29,611,470	0.58%
Miller Breweries Inc	25,539,850	0.50%
AK Steel Corp.	22,455,780	0.44%
Meijer	14,336,250	0.28%
Security Capital	13,106,870	0.25%
Centerpoint Realty	13,105,870	0.25%
Distribution Funding Services	12,963,830	0.25%
Duke Realty Ohio	12,791,250	0.25%
Smart Papers	12,782,920	0.25%
.	<u>\$200,892,020</u>	<u>3.91%</u>
Total Assessed Valuation	<u><u>\$5,144,613,220</u></u>	

**(1) The amounts presented represent the assessed values upon which 2007 and 2002 collections were based.**

**Note: Information prior to 2002 not available**

**Source: Butler County Auditor**

**Butler County, Ohio**  
**Principal Taxpayers**  
**Tangible Personal Property Tax**  
**2007 and 1998 (1)**

Name of Taxpayer	2007	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
AK Steel Corp.	\$ 78,663,340	13.02 %
Miller Breweries East Inc.	37,868,140	6.27
Cincinnati Bell Telephone	12,364,970	2.05
O Gara Hess Eisenhardt	8,831,280	1.46
Bay West Paper Corp.	5,269,300	0.87
Worthington Steel Co.	4,944,200	0.82
Pierre Foods Inc.	4,836,230	0.80
Misa metals Inc	4,390,190	0.73
Deceuninck North America	3,877,008	0.64
KAO Brands Company	3,791,190	0.63
<b>Total</b>	<b>164,835,848</b>	<b>27.29 %</b>
<b>Total Assessed Valuation</b>	<b>\$ 604,188,591</b>	

Name of Taxpayer	1998	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
AK Steel Corp.	\$ 85,149,690	12.50 %
Miller Breweries East Inc.	47,779,820	7.02
Champion Intl. Corp.	27,124,630	3.98
International Paper Co.	12,222,380	1.79
Southwestern Ohio	8,173,220	1.20
Mckesson Corp.	7,299,940	1.07
Jefferson Smurfit Corp.	7,094,910	1.04
Messer Griesheim	6,949,120	1.02
Hamilton Stevens	6,891,224	1.01
Xerox Corp.	6,043,850	0.89
<b>Total</b>	<b>\$ 214,728,784</b>	<b>31.52 %</b>
<b>Total Assessed Valuation</b>	<b>\$ 680,948,334</b>	

**(1) The amounts presented represent the assessed values upon which 2007 and 1998 collections were based.**  
**Source: Butler County Auditor**

**Butler County, Ohio**  
**Principal Taxpayers**  
**Public Utilities Tangible Personal Property Tax**  
**2007 and 2002 (1)**

Name of Taxpayer	2007	
	Assessed Value	Percent of Public Utility Assessed Value
Cincinnati Gas & Electric	\$ 67,752,300	28.63 %
Butler Rural Electric	3,177,230	1.34
Texas Eastern Transmission	2,332,620	0.99
Dayton Power & Light	1,143,120	0.48
CSX Transportation Inc.	914,730	0.39
Norfolk Southern Combined	891,150	0.38
Oxford Natural Gas	171,740	0.07
ANR Pipeline	116,920	0.05
Ohio Power	108,670	0.05
Mid Valley Pipeline	83,870	0.04
<b>Total</b>	<b>\$ 76,692,350</b>	<b>32.42 %</b>
<b>Total Assessed Valuation</b>	<b>\$ 236,656,000</b>	

Name of Taxpayer	2002	
	Assessed Value	Percent of Public Utility Assessed Value
Ohio Bell Telephone Co.	\$ 9,673,690	4.07 %
Dayton Power & Light	3,369,910	1.42
Norfolk Southern Combined	2,911,320	1.22
MCI Worldcom Network Svcs.	2,114,700	0.89
Qwest Communications	1,581,070	0.66
Nextel West Corp.	762,730	0.32
Ohio Telephone	ilu	#VALUE!
KMC Funding Corp.	406,950	0.17
Mid Valley Pipeline Co.	282,280	0.12
Genuity Solutions Inc.	226,550	0.10
<b>Total</b>	<b>\$ 21,329,200</b>	<b>#VALUE! %</b>
<b>Total Assessed Valuation</b>	<b>\$ 237,777,970</b>	

**(1) The amounts presented represent the assessed values upon which 2007 and 2002 collections were based.**

**Note: Information prior to 2002 not available**

**Source: Butler County Auditor**

**Butler County, Ohio**  
Ratios of Outstanding Debt By Type

Last Ten Years

Year	Governmental Activities										Business-Type Activities						Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds	Sales Tax Bonds	Loans Payable	Capital Leases	Long Term Notes	Short Term Notes (1)	Revenue Bonds Payable	Loans Payable	General Obligation Bonds	Water Judgement Bonds	Long Term Notes	Short Term Notes					
1998	\$ 16,820,000	\$ 4,645,000	\$ 28,780,000	\$ -	\$ 173,707	\$ -	\$ 45,410,000	\$ 65,471,583	\$ -	\$ 1,821,564	\$ -	\$ -	\$ -	-	1.89%	493		
1999	16,445,000	4,128,000	28,780,000	1,329,907	154,564	-	32,375,000	105,483,266	-	1,598,162	-	-	-	-	2.07	569		
2000	15,765,000	11,912,000	27,865,000	1,255,927	135,421	-	33,523,338	101,739,949	-	1,371,564	-	-	2,415,000	-	2.06	589		
2001	15,060,000	14,294,000	26,915,000	1,179,705	25,047	-	50,125,000	97,841,632	-	1,144,966	-	-	2,005,000	-	2.17	627		
2002	49,173,461	13,511,000	25,925,000	1,103,476	85,516	11,465,000	23,085,000	93,773,315	-	918,368	35,552,419	-	1,945,000	-	2.57	753		
2003	47,535,289	12,748,000	24,890,000	1,024,945	133,800	14,485,000	-	89,520,000	-	691,770	35,470,652	4,830,000	27,765,000	-	2.52	756		
2004	58,404,314	9,981,000	23,810,000	1,972,576	104,283	15,470,000	18,655,000	89,614,650	371,750	465,172	35,198,885	8,400,000	9,250,000	-	2.55	783		
2005	49,038,755	10,510,000	28,445,588	1,802,025	2,810,544	17,105,000	15,140,000	98,674,880	4,610,110	838,574	34,747,118	-	7,500,000	-	2.45	754		
2006	64,630,026	10,003,310	27,749,172	1,627,870	1,999,412	-	21,460,000	97,204,913	5,209,474	3,793,870	34,110,351	-	-	-	2.40	760		
2007	61,605,330	9,466,643	26,532,756	1,824,765	2,532,262	-	34,643,000	91,499,366	5,883,636	4,656,680	32,976,751	-	-	-	3.06	759		

(1) The Short Term Notes are issued in anticipation of long-term bond financing and will be refinanced until such bonds are issued.

Source: Butler County Auditor

**Butler County, Ohio**  
**Ratios of General Bonded Debt Outstanding**

**Last Ten Years**

Year	General Obligation Bonds (1)	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt per Capita
1998	\$ 16,820,000	0.11 %	\$ 50.81
1999	16,445,000	0.11	49.23
2000	15,765,000	0.09	47.37
2001	15,060,000	0.09	45.16
2002	49,173,461	0.27	144.40
2003	47,535,289	0.23	138.50
2004	58,404,314	0.28	168.53
2005	49,038,755	0.23	140.30
2006	64,630,026	0.27	183.45
2007	61,605,330	0.27	172.43

**(1) Does not include General Obligation Bonds paid from Enterprise funds.**

**Source: Butler County Auditor**

**Butler County, Ohio**  
**Computation of Legal Debt Margin**  
**Last Six Years**

	2002	2003	2004	2005	2006	2007
Tax Valuation	\$ 6,148,864,733	\$ 7,026,539,577	\$ 7,161,517,611	\$ 7,359,389,352	\$ 7,937,495,027	\$ 7,965,576,371
Debt Limit (1)	\$ 152,221,618	\$ 179,163,489	\$ 177,537,940	\$ 182,484,734	\$ 196,937,376	\$ 197,639,409
Amount of Debt Applicable to Debt Limit						
General Obligation Bonds	18,047,784	16,425,000	28,700,000	20,495,000	30,780,000	30,213,576
General Obligation Notes	15,385,000	15,710,000	15,600,000	14,885,000	7,205,000	15,355,000
General Obligation Loans	-	-	-	-	137,346	458,768
Less Amount Available in Debt Service	-	-	-	-	-	-
Amount of Debt Subject to Limit	33,432,784	32,135,000	44,300,000	35,380,000	38,122,346	46,027,344
Legal Debt Margin	\$ 118,788,834	\$ 147,028,489	\$ 133,237,940	\$ 147,104,734	\$ 158,815,030	\$ 151,612,065
Legal Debt Margin as a Percentage of the Debt Limit	78.04%	82.06%	75.05%	80.61%	80.64%	76.71%
Unvoted Debt Limit (2)	\$ 61,488,647	\$ 70,265,396	\$ 71,615,176	\$ 73,593,894	\$ 79,374,950	\$ 79,655,764
Amount of Debt Subject to Limit	33,432,784	32,898,000	44,300,000	35,380,000	38,122,346	46,027,344
Unvoted Legal Debt Margin	\$ 28,055,863	\$ 37,367,396	\$ 27,315,176	\$ 38,213,894	\$ 41,252,604	\$ 33,628,420
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	45.63%	53.18%	38.14%	51.93%	51.97%	42.22%

(1) Ohio Bond Law sets a limit calculated as follows:  
Three percent of the first \$100,000,000 of the tax valuation  
One and one-half percent of the next \$200,000,000 of the tax valuation  
Two and one-half percent of the amount of the tax valuation in excess of \$300,000,000

(2) Ohio Bond Law sets a limit of one percent of the tax valuation

(3) Information not available prior to 2002

Source: Butler County Auditor

**Butler County, Ohio**  
**Pledged Revenue Coverage**

**Last Ten Years**

**Sewer Pledged Revenue**

Year	Operating Revenues	Less: Operating Expenses (1)	Net Operating Revenue	Capacity Fees	Non-Operating Revenue (Expenses) Other	Net Non-Operating Rev (Exp) (2)	Net Available Revenue (3)	Debt Service (4)		Total	Coverage
								Principal	Interest		
1998	\$ 11,600,404	\$ 7,802,955	\$ 3,797,449	\$ 3,196,443	\$ (178,016)	\$ 3,018,427	\$ 6,815,876	\$ 1,395,000	\$ 1,791,187	\$ 3,186,187	2.14
1999	12,192,298	8,193,435	3,998,863	4,534,624	1,923,475	6,458,099	10,456,962	1,650,000	3,191,305	4,841,305	2.16
2000	15,181,737	8,864,899	6,316,838	3,360,152	1,547,881	4,908,033	11,224,871	2,660,000	3,448,300	6,108,300	1.84
2001	15,970,470	10,185,500	5,784,970	4,587,703	457,824	5,045,527	10,830,497	2,775,000	3,335,335	6,110,335	1.77
2002	16,854,168	11,070,073	5,784,095	6,762,444	716,403	7,478,847	13,262,942	2,900,000	2,946,367	5,846,367	2.27
2003	16,947,133	11,944,257	5,002,876	7,958,313	612,134	8,570,447	13,573,323	3,040,000	3,077,642	6,117,642	2.22
2004	17,778,094	13,209,048	4,569,046	9,014,420	2,798,802	11,813,222	16,382,268	2,785,000	2,725,944	5,510,944	2.97
2005	18,451,160	14,517,963	3,933,197	9,196,888	10,040,054	19,236,942	23,170,139	3,645,000	2,772,472	6,417,472	3.61
2006	19,238,592	14,220,210	5,018,382	5,654,267	560,847	6,215,114	11,233,496	3,800,000	1,752,062	5,552,062	2.02
2007	21,011,439	14,409,447	6,601,992	3,952,630	561,743	4,514,373	11,116,365	3,980,580	2,639,131	6,619,711	1.68

**Water Pledged Revenue**

Year	Operating Revenues	Less: Operating Expenses (1)	Net Operating Revenue	Capacity Fees	Non-Operating Revenue (Expenses) Other	Net Non-Operating Rev (Exp) (2)	Net Available Revenue (3)	Debt Service (4)		Total	Coverage
								Principal	Interest		
1998	14,961,586	12,454,508	2,507,078	2,752,163	(1,177,096)	1,575,067	4,082,145	545,000	1,061,064	1,606,064	2.54
1999	16,118,567	16,488,844	(370,277)	3,752,395	(193,335)	3,559,060	3,188,783	565,000	1,417,921	1,982,921	1.61
2000	16,936,905	15,550,143	1,386,762	2,604,217	384,501	2,988,718	4,375,480	1,085,000	1,586,699	2,671,699	1.64
2001	17,900,347	17,594,434	305,913	2,830,333	318,154	3,148,487	3,454,400	1,125,000	1,562,237	2,687,237	1.29
2002	20,300,608	17,442,027	2,858,581	3,232,357	1,239,956	4,472,313	7,330,894	1,170,000	1,367,629	2,537,629	2.89
2003	16,675,326	14,266,723	2,408,603	3,368,055	1,318,859	4,686,914	7,095,517	1,215,000	1,459,589	2,674,589	2.65
2004	19,539,968	14,438,596	5,101,372	4,153,770	2,283,690	6,437,460	11,538,832	1,260,000	1,421,566	2,681,566	4.30
2005	22,029,345	18,879,165	3,150,180	4,629,241	9,158,934	13,788,175	16,938,355	1,485,000	1,370,366	2,855,366	5.93
2006	22,186,770	16,636,338	5,550,432	2,923,530	729,728	3,653,258	9,203,690	1,900,000	1,814,159	3,714,159	2.48
2007	26,395,879	20,168,090	6,227,789	2,265,660	660,300	2,925,960	9,153,749	2,113,882	1,900,573	4,014,455	2.28

(continued)

- (1) Operating expenses are shown exclusive of depreciation, per bond covenant.
- (2) Net non-operating Rev(exp) are shown exclusive of interest and fiscal charges, per bond covenant.
- (3) Net Available Revenue includes Net Operating Revenue combined with Net Non-Operating Rev(exp).
- (4) Debt Service per bond redemption schedules.

Source: Butler County Auditor



**Butler County, Ohio**  
**Pledged Revenue Coverage**  
 continued  
**Last Ten Years**

Year	Sales Tax Revenue Bonds					Special Assessment Bonds						
	Tax Revenues	Debt Service			Total Debt	Coverage	Special Assessment Collections	Debt Service			Total Debt	Coverage
		Principal	Interest					Principal	Interest			
1998	\$ 12,889,270	\$ -	\$ 1,419,987	\$ 1,419,987	9.08	\$ -	- \$	- \$	- \$	-	-	-
1999	14,252,234	-	1,366,833	1,366,833	10.43	-	-	-	-	-	-	-
2000	15,709,348	915,000	1,366,833	2,281,833	6.88	-	-	-	-	-	-	-
2001	16,102,332	950,000	1,330,233	2,280,233	7.06	-	-	-	-	-	-	-
2002	16,642,460	990,000	1,291,045	2,281,045	7.30	-	-	-	-	-	-	-
2003	17,182,889	1,035,000	1,249,465	2,284,465	7.52	1,884,272	536,103	763,000	1,299,103	1.45	1,124,466	1.39
2004	18,047,011	1,080,000	1,204,443	2,284,443	7.90	1,563,809	537,466	587,000	1,124,466	1.39	1,124,466	1.23
2005	19,503,113	1,100,000	700,434	1,800,434	10.83	1,380,252	509,519	615,000	1,124,519	1.32	1,037,730	1.26
2006	40,662,394	680,000	1,266,775	1,946,775	20.89	1,374,653	531,040	506,690	1,037,730	1.32	1,116,082	1.26
2007	41,317,071	1,200,000	1,242,975	2,442,975	16.91	1,405,765	505,912	610,170	1,116,082	1.26		

**Source: Butler County Auditor**

**Butler County, Ohio**  
**Demographic and Economic Statistics**

**Last Ten Years**

Year	Population (1)	Total Personal Income	Per Capita Personal Income	Unemployment Rate (2)
1998	331,065	\$ 8,633,844,135	\$ 26,079	3.3%
1999	334,011	9,176,952,225	27,475	3.2
2000	332,807	9,523,272,305	28,615	3.0
2001	333,486	9,633,743,568	28,888	3.3
2002	340,543	9,973,142,298	29,286	4.4
2003	343,207	10,301,014,898	30,014	4.4
2004	346,560	10,643,897,280	30,713	3.8
2005	349,526	11,066,692,212	31,662	4.9
2006	352,310	11,738,969,200	33,320	5.9
2007	357,276	8,861,873,904	24,804	5.0

**Sources: (1) Bureau of Economic Analysis. The 1998 through 1999 and 2001 through 2007 population is estimated.**  
**(2) Ohio Labor Market Information.**

**Butler County, Ohio**  
**Principal Employers**  
**Current Year and Nine years Ago**

Employer	Nature of Business	2007		
		Number of Employees	Rank	Percentage of Total Employment
Miami University	Education	4,250	1	2.10%
AK Steel	Steel Manufacturing	3,100	2	1.55
Butler County	Government	2,655	3	1.33
Cincinnati Insurance	Insurance	2,600	4	1.30
Fort Hamilton Hospital	Health Care	2,000	5	1.00
Middletown Regional Hospital	Health Care	1,800	6	0.90
Mercy Regional Hospital	Health Care	1,601	7	0.80
Lakota School District	Education	1,600	8	0.80
Ohio Casualty Insurance	Insurance	1,340	9	0.67
Hamilton City Schools	Education	1,150	10	0.58
Total		<u>22,096</u>		<u>11.03</u>
Total Employment within the County		<u>200,000</u>		
Employer	Nature of Business	1998		
		Number of Employees	Rank	Percentage of Total Employment
AK Steel	Steel Manufacturing	4,250	1	3.07%
Miami University	Education	3,500	2	2.53
Butler County	Government	2,500	3	1.80
Cincinnati Financial Corp.	Financial	1,992	4	1.44
Ohio Casualty Corp.	Insurance	1,500	5	1.08
Lakota Board of Education	Education	1,480	6	1.07
Fairfield City Schools	Education	1,400	7	1.01
Middletown Regional Hospital	Health Care	1,395	8	1.01
Meijer	Retail	1,129	9	0.81
Fort Hamilton Hughes Hospital	Health Care	1,100	10	0.79
Total		<u>20,246</u>		<u>14.61</u>
Total Employment within the County		<u>138,611</u>		

**Butler County, Ohio**  
**County Government Employees by Function/Activity**  
**Last Six Years**

	2002	2003	2004	2005	2006	2007
General Government						
Legislative and Executive						
Commissioners	47	45	47	48	49	40
Auditor	90	87	75	71	78	69
Treasurer	30	28	29	33	28	25
Prosecuting Attorney	65	65	63	63	67	68
Board of Elections	33	34	48	34	39	57
Recorder	19	20	20	17	18	18
Buildings and Grounds	7	7	7	6	6	6
Data Processing	32	36	38	34	31	31
Judicial						
Area Courts	33	39	42	47	47	53
Common Pleas Court	44	44	43	44	52	53
Probate Court	19	20	21	22	21	20
Juvenile Court	189	182	180	184	190	195
Municipal Court	32	32	32	34	38	42
Clerk of Courts	70	70	75	85	82	84
Domestic Relations	35	31	33	29	32	31
Law Library	2	2	2	2	2	2
Public Safety						
Sheriff	290	300	306	297	330	385
Probation	49	49	51	49	47	50
Paramedics	23	25	26	27	35	35
Emergency Management	4	4	4	4	4	3
Coroner	11	11	11	10	12	11
Public Works						
Engineer	85	85	88	85	93	91
Environmental Services	164	166	154	156	158	157
Health						
MRDD	361	350	359	317	300	292
Alcohol & Drug	5	5	5	5	5	6
Mental Health	11	9	10	9	8	10
Human Services						
Jobs and Family Services	194	195	199	190	191	197
Care Facility	196	179	168	180	180	180
Children's Services	164	145	173	183	196	207
Child Support Enforcement Agency	95	88	90	93	84	90
Veteran Services	14	16	13	14	15	14
Conservation and Recreation						
Parks	13	13	15	15	27	29
Community and Economic Development	26	24	25	27	26	27
Agency Funds						
Court of Appeals - 12th Dist Court	19	20	19	23	22	22
Health Dept	31	34	37	38	37	37
Regional Transit Authority	49	11	10	12	13	12
Soil and Water Conservation	10	8	7	5	6	6
<b>Total</b>	<b>2,561</b>	<b>2,479</b>	<b>2,525</b>	<b>2,492</b>	<b>2,569</b>	<b>2,655</b>

**Note: Information prior to 2002 not available**

**Source: Butler County Auditor**

**Butler County, Ohio**  
**Operating Indicators by Funtion/Program**  
**Last Ten Years**  
**(continued)**

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Government										
Legislative and Executive										
Auditor										
Number of exempt conveyances	5,630	5,320	5,483	7,589	6,228	6,636	6,304	6,318	5,618	5,261
Number of real estate transfers	10,075	10,953	10,856	14,026	10,524	11,202	11,358	11,799	10,284	8,497
Number of parcels billed	126,833	129,088	131,638	133,698	135,506	138,839	-	-	-	147,558
Number of personal property returns										
Number of appropriation checks issued	71,618	68,717	74,164	71,789	68,940	71,630	71,266	72,445	73,636	75,060
Number of payroll checks issued	32,009	28,942	29,695	47,578	25,316	21,522	20,738	17,909	15,953	12,693
Number of purchase orders issued	17,848	35,219	19,085	25,095	26,938	29,940	26,893	28,967	30,129	31,355
BMV										
Number of tags issued	-	55,329	62,093	67,080	66,623	65,562	68,294	68,842	64,279	62,552
Treasurer										
Number of parcels collected	91,507	91,224	107,656	90,625	90,445	138,734	140,504	152,470	151,239	159,465
Prosecuting Attorney										
Number of cases - criminal	-	-	-	-	-	1,951	2,258	2,380	2,411	2,485
Board of Elections										
Number of registered voters	198,649	197,719	216,275	206,056	215,796	207,675	238,022	230,873	232,187	238,219
Number of voters last general election	92,728	57,455	138,992	70,878	89,568	66,169	168,976	83,090	119,521	65,797
Percentage of register voters that voted	46.68	29.06	64.27	34.40	41.51	31.86	70.99	35.98	51.48	28.00
Recorder										
Number of deeds recorded	17,210	18,532	16,794	17,326	19,010	20,035	19,923	20,252	17,981	16,128
Number of mortgages recorded	33,367	29,994	24,083	34,448	40,637	49,791	34,447	32,709	27,392	21,965
Number of military discharges recorded	99	84	67	55	38	20	29	32	43	35
Judicial										
Common Pleas Court										
Number of civil cases filed	2,226	2,482	2,796	3,223	3,432	3,529	4,031	4,176	2,343	2,215
Number of criminal cases filed	1,564	1,595	1,279	2,335	2,833	2,538	3,008	3,391	4,787	5,022
Probate Court										
Number of civil cases filed	51	80	51	53	46	41	36	52	50	47
Juvenile Court										
Number of civil cases filed	1,329	1,121	894	1,287	1,495	1,767	2,396	3,536	3,819	3,591
Number of criminal cases filed	6,483	6,301	6,186	7,221	7,438	6,274	4,502	4,540	4,778	4,914
Number of adjudged delinquent cases filed	4,594	4,444	4,558	5,420	5,633	4,540	2,959	2,739	2,757	2,582
Area Courts										
Number of civil cases filed	1,184	1,569	1,697	1,721	2,023	2,215	2,183	2,613	2,985	3,284
Number of criminal cases filed	20,943	19,358	25,914	25,713	27,181	27,117	22,683	24,021	25,552	25,569
Number of small claims cases filed	476	326	383	434	412	453	471	424	488	423
Clerk of Courts										
Number of civil cases filed	2,226	2,482	2,796	3,222	3,432	3,529	4,031	4,176	4,782	5,022
Number of criminal cases filed	1,571	1,604	1,771	1,846	2,030	1,951	2,256	2,374	2,343	2,215
Domestic Relations										
Number of divorce cases files	1,776	1,759	1,733	1,669	1,529	1,496	1,571	1,493	1,567	1,559
Number of motions files	1,895	1,007	1,153	1,312	1,596	1,737	3,902	4,139	4,153	12,499
Number of protective orders	1,141	1,134	1,277	1,449	1,326	1,186	1,282	1,365	1,584	1,482
Public Safety										
Sheriff										
Jail Operation										
Average daily jail census	422	431	451	451	515	692	748	734	974	1,056
Prisoners booked	7,202	7,150	2,802	7,447	7,365	10,265	10,537	10,592	14,948	16,145
Prisoners released	-	-	-	-	7,277	10,159	10,507	10,509	14,645	16,381
Out of county bed days used	-	-	-	2,316	390	1,681	1,477	-	-	4,320
Enforcement										
Number of incidents reported	6,798	9,385	5,548	6,345	8,152	5,972	6,052	5,568	7,593	9,464
Number of citations issued	8,495	9,736	6,636	7,318	6,636	6,351	7,318	5,724	5,452	5,812
Concealed Weapons Permit										
Number of permits issued	-	-	-	-	-	-	-	969	992	1,104
Adult Probation										
Offenders supervised	2,334	2,003	2,142	2,127	2,381	2,419	2,107	1,985	2,227	2,311

(continued)

**Butler County, Ohio**  
**Operating Indicators by Funtion/Program**  
**Last Ten Years**  
**(continued)**

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Coroner</b>										
Number of cases investigated	348	321	318	327	298	314	332	362	322	360
Number of autopsies performed	197	205	214	218	212	211	205	221	196	224
<b>Public Works</b>										
<b>Engineer</b>										
Miles of roads resurfaced	15.0	29	11	9	6	14	38	46	33	11
Number of bridges replaced/improved	10.0	15	3	9	11	12	9	6	4	28
Number of culverts built/replaced/improved	6.0	11	14	7	8	10	14	25	16	19
<b>Building Department</b>										
Number of permits issued	2,924	3,441	3,251	3,269	3,622	3,834	4,197	3,854	3,627	4,176
Number of inspections performed	-	-	26,741	26,219	27,918	29,914	29,674	31,427	25,127	19,302
<b>Sewer District</b>										
Average daily sewage treated	13.74	12.69	13.87	14.11	16.39	17.13	15.88	16.50	18.05	17.13
Number of tap-ins	982	1,343	1,279	1,090	1,131	1,570	1,653	1,863	1,443	1,055
Number of customers	-	-	29,441	31,814	33,363	35,287	36,854	38,293	41,448	40,444
<b>Water District</b>										
Average daily water distributed	7.75	9.22	8.90	9.40	11.02	10.88	10.52	12.55	11.51	13.01
Average daily water billed	36,825	43,483	44,219	45,834	53,439	43,206	50,676	57,883	58,529	69,388
Number of tap-ins	962	1,208	956	1,119	975	1,127	1,058	1,273	970	632
Number of customers	-	-	28,843	30,403	31,765	33,088	34,365	35,089	36,259	36,244
<b>Health</b>										
<b>ADAS</b>										
Average Client Count	1,844	924	1,700	660	777	1,449	1,671	2,033	1,352	2,168
Tx Episodes	1,668	1,848	2,842	2,110	2,718	2,755	2,304	2,033	2,238	2,235
<b>MRDD</b>										
<b>Number of Children Served</b>										
Early intervention program	-	-	-	-	281	437	530	669	750	870
Preschool	-	-	-	-	249	536	496	291	47	0
School age	-	-	-	-	322	426	532	582	617	400
<b>Number of Adults Served</b>										
Habilitation/Sheltered Workshop	-	-	-	-	475	504	509	525	479	525
Community Employment	-	-	-	-	174	172	170	172	170	163
Senior Program	-	-	-	-	38	31	32	28	23	25
Self Directed	-	-	-	-	0	0	0	18	27	-
<b>Number Served in Residential</b>										
Community Homes	-	-	-	-	232	243	278	336	436	436
Number Receiving Support Coordination Services	-	-	-	-	-	848	871	874	1,028	1,030
Number Receiving Family Support Services	-	-	-	-	-	371	496	451	465	533
<b>Percentage Served by Disability Level</b>										
Mild	-	-	-	-	40	40	41	42	42	42
Moderate	-	-	-	-	27	28	28	28	28	28
Severe	-	-	-	-	16	16	15	15	16	16
Profound	-	-	-	-	17	16	16	15	14	14
<b>Mental Health</b>										
Average client count - intensive	1,953	1,185	2,048	1,926	1,014	2,251	2,062	2,070	2,214	2,230
Average client count - non-intensive	4,062	4,662	3,263	1,673	637	844	692	736	896	1,328
Average client count - early intervention	1,798	2,054	2,275	1,606	3,568	1,789	1,717	1,794	2,161	2,471
<b>Human Services</b>										
<b>Jobs and Family Services</b>										
Average client count - food stamps	10,487	9,726	10,402	12,729	15,445	18,974	21,866	23,781	25,767	26,652
Average client count - Medicaid	-	-	-	51,449	67,067	74,803	79,896	85,461	89,851	42,867
Average client count - day care	689	760	1,026	1,189	1,352	1,322	1,321	1,534	1,607	1,340
Average client count - WIA	-	-	-	307	477	532	583	582	413	434
Average client count - job placement	-	-	-	122	204	253	248	218	n/a	n/a
<b>Children's Services</b>										
Average client count - foster care	561	450	446	457	469	463	380	370	388	355
Average client count - adoption	63	67	43	44	34	67	55	55	40	7
<b>Child Support Enforcement Agency</b>										
Average number of active support orders	12,249	12,379	16,800	17,574	17,853	17,779	17,906	18,875	20,950	17,974
Percentage collected	77.29%	84.47%	71.45%	71.75%	71.43%	72.45%	72.70%	72.75%	71.26%	71.32%
<b>Veteran Services</b>										
Number of veterans and/or dependents served	3,918	2,851	3,105	3,345	3,570	4,451	8,847	12,850	12,195	10,508.00
Amount of benefits paid to county veterans	201,587	185,945	207,861	293,704	407,535	647,830	640,634	606,175	631,546	616,469.00
<b>Community and Economic Development</b>										
Number of projects	6	35	34	40	32	57	64	79	37	51
Number of jobs created	-	-	-	-	-	-	-	7	10	105

**Note: (-) Information not available.**

**Source: Butler County Auditor**

**Butler County, Ohio**  
**Capital Asset Statistics by Function/Activity**  
**Last Two Years**

	2006	2007
<b>General Government</b>		
Administrative office space (sq. ft.)	9,480	9,480
<b>Auditor/Information Services</b>		
Administrative office space	16,072	16,072
<b>Treasurer</b>		
Administrative office space	5,096	5,096
<b>Prosecuting Attorney</b>		
Administrative office space	16,320	16,320
<b>Board of Elections</b>		
Administrative office space	9,304	9,304
Voting machines	1,668	1,599
<b>Recorder</b>		
Administrative office space	8,728	8,728
<b>Buildings and Grounds</b>		
Administrative office space	600	600
<b>Judicial</b>		
<b>Common Pleas Court</b>		
Number of court rooms	7	7
<b>Probate Court</b>		
Number of court rooms	2	2
<b>Juvenile Court</b>		
Number of court rooms	7	7
<b>Clerk of Courts</b>		
Administrative office space	11,016	11,016
<b>Domestic Relations</b>		
Administrative office space	24,128	24,128
<b>Public Works</b>		
<b>Engineer</b>		
Centerline miles of roads	273	268
Number of bridges	371	376
Number of culverts	1,019	1,072
Number of traffic signs	7,252	7,513
<b>Building Department</b>		
Administrative office space	2,344	2,344
<b>Sewer District</b>		
Number of treatment facilities	6	6
Number of pumping stations	34	30
Miles of sewer lines	811	733
<b>Water District</b>		
Number of treatment facilities	0	0
Miles of water lines	674	617
<b>Health</b>		
<b>Human Services</b>		
<b>Jobs and Family Services</b>		
Administrative office space	32,640	32,640
<b>Child Support Enforcement Agency</b>		
Administrative office space	16,320	16,320
<b>Veteran Services</b>		
Administrative office space	3,136	3,136
<b>Conservation and Recreation</b>		
<b>Parks</b>		
Number of parks	22	23
Acreage developed	530	680
Acreage undeveloped	2,661	2,720
Miles of trails	28	28

**Note: Information prior to 2006 not available.**

**Source: Butler County Auditor**







**Mary Taylor, CPA**  
Auditor of State

**FINANCIAL CONDITION**

**BUTLER COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
DECEMBER 2, 2008**