

**OHIO-KENTUCKY-INDIANA
REGIONAL COUNCIL
OF GOVERNMENTS
HAMILTON COUNTY, OHIO**

AUDIT REPORT

**FOR THE FISCAL YEAR
ENDED JUNE 30, 2020**

James G. Zupka, CPA, Inc.
Certified Public Accountants

OHIO AUDITOR OF STATE KEITH FABER



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Executive Committee
Ohio-Kentucky-Indiana Regional Council of Governments
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We have reviewed the *Independent Auditor's Report* of the Ohio-Kentucky-Indiana Regional Council of Governments, Hamilton County, prepared by James G. Zupka, CPA, Inc., for the audit period July 1, 2019 through June 30, 2020. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

January 25, 2021

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**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO**

ACRONYMS/ABBREVIATIONS

CMAQ	Congestion Mitigation and Air Quality
EPA	Environmental Protection Agency
FAST	Fixing America’s Surface Transportation (FAST) Act
FHWA	Federal Highway Administration
FIAM	Fiscal Impact Analysis Model
FTA	Federal Transit Administration
HCEMA	Hamilton County Emergency Management Agency
HPR	Highway Planning and Research
INDOT	Indiana Department of Transportation
JARC	Job Access Reserve Commute
KYTC	Kentucky Transportation Cabinet
MPO	Metropolitan Planning Organization
NARC	National Association of Regional Councils
ODOT	Ohio Department of Transportation
OEPA	Ohio Environmental Protection Agency
OKI	Ohio-Kentucky-Indiana Regional Council of Governments
PL	Planning
SNK	Surface Transportation Planning (Northern Kentucky)
STP	Surface Transportation Planning (Ohio and Indiana)
UPWP	Unified Planning Work Program

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INDEPENDENT AUDITOR'S REPORT

To the Executive Committee
Ohio-Kentucky-Indiana Regional Council of Governments
Cincinnati, Ohio

The Honorable Keith Faber
Auditor
State of Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the Ohio-Kentucky-Indiana Regional Council of Governments, Ohio (OKI), as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise OKI's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the financial position of OKI as of June 30, 2020 and 2019, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 14 to the basic financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of OKI. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise OKI's basic financial statements. The accompanying Supplemental Schedules 1-3 and Schedules of Cumulative Revenues and Expenditures for Completed Programs and Programs in Progress present additional analysis and are not a part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2020, on our consideration of OKI's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering OKI's internal control over financial reporting and compliance.

James G. Zupka, CPA, Inc.
Certified Public Accountants

December 28, 2020

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**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020
(Unaudited)**

The Ohio-Kentucky-Indiana Regional Council of Governments (OKI) offers this narrative overview and analysis of OKI's financial performance during the fiscal year ending June 30, 2020. Please read it in conjunction with OKI's financial statements, which follow this section.

ABOUT OKI

The Ohio-Kentucky-Indiana Regional Council of Governments (OKI) is a council of local governments, business organizations and community groups committed to developing collaborative strategies to improve the quality of life and the economic vitality of the region. Formed in 1964, OKI has spent over 50 years cultivating partnerships and alliances that range from the federal government to local councils. Its 118 members represent governmental, social and civic groups from nearly 200 communities in the eight-county, three-state region.

OKI works collaboratively with stakeholders to solve interstate dilemmas, create far-reaching development plans, break through political bureaucracy, provide services to the public and advocate for federal funding.

OKI has final authority over all federal dollars spent on surface transportation in the region. Each year, OKI approves approximately \$40 million in funding for projects in the region.

ACTIVITIES AND PROJECTS

While OKI's primary mission has been transportation, its responsibilities are not confined to just highways and pavement.

OKI Projects include...

Brent Spence Bridge

OKI is dedicated to seeing this \$2.6 billion dollar project built and the sooner, the better. The bridge is not in danger of falling down; however, it is functionally obsolete and does not meet current capacity needs and design standards. The new and refurbished existing bridge along with eight miles of expanded and improved Interstate 75 will increase travel efficiency and safety on one of the nation's busiest surface trade corridors. A yearlong study commissioned by Governor Bevin (KY) concluded in late 2018 that a new Brent Spence Bridge is necessary and a bypass highway will not address the needs. A mutually agreeable funding plan must be agreed upon by Kentucky and Ohio. OKI staff continues to monitor progress and provide updates to community organizations and individuals throughout the region.



Western Hills Viaduct

Cincinnati's gateway to the West Side, the Western Hills Viaduct is a half-mile, double-decked bridge spanning the Queen City rail yard, connecting several major roadways and has a water main built into it. The viaduct is the most decrepit bridge in the region with Federal inspectors declaring it structurally deficient. It is part of the region's multimodal, integrated transportation system and any future update will accommodate Bus Rapid Transit. The viaduct carries over 55,000 vehicles a day and is 88 years old. Estimated costs to replace it is \$335 million. Business leaders and local governments continue to make this project a priority.



2050 Metropolitan Transportation Plan

The 2050 Transportation Plan is a comprehensive blueprint projecting the transportation needs of the OKI region area for the next 30 years. Our vision is to develop innovative, sustainable and multimodal transportation solutions that support the goals and economy of the Greater Cincinnati area. The system will continue to be reliable, flexible and affordable, connecting people safely to one another, to their workplaces, to the institutions that matter to them and to the services on which they depend. It also lays the foundation for a transportation system that increasingly relies on system management, operations, Mobility as a Service (MaaS) and a system that includes connected and autonomous vehicles.



Riverfront Commons

OKI continues working with Southbank Partners for this planned 11.5-mile pedestrian/bicycle path that links Northern Kentucky's six river cities - Ludlow, Covington, Newport, Bellevue, Dayton and Fort Thomas – to the City of Cincinnati and other local trail systems. The 15-20' wide path features open park space at strategic points along the Ohio river along with a series of points of access that provide easy linkage to a neighborhood, residential, businesses, entertainment and historic districts.



Freight

Our region is a major link in America's freight transportation network. Upwards of 323 million tons of freight moves through the region annually. OKI's comprehensive freight plan includes multi-modal improvements to enhance the region's freight transportation system. More details may be found at www.freight.oki.org.



Cincinnati Mobility Lab

Progress continues with the Cincinnati Mobility Lab, with OKI sharing data and insights for study collection, engagement of employers along with activating designers to help create an innovative and strategic transportation plan for the region. OKI, along with Cincinnati USA Regional Chamber, City of Cincinnati, SORTA, and TANK are collaborative partners.



Interactive Job Hubs

The Interactive Job Hubs Map continues to be a valuable tool which identifies the region's densest areas of employment and detail how accessible they are to jobs by car or public transit. Developed by the Cincinnati Chamber, REDI Partnership and OKI Part of the *Connected Region Initiative*, the tool informs public officials, economic developers, transportation and planning leaders, and the general public on the hubs of activity and commerce that need to be connected. Hubs are defined based on employer density and number of employees as well as aligning with local government and economic development opportunities. More details are found at <https://www.oki.org/portfolio-items/job-hubs/>



Community Energy Plan

With an award from the Duke Class Benefit fund, OKI produced Community Strategic Energy Plans for eight local communities in SW Ohio. The central idea of this project is to discover what local priorities are related to energy use and infrastructure.

Although generally based on content from US Department of Energy's guide on producing a local energy plan, OKI worked with local governments to tailor each plan to the local community's situation; and each plan featured robust public input. Communities included Colerain, Village of Cleves, Silverton, Delhi Township, Harlan Township, Middletown, North College Hill, and Turtlecreek Township.



The Coordinated Public Transit

The Coordinated Public Transit – Human Services Transportation Plan (Coordinated Plan) is a unified, comprehensive strategy for public transportation service delivery that identifies the transportation needs of seniors and individuals with disabilities; lays out strategies for meeting these needs; and prioritizes services for these target populations. The Coordinated Plan addresses Section 5310 (Enhanced Mobility of Seniors and Individuals with Disabilities) of Title 49 of the U.S. Code (U.S.C.) and is used by OKI to prioritize and identify projects to invest 5310 federal funding in the region.

2020 COORDINATED PLAN

ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES



Policy of Inclusion and Participation

Title VI and Environmental Justice programs ensure the inclusion of minority, low income, disabled, elderly and zero-car households in its transportation planning process.



FINANCIAL HIGHLIGHTS

During fiscal year 2020:

- OKI continued its partnership with the Greater Cincinnati Energy Alliance to undertake a 3 year \$500,000 project funded by the Duke Class Benefit Fund to complete eight (8) energy efficiency plans with municipal entities (all but the City of Cincinnati) in the Southwest Ohio counties that are members of OKI. In FY20 plans were completed for Silverton, Middletown, North College Hill, Delhi, and Turtlecreek and Harlan Townships. Consistent with OKI's strategic regional policy plan, OKI created and shared a guide for municipalities to use in creating energy efficiency plans. During FY19 program funding was re-organized to transfer \$120,000 community implementation funds from OKI's program budget to the Greater Cincinnati Energy Alliance, who managed the disbursement of those funds. At the end of FY20, the project concluded. However, there was \$12,871.93 in unspent funds remaining from the grant. OKI worked with the Duke Class Benefit Fund to arrange an extension for the first half of FY21 to distribute those funds to the local communities for additional plan implementation activities.
- OKI continued executing partnership agreements with advertising outlets to provide value added services as match for the Clean Air program. The value of these services was used as match for the Kentucky share of this program. Currently the Ohio share of these programs does not require match. ODOT provides 100% funding for RideShare and toll revenue credits as match for Clean Air. The spring outreach campaigns for both RideShare and Clean Air programs were cancelled due to the COVID-19 stay at home order and essential travel only mandates in the OKI region. During fiscal year 2020 the Clean Air Program received \$24,220 in contributed services.
- Total assets exceeded liabilities as of June 30, 2020 by \$1,499,711, an increase of \$22,925 from June 30, 2019. The goal of OKI is to provide the maximum level of service to Council members within available funding, while maintaining net position of around \$1,000,000.
- OKI had operating revenues of \$5,608,603 and operating expenses of \$5,585,678, resulting in operating income of \$22,925. Contributed services in excess of match required by programs and grants totaled \$13,995.

USING THIS ANNUAL REPORT

The following is a list of the basic financial statements included in this report:

Management Discussion and Analysis
Basic Financial Statements:
Statement of Net Position
Statement of Revenues, Expenses and Changes in Net Position
Statement of Cash Flows
Notes to the Financial Statements

OKI is a single enterprise fund using proprietary fund accounting, which means these statements are presented in a manner similar to private-sector business. The statements are presented using economic resource management focus and the accrual basis of accounting. The statements are designed to provide readers with a broad overview of OKI's finances.

The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position

Our analysis of OKI as a whole begins here. One of the most important questions asked about OKI's finances is "Is OKI as a whole better off as a result of the year's activities?". As net position increased by \$22,925, we feel that the financial position of OKI continues to be secure. Over the past few years, at the

direction of the Board, OKI has increased its net position to assist with day to day cash flow and in anticipation of future activities requiring local match. Net position is currently at the level desired by the Board.

The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position report information about OKI as a whole and about its activities in a way that helps answer this question. These statements include all the assets and liabilities using the accrual basis of accounting, which is similar to accounting used by most private-sector companies. Accruals of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report OKI's net position and changes to it. One can think of OKI's net position, the difference between assets (what OKI owns) and liabilities (what OKI owes), as one way to measure OKI's financial health, or financial position. Over time, increases or decreases in OKI's net position are one indicator of whether its financial health is improving or deteriorating. The Statement of Revenues, Expenses and Changes in Net Position measures the success of operations over the past year and can be used to determine whether OKI has successfully recovered all the costs through member contribution, federal, state of Ohio, state of Kentucky, state of Indiana, local reimbursements, and other revenues.

In addition to the results of operating activities, one needs to consider other nonfinancial factors such as prevailing economic conditions, growth or decline in population, and new or changed legislation as contributing to the net change in position.

Statement of Cash Flows

The Statement of Cash Flows provides information about OKI's cash receipts and cash payments during the year. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, capital and related financing activities and investing activities.

These financial statements can be found on pages 16 through 18 of this report.

Notes to the Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes can be found starting on page 19 of this report.

FINANCIAL ANALYSIS OF OKI

STATEMENT OF NET POSITION

The following table represents condensed statements of net position.

Statement of Net Position (\$ in Thousands)

	<u>FY2020</u>	<u>FY2019</u>	<u>FY2018</u>
Current assets	\$2,168	\$2,311	\$2,338
Capital assets, net	<u>179</u>	<u>72</u>	<u>46</u>
Total assets	<u>2,347</u>	<u>2,383</u>	<u>2,384</u>
Current liabilities	717	792	898
Non-current liabilities	<u>130</u>	<u>114</u>	<u>119</u>
Total liabilities	<u>847</u>	<u>906</u>	<u>1,017</u>
Net position:			
Net investment in capital assets	179	72	46
Unrestricted	<u>1,321</u>	<u>1,405</u>	<u>1,321</u>
Total net position	<u>\$1,500</u>	<u>\$1,477</u>	<u>\$1,367</u>

Current assets decreased by \$143k, or 6.2%, in 2020 due to a decrease in cash and pre-paid accounts related to cancelled spring and summer travel offset by an increase in receivables. In 2019 current assets decreased by \$27k, or 1.2%, due to a decrease in accounts receivable related to the Ohio Conference on Freight that was held in August, 2018 offset by an increase in cash.

Capital assets increased by \$107k, or 148.6%, in 2020 due to the installation of a new sound system in the board room, purchase of a new auto offset by disposition of two older autos, and two Ohio River bridge count stations and related software put into service. In 2019 capital assets increased by \$26k, or 56.5%, due to the purchase of two new network servers and traffic data collection software offset by disposal of two outdated network servers.

Current liabilities decreased by \$75k, or 9.5%, in 2020 due to a decrease in open payables related to cancelled travel and outreach campaigns offset by an increase in compensated absence values due to COVID-19 stay at home orders and travel restrictions. In 2019 current liabilities decreased by \$106k, or 11.8%, due to a decrease in open payables related to the not hosting a freight conference this year offset by an increase in unearned revenues associated with an advance received from the Duke Class Benefit Fund.

Non-current liabilities increased by \$16k, or 14.0%, in 2020 due to lower than anticipated leave usage related to the COVID-19 stay at home orders. In 2019 non-current liabilities decreased by \$5k, or 4.2%, due to leave payouts associated with three resignations and one retirement during the year.

Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints or legal requirements – decreased by \$84k, or 6.0%, in 2020 due to investment in capital assets offset by continued effective management of local water, regional planning, and general and administrative activities. In 2019 unrestricted net position increased by \$84k, or 6.4%, due to continued effective management of local water, regional planning, and general and administrative activities combined with timing of current projects.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The following table reflects the Statements of Revenues, Expenses, and Changes in Net Position.

Statement of Revenues, Expenses and Changes in Fund Net Position (\$ in Thousands)

Operating revenues	<u>FY2020</u>	<u>FY2019</u>	<u>FY2018</u>
Federal and state	\$4,273	\$4,291	\$4,224
State, local and county matching	1,176	1,114	1,267
Other revenue	58	175	82
Contributed services	<u>102</u>	<u>75</u>	<u>77</u>
Total operating revenue	<u>5,609</u>	<u>5,655</u>	<u>5,650</u>
Operating expenses			
Salaries and wages	2,612	2,550	2,495
Fringe benefits	1,077	1,065	1,058
Travel, subsistence and professional development	104	128	115
Printing, marketing and contractual	771	830	922
Depreciation	44	19	28
Other expenses	876	878	707
Contributed services	<u>102</u>	<u>75</u>	<u>77</u>
Total operating expenses	<u>5,586</u>	<u>5,545</u>	<u>5,402</u>
Operating income	<u>23</u>	<u>110</u>	<u>248</u>
Non-operating revenues (expenses)			
Contributed services	14	63	73
Contributed marketing	<u>(14)</u>	<u>(63)</u>	<u>(73)</u>
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	23	110	248
Net position, beginning of year	<u>1,477</u>	<u>1,367</u>	<u>1,119</u>
Net position, end of year	<u>\$1,500</u>	<u>\$1,477</u>	<u>\$1,367</u>

Operating revenues decreased by 0.8% from 2019 to 2020 due to a decrease in federal and other revenues related to decreased RideShare activities combined with not hosting a conference on freight this year. These decreases were offset by increases in local and contributed services revenues related to increased Duke Energy Fund activities and increased 5310 project activities.

Operating revenues increased by 0.1% from 2018 to 2019 due to an increase in other revenues associated with the Ohio Conference on Freight offset by a decrease in state revenues associated with completion of the Boone County study.

Operating expenses increased by 0.7% from 2019 to 2020 due to an increase in salaries and wages and fringe benefits related to Board approved merit increases; combined with an increase in depreciation due to upgrade of the boardroom sound system, placing two bridge counters in service and purchase of a new vehicle; combined with increased contributed services related to increased 5310 program activities; offset by decreases in travel, subsistence and professional development and printing, marketing, and contractual due COVID-19 related cancellation of professional development travel and the Clean Air and RideShare outreach campaigns.

Operating expenses increased by 2.6% from 2018 to 2019 due to an increase in travel, subsistence, and professional development expenses related to increased training in the area of autonomous and electric vehicles; combined with an increase in other expenses including an increase in meeting expenses related to the conference on freight, an increase in legal fees related to personnel matters and an increase in grant funded capital purchases related to installation of the final two bridge count stations, offset by a decrease in occupancy expenses related to refunds of common area maintenance expenses; offset by decreases in printing, marketing and contractual expenses related to completion of the Boone County Study and lower marketing expenses offset by increased 5310 pass through program activities; combined with a decrease in depreciation expense related to older network servers being fully depreciated.

Contributed services in excess of required match decreased by 77.8% from 2019 to 2020 due to cancellation of the spring Clean Air and RideShare outreach campaigns due to COVID-19 stay at home orders and greatly reduced commute traffic.

Contributed services in excess of required match decreased by 13.7% from 2018 to 2019 due to fewer partnerships negotiated for the Clean Air and Rideshare programs.

BUDGET VS ACTUAL INFORMATION

The following table reflects a budget to actual comparison.

BUDGET VS ACTUAL (\$ in Thousands)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Operating revenues			
Federal and state	\$4,273	\$4,524	\$ (251)
State, local and county matching	1,176	1,168	8
Other revenue	58	58	-
Contributed services	<u>102</u>	<u>64</u>	<u>38</u>
Total operating revenue	<u>5,609</u>	<u>5,814</u>	<u>(205)</u>
Operating expenses			
Salaries and wages	2,612	2,689	77
Fringe benefits	1,077	1,268	191
Travel, subsistence and professional development	104	156	52
Printing, marketing and contractual	771	747	(24)
Other expenses	920	902	(18)
Contributed services	<u>102</u>	<u>64</u>	<u>(38)</u>
Total operating expenses	<u>5,586</u>	<u>5,826</u>	<u>240</u>
Non-operating revenues (expenses)			
Contributed services	14	68	(54)
Contributed marketing	<u>(14)</u>	<u>(68)</u>	<u>54</u>
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	23	(12)	35
Net position, beginning of year	<u>1,477</u>	<u>1,477</u>	<u>-</u>
Net position, end of year	<u>\$1,500</u>	<u>\$1,465</u>	<u>\$ 35</u>

Operating revenues were 96.5% of budget. Federal and state revenues were under budget due to the COVID-19 related cancellation of activities requiring travel; local revenues were over budget due to the timing of Duke Class Benefit Energy Fund activities; and contributed services revenues were ahead of

budget due to timing of 5310 pass through activities offset by cancellation of the spring RideShare and Clean Air outreach campaigns due to COVID-19 related stay at home orders.

Operating expenses were at 95.9% of budget. Salaries and wages expense was under budget due to the timing of staff turnover and rehire combined with moving a position to a third party professional services contract. Fringe benefit expenses were under budget due to savings experienced on health insurance renewals combined with wage based benefits such as FICA and retirement being under budget. Travel and professional development expenses were under budget due COVID-19 related cancellation of activities requiring travel. Printing, marketing and contractual expenses were over budget due to the timing of 5310 pass through activities and an unbudgeted HR professional services contract offset by anticipated ITS Architecture and FIAM update activities not being undertaken combined with the COVID-19 related cancellation of the spring RideShare and Clean Air marketing outreach campaigns. Other expenses were over budget due to legal expenses related to personnel matters combined with higher than budgeted recruitment legal ad expense offset by lower than anticipated maintenance expense and direct funded capital purchases. Contributed services is ahead of budget due to increased 5310 pass through program activities offset by cancellation of the spring Clean Air and RideShare outreach campaigns due to COVID-19 related stay at home orders and greatly reduced commute traffic.

In fiscal year 2020, OKI was able to stay under budget due to careful management of local regional planning, local water, and general and administrative non-federal activities, resulting in a \$23k addition to net position.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2020, 2019 and 2018, OKI's capital assets are reflected in the following schedule.

CAPITAL ASSETS (\$ in Thousands)

	<u>FY2020</u>	<u>FY2019</u>	<u>FY2018</u>
Office furniture and equipment	\$ 667	\$ 641	\$ 620
Accumulated depreciation	<u>(488)</u>	<u>(569)</u>	<u>(574)</u>
Total	<u>\$ 179</u>	<u>\$ 72</u>	<u>\$ 46</u>

Net capital assets increased during fiscal year 2020 due to installation of a new sound system in the boardroom, purchase of a new agency vehicle, and two Ohio River bridge count stations and related software put into service.

Net capital assets increased during fiscal year 2019 primarily due to the replacement of two outdated network servers and purchase of traffic data collection.

Additional information on OKI's capital assets can be found in Note 5.

Debt

OKI maintains an \$850,000 bank line of credit if needed. The line of credit was not used during fiscal year 2020.

Additional information on OKI's bank line of credit can be found in Note 6.

ECONOMIC CONDITIONS

OKI considered many factors when setting the fiscal year 2020 budget, including funding from federal and state agencies, the eight counties supporting the council and program demands from the member agencies.

OKI continues to rely on federal and state grants, local program grants, special studies, and other local projects to fund its many programs. At present, federal and state funding sources are secure; however, legislative action can affect both revenue streams. The eight counties that comprise the region are contributing funding for local match and OKI's administrative costs based on each county's population at a per capita rate of \$0.33. This per capita rate has been unchanged since fiscal 2000.

The region's population and economy have grown in recent years and there are many developments occurring throughout the counties that should continue this trend. To achieve this growth, the transportation assets of the region must continue to be addressed. Chief among these is the Brent Spence Bridge project that links the region's jobs and communities. OKI continues to work closely with the business community, the Kentucky Transportation Cabinet and the Ohio Department of Transportation to develop strategies for the replacement of this vital river crossing.

The Fixing America's Surface Transportation (FAST) Act (Pub. L. No. 114-94), adopted on December 4, 2015 has been extended by Congress for one year. The bill was authorized at the same funding level as FY2020 beginning October 1, 2020. The extension provides funding for highway, highway and motor vehicle safety, public transportation, motor carrier safety, hazardous materials safety, rail, and research, technology, and statistics programs. OKI continues to plan for and allocate funding to local capital programs through STBG, TA, CMAQ and 5310 programs. A multi-year transportation bill to replace the FAST ACT is anticipated in the fall of 2021. OKI will develop its operating plan based on level funding.

CONTACTING OKI

This financial report is designed to provide federal and state oversight agencies, taxpayers, and creditors with a general overview of OKI's finances and to demonstrate OKI's accountability for the money it receives. Additional financial information can be obtained by contacting the Director of Finance, Ohio-Kentucky-Indiana Regional Council of Governments, 720 E. Pete Rose Way, Suite 420, Cincinnati, OH 45202.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF NET POSITION
JUNE 30, 2020 AND 2019

ASSETS		<u>2020</u>	<u>2019</u>
CURRENT ASSETS:			
Cash and cash equivalents		\$ 1,162,549	\$ 1,321,492
Accounts receivable		974,745	946,516
Prepaid expenses		<u>30,053</u>	<u>43,079</u>
TOTAL CURRENT ASSETS		<u>2,167,347</u>	<u>2,311,087</u>
NONCURRENT ASSETS:			
Capital assets, net		<u>179,308</u>	<u>71,930</u>
TOTAL NONCURRENT ASSETS		<u>179,308</u>	<u>71,930</u>
TOTAL ASSETS		<u>2,346,655</u>	<u>2,383,017</u>
LIABILITIES			
CURRENT LIABILITIES:			
Accounts payable		125,197	233,338
Accrued expenses		141,584	116,358
Compensated absences		227,059	194,639
Unearned revenue		<u>222,836</u>	<u>248,268</u>
TOTAL CURRENT LIABILITIES		<u>716,676</u>	<u>792,603</u>
NONCURRENT LIABILITIES			
Compensated absences		<u>130,268</u>	<u>113,628</u>
TOTAL NONCURRENT LIABILITIES		<u>130,268</u>	<u>113,628</u>
TOTAL LIABILITIES		<u>846,944</u>	<u>906,231</u>
NET POSITION			
Investment in capital assets		179,308	71,930
Unrestricted		<u>1,320,403</u>	<u>1,404,856</u>
TOTAL NET POSITION		<u>\$ 1,499,711</u>	<u>\$ 1,476,786</u>

See accompanying notes to the financial statements.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	2020	2019
OPERATING REVENUES:		
Federal and state grants	\$ 4,272,961	\$ 4,291,459
State, local and county matching funds	1,175,934	1,114,328
Other revenues	57,383	174,547
Contributed services	102,325	74,847
Total Operating Revenues	5,608,603	5,655,181
OPERATING EXPENSES:		
Direct expenses		
Personnel	1,550,923	1,430,917
Fringe benefits	990,900	1,009,123
Travel, subsistence and professional	86,298	108,609
Printing, marketing and contractual	635,996	780,663
Other direct expenses	167,651	263,337
Indirect costs	2,051,585	1,877,703
Contributed services	102,325	74,847
Total Operating Expenses	5,585,678	5,545,199
OPERATING INCOME	22,925	109,982
NON-OPERATING REVENUES (EXPENSES):		
Contributed services revenues	13,995	62,700
Contributed services expenses	(13,995)	(62,700)
Total Non-operating Revenues (Expenses)	-	-
CHANGE IN NET POSITION	22,925	109,982
Net Position Beginning of Year	1,476,786	1,366,804
Net Position End of Year	\$ 1,499,711	\$ 1,476,786

See accompanying notes to the financial statements.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Receipts from federal and state grants	\$ 4,222,593	\$ 4,455,399
Receipts from local grants and matching funds	1,229,787	1,384,787
Payments to employees	(3,614,429)	(3,617,741)
Payments to suppliers	<u>(1,845,038)</u>	<u>(1,986,661)</u>
Net cash provided by (used for) operating activities	<u>(7,087)</u>	<u>235,784</u>
Cash flows from capital related activities:		
Purchase of fixed assets, net	<u>(151,856)</u>	<u>(44,872)</u>
Net cash provided by (used for) capital financing activities	<u>(151,856)</u>	<u>(44,872)</u>
Net increase (decrease) in cash and cash equivalents	(158,943)	190,912
Cash and cash equivalents at beginning of year	<u>1,321,492</u>	<u>1,130,580</u>
Cash and cash equivalents at end of year	<u>\$ 1,162,549</u>	<u>\$ 1,321,492</u>
Reconciliation of operating income to net cash used for operating activities:		
Operating income	\$ 22,925	\$ 109,982
Adjustments to reconcile operating income to net cash provided by (used for) operating activities		
Depreciation	44,478	18,875
Changes in assets and liabilities:		
Decrease (Increase) in:		
Accounts receivable	(28,229)	216,702
Prepaid expenses	13,026	1,003
Increase (Decrease) in:		
Accounts payable	(108,141)	(151,428)
Accrued expenses	25,226	6,086
Unearned revenue	(25,432)	43,231
Compensated absences	49,060	(8,667)
Net cash provided by (used for) operating activities	<u>\$ (7,087)</u>	<u>\$ 235,784</u>

See accompanying notes to the financial statements.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

1. DESCRIPTION OF THE ENTITY

The Ohio-Kentucky-Indiana Regional Council of Governments (OKI), organized under Chapter 167 of the Ohio Revised Code, assists in coordinating area-wide planning of transportation, economic development, water and air quality, and other aspects of regional development. In addition, OKI coordinates a regional ridesharing program funded by federal funds and contributed services.

OKI also acts as the area-wide review agency on state and local applications for U.S. Government financial assistance on projects located in the regional area comprised of Butler, Clermont, Hamilton, and Warren Counties in Ohio; Boone, Campbell, and Kenton Counties in Kentucky; and Dearborn County in Indiana. Funds are provided primarily by federal, state, and local government agencies.

The reporting entity for OKI has been defined in accordance with GASB Statement No. 14, "*The Financial Reporting Entity*" as amended by GASB Statement No. 39 "*Determining Whether Certain Organizations Are Component Units*" and GASB Statement No. 61, "*The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34*" and GASB Statement No. 80, "*Blending Requirements for Certain Component Units - An Amendment of GASB Statement No. 14*". The reporting entity can be composed of the primary government, component units and other organizations that are included to ensure that the basic financial statements of OKI are not misleading. On this basis, no governmental organizations or agencies other than OKI itself are included in the financial reporting entity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Ohio-Kentucky-Indiana Regional Council of Governments (OKI) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of OKI's accounting policies are described below.

Basis of Presentation

OKI's financial statements consist of a statement of net position, a statement of revenue, expenses and changes in net position, and a statement of cash flows.

Fund Accounting

OKI maintains its accounting records in accordance with the principles of "fund" accounting. Fund accounting is a concept developed to meet the needs of government entities in which legal or other restraints require the recording of specific revenues and expenses. OKI uses a single enterprise fund to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of OKI is that the costs of providing goods or services to its member governments on a continuing basis be financed or recovered primarily through federal and state operating grants and through member government charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for public policy, management control, accountability or other purposes.

Basis of Accounting

Enterprise fund transactions are recorded on the accrual basis of accounting; revenues are recognized when earned and measurable and expenses are recognized as incurred.

Measurement Focus

Enterprise funds are accounted for on 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 position. The statement of changes in net position presents increases (revenues) and decreases (expenses) in net total assets. The statement of cash flows provides information about how OKI finances and meets the cash flow needs of its enterprise activity.

Cash and Cash Equivalents

Investments with an original maturity of three months or less at the time they are purchased are presented on the financial statements within cash and cash equivalents. Investments with an initial maturity of more than three months, if applicable, are reported as investments.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts, respectively.

During 2020, OKI invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." OKI measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2020, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals of \$25 million or more. STAR Ohio reserves the right to limit the transactions to \$100 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

For purposes of the statement of cash flows, investments with an original maturity of three months or less at the time they are purchased are considered cash equivalents.

Accounts Receivable

Accounts receivable consist mainly of amounts due from various funding agencies for program costs incurred that have not been reimbursed at year-end. Management considers all accounts receivable to be collectable in full.

Prepaid Items

Payments made to vendors for services that will benefit beyond year-end are reported as prepaid items via the consumption method.

Capital Assets

Capital assets with a cost of \$5,000 or greater are capitalized and are depreciated on the straight-line method over the asset's estimated useful life. OKI's capital assets consist primarily of office furniture and computers. OKI depreciates office furniture and equipment over a ten year period with one-half year depreciation taken in the year of purchase and disposal. Computers are depreciated over a three year period beginning in the month of purchase.

Compensated Absences

OKI reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that OKI will compensate the employees for the benefits through paid time off or other means, such as a cash payment at termination or retirement. Sick leave benefits are accrued as a liability using the vesting method. The sick leave liability is based on the 25% of sick leave balances accumulated at year end for those employees with at least 20 years of employment and age 55.

Unearned Revenue

Cash received under grants and contracts for which applicable services have not been performed are recorded as unearned revenue in the statement of net position.

Net Position

Net position represents the difference between assets and liabilities.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by any outstanding balances of any borrowings that have been used for the acquisition, construction or improvement of those assets. OKI maintains no debt and presents this amount as Investment in capital assets on the Statement of Net Position.

Revenues and Expenses

OKI distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses result from grants or contracts for the reimbursement of eligible operating costs incurred up to the maximum amounts specified under the grants or contract commitments. Operating revenues also include local matching funds, including member county supporting contributions and in-kind contributions from other agencies, to the extent required to fund program costs or to meet program matching requirements. All revenues and expenses not meeting this definition, including contributed services in excess of program matching requirements, are reported as non-operating revenues and expenses.

Tax Status

OKI is qualified by the Internal Revenue Service under Section 501(c)(3) and thus exempted from the payment of income taxes.

Estimates

The preparation of financial statements in accordance with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. DEPOSITS AND INVESTMENTS

State statutes classify monies held by OKI into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the OKI treasury. Active monies must be maintained either as cash in the OKI treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that OKI management has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim monies can be deposited or invested in accordance with ORC Section 135.14.

OKI maintains a written investment policy and has designated STAR Ohio as the primary depository for excess funds.

Deposits

At June 30, 2020, the carrying amount of OKI's deposits was \$650,540 (including \$200 in undeposited cash on hand). Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of June 30, 2019, \$250,000 of OKI's bank balance of \$654,199 was covered by Federal Depository Insurance and \$282,303 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in OKI's name, and \$121,896 was uninsured and uncollateralized. OKI's financial institution was approved for a reduced collateral rate of 50 percent through the Ohio Pooled Collateral System, resulting in the uninsured and uncollateralized balance.

Custodial credit risk for deposits is the risk that in the event of bank failure, OKI will not be able to recover deposits or collateral securities that are in the possession of an outside party. Protection of OKI's cash and deposits is provided by the Federal Deposit Insurance Corporation (FDIC), as well as qualified securities pledged by the institution holding the assets. Ohio law requires that deposits either be insured or protected by:

Eligible securities pledged to OKI and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institutions. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. OKI's financial institution had enrolled in OPCS as of June 30, 2020.

Investments

As of June 30, 2020, OKI had the following investments:

	Measurement	
	<u>Amount</u>	<u>Maturity</u>
STAR Ohio	<u>\$512,009</u>	Average 41.5 Days
Total Investments	<u>\$512,099</u>	

OKI categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above tables identifies the OKI's recurring fair value measurement as of June 30, 2020. STAR Ohio is reported at its share price (Net Asset value per share).

Interest Rate Risk: 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. OKI's investment policy addresses interest rate risk by requiring OKI's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in short-term investments.

Credit Risk: STAR Ohio carries a rating of AAAM by Standard and Poor's. OKI has no investment policy dealing with investment credit risk beyond the requirements in state statutes. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service.

Concentration of Credit Risk: STAR Ohio represents 100% of OKI's investments at June 30, 2020.

A reconciliation of Cash, cash equivalents and investments is as follows:

	<u>Cash and Cash Equivalents</u>	<u>Investments</u>
Per Statement of Net Position	\$1,162,549	\$ 0
STAR Ohio	<u>(512,099)</u>	<u>512,099</u>
Per Details Presented Above	<u>\$ 650,540</u>	<u>\$512,099</u>

4. ACCOUNTS RECEIVABLE

Accounts receivable are from federal, state and local governmental agencies. Amounts reported are as follows:

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Receivables Under Contracts and Grants		
Federal	\$ 52,248	\$ 68,769
Ohio	748,175	706,698
Kentucky	135,367	142,963
Indiana	35,300	27,724
Local and County	3,000	-
Receivables Other	<u>655</u>	<u>362</u>
Total Receivables	<u>\$ 974,745</u>	<u>\$ 946,516</u>

5. CAPITAL ASSETS

Changes in capital assets for the year that ended June 30, 2020 are summarized below:

<u>Description</u>	Balance			Balance
	<u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2020</u>
Office furniture and equipment	\$ 641,088	\$ 153,756	\$(127,986)	\$ 666,858
Less: accumulated depreciation	<u>(569,158)</u>	<u>(44,478)*</u>	<u>126,086</u>	<u>(487,550)</u>
Furniture and Equipment net	<u>\$ 71,930</u>	<u>\$ 109,278</u>	<u>\$ (1,900)</u>	<u>\$ 179,308</u>

*Depreciation expense of \$24,358 was charged to the indirect cost pool and \$20,120 was charged directly to general and administrative activities, as directed by ODOT Office of Audits.

Changes in capital assets for the year that ended June 30, 2019 are summarized below:

<u>Description</u>	Balance			Balance
	<u>July 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2019</u>
Office furniture and equipment	\$ 619,792	\$ 44,872	\$(23,576)	\$ 641,088
Less: accumulated depreciation	<u>(573,859)</u>	<u>(18,875)*</u>	<u>23,576</u>	<u>(569,158)</u>
Furniture and Equipment net	<u>\$ 45,933</u>	<u>\$ 25,997</u>	<u>\$ -</u>	<u>\$ 71,930</u>

*Depreciation expense of \$14,602 was charged to the indirect cost pool and \$4,273 was charged directly to general and administrative activities, as directed by ODOT Office of Audits.

6. BANK LINE OF CREDIT

OKI has a line of credit available of \$850,000. When used, the line of credit is collateralized by the working capital of OKI and bears interest at the prime rate less one-half percent. At June 30, 2020 and 2019, OKI had no borrowings against this line of credit.

7. COMPENSATED ABSENCES

Changes in compensated absences for the year that ended June 30, 2020 are summarized below:

Balance		Entitlements	Usage	Due	
<u>July 1, 2019</u>	<u>June 30, 2020</u>			<u>Within</u>	<u>One Year</u>
<u>\$308,267</u>	<u>\$357,327</u>	<u>\$395,101</u>	<u>\$(346,041)</u>	<u>\$227,059</u>	

Changes in compensated absences for the year that ended June 30, 2019 are summarized below:

Balance		Entitlements	Usage	Due	
<u>July 1, 2018</u>	<u>June 30, 2019</u>			<u>Within</u>	<u>One Year</u>
<u>\$316,934</u>	<u>\$308,267</u>	<u>\$413,241</u>	<u>\$(421,908)</u>	<u>\$194,639</u>	

8. LEASE COMMITMENTS

OKI has an operating lease agreement for office facilities. The base annual lease amount is \$403,800. This amount is subject to annual escalators that are based on landlord cost and occupancy formulas. These escalators are cumulative in nature.

Total rental expense (base lease plus escalators minus credits) was \$466,052 and \$384,210 for the years ended June 30, 2020 and 2019, respectively. During fiscal year 2019, \$45,629 of common area maintenance expenses paid during prior years was credited to OKI by new building owners.

9. DEFINED CONTRIBUTION RETIREMENT PLAN AND POSTEMPLOYMENT BENEFITS

OKI By-Laws, Article IX – Employee Retirement Plan – Social Security, authorizes the Executive Committee of OKI to establish a retirement plan for employees in writing and qualified under Section 401 of Internal Revenue Service Code of 1954. The plan is to provide for contributions by OKI and may condition participation by an employee of his or her contribution to the plan. The By-Laws direct the Executive Committee to establish a trust for the funding of the plan and to appoint a private banking institution or other organization qualified by the Internal Revenue Service to serve as Director or custodian of a Section 401 plan.

The By-Laws state that administration of the retirement plan shall be vested in a Retirement Plan Administrative Committee. The committee will consist of the President, Treasurer, Executive Director, Fiscal Officer, and two full-time employees of OKI. Employee committee members are elected by secret ballot of all retirement plan participants and shall serve for one year. The Executive Director designates the time and conducts the election of committee members.

The By-Laws also direct OKI to enter into an agreement with the Secretary of Health and Human Services to provide coverage of OKI's employees under the Social Security system. This coverage is to supplement any retirement plan adopted according to the previous paragraphs.

The OKI Employees Retirement Plan is a trusted, contributory, defined contribution retirement plan covering all permanent full-time employees.

Prior to January 1, 2009, OKI's Employees' retirement plan consisted of a 401(a) plan. Contributions to the plan included a contribution by OKI of 6.9% of the participant's wages and a mandatory contribution by the participant of 5% of his or her wages.

OKI considers various factors in determining employee and employer contribution rates. These factors include overall budgetary constraints, budget committee direction as well as industry standards and comparative rates of other pension plans utilized by member counties. Based on these considerations, the Board approved changes to OKI's Employees Retirement Plan. Effective January 1, 2009, the retirement plan has two components, a mandatory 401(a) and a voluntary 403(b). Eligible employees are required to contribute 6% to the 401(a) plan and OKI matches 10%. Eligible employees may contribute additional funds to the 403(b) plan. OKI matches up to 4% on the first 3% of employee contributions.

During 2020, both employee and employer contributions are 100 percent vested at the date of contribution.

For the 401(a), OKI is the Plan Administrator. The corporate trustee is Central Bank & Trust. For the ERISA 403(b), CUNA Mutual Retirement Solutions is the third party administrator and Matrix Capital Bank & Trust is the custodian. UBS serves as investment advisor and also provides employee education for both Plans.

Pension expense was \$344,602 and \$347,272 for the years ended June 30, 2020 and 2019, respectively, of which the full amount has been contributed during each year. Forfeitures, when they occur, reduce the current contributions of OKI to the plan. In fiscal years 2020 and 2019 there were no forfeitures.

Other postemployment benefits are not provided by OKI.

10. RISK MANAGEMENT

OKI maintains commercial insurance coverage against most normal hazards and there has been no significant reduction in coverage from the prior year. Settlement claims have not exceeded coverage for any of the last three fiscal years.

OKI participates in the State of Ohio's Workers' Compensation program under which premiums paid are based on a rate per \$100 of payroll. The rate is determined based on accident history. OKI also carries workers' compensation insurance in Kentucky through Kentucky Employers' Mutual Insurance based on the portion of payroll related to work activities in Kentucky.

OKI has a premium based HDHP for employee health insurance coverage. OKI makes contributions to employee HSA accounts in accordance with the approved agency budget. Premium expense for 2020 and 2019 was \$389,108 and \$363,810, respectively.

11. CONTRIBUTED SERVICES

Contributed services are valued at the equivalent OKI hourly pay rate for such services for the amount of hours spent by individuals involved. In-kind contributions are valued at the fair market price on the date of receipt. The following projects received contributed services:

The Clean Air (Ozone Awareness) and RideShare programs partner with local advertising outlets, some of which provide value added services as match for the programs. Services can be air time, print ads, or promotional items to be given away at events. The amount of contributed services was \$24,220 (\$13,995 in excess of required match) for the year ended June 30, 2020 and \$82,025 (\$62,700 in excess of required match) for the year ended June 30, 2019.

The FTA 5310 Pass-Through programs received contributed services in the form of partner activities in support of the projects per the grant agreements. The amount of the contributed services was \$92,100 for the year ended June 30, 2020 and \$55,522 for the year ended June 30, 2019.

12. INDIRECT COSTS

During the year, indirect costs and fringe benefits are charged to individual programs based on provisional rates. Differences in amounts billed and actual costs incurred are adjusted to actual costs at year end. Indirect costs and fringe benefits in the Statement of Revenues, Expenses, and Changes in Net Position represent the application of actual indirect and fringe benefit rates to programs and general and administrative operations.

13. CONTINGENT LIABILITIES

Amounts grantor agencies pay to OKI are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

14. SUBSEQUENT EVENTS

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of OKI. The impact on OKI's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

SUPPLEMENTARY INFORMATION

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES AND EXPENSES BY ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2020
(with comparative summary total for 2019)

	General & Administrative Activities	Environmental Planning Activities	Regional Planning	Ridesharing Implementation	Transportation Planning Activities	Total 2020	Total 2019
Operating Revenues:							
Federal & state grants	\$ -	\$ 127,166	\$ -	\$ 79,397	\$ 4,066,398	\$ 4,272,961	\$ 4,291,459
State, local and county matching funds	131,318	51,155	203,023	2,878	787,560	1,175,934	1,114,328
Other revenue	57,383	-	-	-	-	57,383	174,547
Contributed services	-	-	-	-	102,325	102,325	74,847
Total Operating Revenues	188,701	178,321	203,023	82,275	4,956,283	5,608,603	5,655,181
Operating Expenses:							
Direct expenses							
Personnel	19,106	59,472	42,936	12,865	1,416,544	1,550,923	1,430,917
Fringe benefits	12,207	37,997	27,432	8,220	905,044	990,900	1,009,123
Travel, subsistence, and professional	23,775	1,405	347	-	60,771	86,298	108,609
Printing, marketing and contractual	37,746	-	75,136	43,815	479,299	635,996	780,663
Other direct expenses	47,668	779	376	357	118,471	167,651	263,337
Indirect costs	25,274	78,668	56,796	17,018	1,873,829	2,051,585	1,877,703
Contributed services	-	-	-	-	102,325	102,325	74,847
Total Operating Expenses	165,776	178,321	203,023	82,275	4,956,283	5,585,678	5,545,199
Non Operating Revenues (Expenses):							
Contributed services revenues	-	-	-	-	13,995	13,995	62,700
Contributed services expenses	-	-	-	-	(13,995)	(13,995)	(62,700)
Total Non Operating Revenues (Expenses)	-	-	-	-	-	-	-
Operating Income	\$ 22,925	\$ -	\$ -	\$ -	\$ -	\$ 22,925	\$ 109,982

Notes:

1. Member counties pay dues each year based on census figures. Those dues are used to provide match for core planning projects and some special projects, as outlined in the board approved budget. Dues are also used to pay for direct expenses of OEPA projects, the local water program, the local regional planning program, and non-federal expenses recorded under the general and administrative program. When county funds used in programs exceed county funds received during the year, the result is negative net county revenues which indicates that surplus or fund balance has been used.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF FRINGE BENEFIT COST RATES
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Budget</u>	<u>Actual</u>
Fringe benefit costs:		
Holidays	\$ 100,966	\$ 93,823
Sick leave	103,030	59,248
Vacation	211,935	192,970
Administrative	10,127	11,855
Retirement	398,547	363,862
Group health	603,977	508,066
FICA	193,969	181,900
Workers compensation	9,469	6,268
Unemployment	1,200	7,974
Employee Incentives	3,420	8,738
	<u>1,636,640</u>	<u>1,434,704</u>
Total fringe benefit costs	<u>\$ 1,636,640</u>	<u>\$ 1,434,704</u>
Allocation base: Direct and indirect personnel	<u>\$ 2,309,981</u>	<u>\$ 2,245,549</u>
Fringe benefit cost rate	<u>70.85%</u>	<u>63.89%</u>

Notes:

1. Approval of the fringe benefit cost rate for the year ended June 30, 2020 was obtained from ODOT, OKI's cognizant agency. The authority for ODOT to be OKI's cognizant agency was granted from the FHWA.
2. A provisional fringe benefit rate of 70.85 percent was authorized by ODOT. The provisional rate is applied each month with a thirteenth allocation made to adjust fringe costs claimed to actual at the end of the fiscal year.
3. There were no questioned costs in the fringe benefit cost pool or the direct and indirect personnel allocation base.
4. The approved provisional rate was utilized during the fiscal year 2020 for grant invoicing purposes. The final 2020 fringe benefit rate was applied for financial statement purposes and for determining the final grant amounts claimed.
5. Expenses in the Statement of Revenues, Expenditures and Changes in Net Position reflect the application of actual rates. Individual program costs presented on pages 31 through 46 reflect the application of provisional rates adjusted to actual, subject to grant/program limitations.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF INDIRECT COST RATES
FOR THE YEAR ENDED JUNE 30, 2020

	Budget	Actual
Indirect costs:		
Personnel	\$ 700,266	694,627
Fringe benefits	496,144	443,804
Auto allowance	8,700	8,700
Travel and professional development	25,207	13,330
Memberships	3,164	3,014
Printing	930	637
Repairs and maintenance	19,025	11,526
Office supplies	66,542	76,859
Postage	2,342	1,266
Rent	484,430	480,402
Telephone	7,970	8,017
Professional publications	1,006	1,150
Legal and audit	40,205	101,096
Reproductions	2,409	2,721
Insurance	28,238	28,012
Professional services	50,349	125,895
Legal notices	741	7,450
Depreciation	21,212	24,358
Payroll processing	7,687	8,091
Internet	7,261	6,328
Retirement plan admin & education fees	1,250	-
Other	2,461	4,302
Total indirect costs	\$ 1,977,539	\$ 2,051,585
Allocation base: Direct personnel	\$ 1,609,715	\$ 1,550,923
Indirect cost rate applied	122.85%	132.28%

Notes:

1. Approval of the provisional indirect cost rate for the year ended June 30, 2020 was obtained from ODOT, OKI's cognizant agency. The authority for ODOT to be OKI's cognizant agency was granted from the FHWA.
2. A provisional indirect cost rate of 122.85 percent was authorized by ODOT. The provisional rate is applied each month with a thirteenth allocation made to adjust indirect costs claimed to actual at the end of the fiscal year.
3. There were no questioned costs in the indirect cost pool or the direct personnel allocation base.
4. The approved provisional rate was utilized during fiscal year 2020 for grant invoicing purposes. The final 2020 indirect cost rate was applied for financial statement purposes and for determining the final grant amounts claimed.
5. Expenses in the Statement of Revenues, Expenditures and Changes in Net Position reflect the application of actual rates. Individual program costs presented on pages 31 through 46 reflect the application of provisional rates adjusted to actual, subject to grant/program limitations.

SCHEDULES OF CUMULATIVE REVENUES AND EXPENDITURES

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OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC/INDOT
FY 2019 TRANSPORTATION PLANNING
JUNE 30, 2020

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2019</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2020</u>
Operating Revenues:				
Federal and state grants				
Ohio: ODOT (MPO-PL Funds)	\$ 2,359,573	\$ 1,941,139	\$ 418,434	\$ 2,359,573
Kentucky: KYTC (HPR-PL Funds)	553,150	342,443	107,377	449,820
Kentucky: KYTC (FTA Funds)	150,236	100,878	20,617	121,495
Indiana: INDOT (Trans PL Funds)	25,000	25,000	-	25,000
State matching funds Ohio	294,947	242,642	52,304	294,946
State matching funds Kentucky	31,000	20,815	4,254	25,069
County matching funds	446,043	339,433	80,049	419,482
	<u>3,859,949</u>	<u>3,012,350</u>	<u>683,035</u>	<u>3,695,385</u>
Total Operating Revenues				
Operating Expenses:				
Direct expenses				
Personnel	1,152,040	875,911	200,217	1,076,128
Fringe benefits	797,432	620,798	141,855	762,653
Travel, subsistence & professional	68,433	46,526	14,666	61,192
Printing, marketing & contractual	221,800	209,059	1,117	210,176
Other direct expenses	146,609	102,841	79,213	182,054
Indirect costs	1,473,635	1,157,215	245,967	1,403,182
	<u>3,859,949</u>	<u>3,012,350</u>	<u>683,035</u>	<u>3,695,385</u>
Total Operating Expenses				
Tasks:				
Short range planning	64,500	52,467	12,258	64,725
Transportation improvement program	208,250	169,116	28,328	197,444
Continuing planning - surveillance	1,956,577	1,617,220	344,440	1,961,660
Transportation Plan	1,075,000	881,067	184,091	1,065,158
Transportation services	221,000	179,985	56,777	236,762
INDOT exclusive - Dearborn Co. Tran Planning	31,250	31,773	-	31,773
KYTC exclusive - Ohio River Bridge Counters	71,438	11,745	49,139	60,884
KYTC exclusive - transportation planning	182,684	28,149	-	28,149
UPWP administration	21,000	17,230	2,705	19,935
Transportation program reporting	7,000	6,326	255	6,581
Mobile source emissions planning	21,250	17,272	5,042	22,314
	<u>\$ 3,859,949</u>	<u>\$ 3,012,350</u>	<u>\$ 683,035</u>	<u>\$ 3,695,385</u>
Total Tasks				

NOTES:

- The grant period for FY 2019 MPO Transportation Planning is July 1, 2018 through December 31, 2019.
- FHWA/ODOT/KYTC funds are received under agreements for continuation of a transportation planning process with ODOT and KYTC. Revenues were received and expenditures incurred in accordance with a unified planning work program approved each fiscal year. INDOT also participated with the funding being 80 percent Federal and 20 percent local match.
- Due to timing differences between OH and KY funding contracts, KY revenues (PL, FTA, and state) as of June 30, 2019 are associated with FY19 KY contracts. Kentucky revenues (PL, FTA, and state) for the current fiscal year are associated with FY20 KY contracts. Please see footnote #3 on the FY 2020 Transportation Planning schedule. All within budget.
- As of June 30, 2020, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC
FY 2020 CLEAN AIR (OZONE AWARENESS)
JUNE 30, 2020

	Budget	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2020
Operating Revenues:			
Federal and state grants			
Ohio: ODOT (CMAQ)	\$ 192,978	\$ 111,125	\$ 111,125
Kentucky: KYTC (SNK)	40,900	23,552	23,552
Contributed services	10,225	10,225	10,225
Total Operating Revenues	244,103	144,902	144,902
Operating Expenses:			
Direct expenses			
Personnel	24,656	7,827	7,827
Fringe benefits	17,469	5,001	5,001
Printing, marketing & contractual	160,000	109,560	109,560
Other direct expenses	1,463	1,935	1,935
Indirect costs	30,290	10,354	10,354
Contributed services	10,225	10,225	10,225
Total Operating Expenses	244,103	144,902	144,902
Non-operating Revenues (Expenses):			
Contributed services revenues	44,775	13,995	13,995
Contributed services expenses	(44,775)	(13,995)	(13,995)
Total Non-operating Revenues (Expenses)	-	-	-
Tasks:			
Regional Clean Air Program	244,103	158,897	158,897
Total Tasks	\$ 244,103	\$ 158,897	\$ 158,897

NOTES:

1. State grants and contracts consist of the following:
 - a. ODOT agreement for July 1, 2019 through June 30, 2020 for \$192,979 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent of Ohio's 82.5123% share of the Clean Air program. ODOT provided toll revenue credits in lieu of match.
 - b. KYTC funding agreement July 1, 2019 through June 30, 2020 for \$40,900 in KYTC/SNK. Expenses reimbursed to OKI at a participation rate of 17.4877 percent of FY2020 expenses, matched with contributed services. A minimum 20% match was required and exceeded.
2. As of June 30, 2020, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC/INDOT
FY 2020 SURFACE TRANSPORTATION PROGRAM (STP)
JUNE 30, 2020

	Budget	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2020
Operating Revenues:			
Federal and state grants			
Ohio: ODOT (STP)	\$ 405,774	\$ 363,492	\$ 363,492
Kentucky: KYTC (SNK)	68,800	61,631	61,631
Indiana: INDOT (STP)	25,000	24,741	24,741
County matching funds	20,175	19,762	19,762
Local contracts	3,275	1,831	1,831
Total Operating Revenues	523,024	471,457	471,457
Operating Expenses:			
Direct expenses			
Personnel	158,384	155,694	155,694
Fringe benefits	112,217	99,474	99,474
Travel, subsistence & professional	16,979	9,289	9,289
Printing, marketing & contractual	40,000	146	146
Other direct expenses	868	900	900
Indirect costs	194,576	205,954	205,954
Total Operating Expenses	523,024	471,457	471,457
Tasks:			
Long range planning land use	398,137	392,186	392,186
FIAM implementation	93,637	48,344	48,344
INDOT	31,250	30,927	30,927
Total Tasks	\$ 523,024	\$ 471,457	\$ 471,457

NOTES:

1. The grant period for the Land Use, FIAM and INDOT Surface Transportation Program agreements is July 1, 2019 through June 30, 2020.
2. FHWA/ODOT STP/KYTC SNK funds were received under agreements for specified long range planning activities. Revenues were received and expenditures incurred in accordance with a unified planning work program approved for the fiscal year.
3. The Land Use and FIAM Implementation tasks were funded with STP/SNK funds from ODOT and KYTC. ODOT's 82.5123 percent was funded at 100 percent STP utilizing toll revenue credits for match and KYTC's 17.4877 percent was funded at 80 percent SNK funds with 20 percent match from county and local funds.
4. The INDOT task was funded with 80 percent federal STP funds matched 20 percent from county and local funds.
5. As of June 30, 2020, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC
FY 2020 RIDESHARE
JUNE 30, 2020

	Budget	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2020
Operating Revenues:			
Federal and state grants			
Ohio: ODOT (CMAQ)	\$ 190,147	\$ 67,887	\$ 67,887
Kentucky: KYTC (SNK)	40,300	11,510	11,510
County matching funds	-	2,878	2,878
Contributed services	10,075	-	-
Total Operating Revenues	240,522	82,275	82,275
Operating Expenses:			
Direct expenses			
Personnel	28,921	12,865	12,865
Fringe benefits	20,491	8,220	8,220
Travel, subsistence & professional	272	-	-
Printing, marketing & contractual	143,948	43,815	43,815
Other direct expenses	1,285	357	357
Indirect costs	35,530	17,018	17,018
Contributed services	10,075	-	-
Total Operating Expenses	240,522	82,275	82,275
Non-operating Revenues (Expenses):			
Contributed services revenues	19,925	-	-
Contributed services expenses	(19,925)	-	-
Total Non-operating Revenues (Expenses)	-	-	-
Tasks:			
RideShare	240,522	82,275	82,275
Total Tasks	\$ 240,522	\$ 82,275	\$ 82,275

NOTES:

1. State grants and contracts consist of the following:
 - a. ODOT agreement for the period July 1, 2019 through June 30, 2020 for \$190,148 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent of Ohio's 82.5123% share of the RideShare program.
 - b. KYTC agreement for the period July 1, 2019 through June 30, 2020 for \$40,300 in KYTC/SNK, reimbursed to OKI at a participation rate of 17.4877 percent of the FY2020 RideShare program and matched with contributed services. A minimum 20% match was required and met. The budget included contributed services match from the outreach campaign. Due to COVID-19 spring travel was restricted and the outreach campaign was not run. Since no contributed services were generated the match was fulfilled with local county funds.
2. As of June 30, 2020, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FTA
FY 2013 JOB ACCESS REVERSE COMMUTE ADMINISTRATION PROGRAM
JUNE 30, 2020

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2019</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2020</u>
Operating Revenues:				
Federal and state grants				
Federal FTA	\$ 74,821	\$ 49,924	\$ 24,895	\$ 74,819
County matching funds	-	-	207	207
Total Operating Revenues	<u>74,821</u>	<u>49,924</u>	<u>25,102</u>	<u>75,026</u>
Operating Expenses:				
Direct expenses				
Personnel	25,048	16,618	8,470	25,088
Fringe benefits	18,536	11,654	5,412	17,066
Other direct expenses	-	190	15	205
Indirect costs	<u>31,237</u>	<u>21,462</u>	<u>11,205</u>	<u>32,667</u>
Total Operating Expenses	<u>74,821</u>	<u>49,924</u>	<u>25,102</u>	<u>75,026</u>
Tasks:				
Job Access Reverse Commute	<u>74,821</u>	<u>49,924</u>	<u>25,102</u>	<u>75,026</u>
Total Tasks	<u>\$ 74,821</u>	<u>\$ 49,924</u>	<u>\$ 25,102</u>	<u>\$ 75,026</u>

NOTES:

1. The Job Access Reverse Commute administration grant was effective July 1, 2013.
2. The Job Access Reverse Commute program is 100% federally funded. Funds are used for administration of the Coordinated Public Transit Human Services Transportation Plan for the OKI region.
3. As of June 30, 2020, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
OEPA
FY 2020 OEPA STATE BIENNIUM WATER
JUNE 30, 2020

	Budget	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2020
Operating Revenues:			
Federal and state grants			
Ohio: OEPA (EPA Funds)	\$ 75,000	\$ 75,000	\$ 75,000
County matching funds	-	5	5
	75,000	75,005	75,005
Operating Expenses:			
Direct expenses			
Personnel	25,066	25,138	25,138
Fringe benefits	17,759	16,061	16,061
Travel, subsistence & professional	1,321	337	337
Other direct expenses	60	217	217
Indirect costs	30,794	33,252	33,252
	75,000	75,005	75,005
Tasks:			
General assembly	75,000	75,005	75,005
	75,000	75,005	75,005
	\$ 75,000	\$ 75,005	\$ 75,005

NOTES:

1. The grant period under the OEPA FY2020 State Biennium Water contract is July 1, 2019 through June 30, 2020 (State of Ohio grant).
2. As of June 30, 2020, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
OEPA
FY 2020 OEPA 604B WATER QUALITY PLANNING
JUNE 30, 2020

	Budget	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2020
Operating Revenues:			
Federal and state grants			
Ohio: OEPA (EPA Funds)	\$ 52,171	\$ 52,166	\$ 52,166
Total Operating Revenues	52,171	52,166	52,166
Operating Expenses:			
Direct expenses			
Personnel	17,598	17,555	17,555
Fringe benefits	12,468	11,216	11,216
Travel, subsistence & professional	486	174	174
Indirect costs	21,619	23,221	23,221
Total Operating Expenses	52,171	52,166	52,166
Tasks:			
Program coordination	52,171	52,166	52,166
Total Tasks	\$ 52,171	\$ 52,166	\$ 52,166

NOTES:

1. The grant period under the OEPA FY2020 State 604B Water Quality Planning contract is July 1, 2019 through June 30, 2020.
2. As of June 30, 2020, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
OKI
FY 2020 LOCAL WATER QUALITY PLANNING PROJECT
JUNE 30, 2020

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2020</u>
Operating Revenues:			
County matching funds	\$ 45,000	\$ 45,202	\$ 45,202
Total Operating Revenues	<u>45,000</u>	<u>45,202</u>	<u>45,202</u>
Operating Expenses:			
Direct expenses			
Personnel	14,677	14,771	14,771
Fringe benefits	10,399	9,437	9,437
Travel, subsistence & professional	1,529	894	894
Other direct expenses	365	562	562
Indirect costs	<u>18,030</u>	<u>19,538</u>	<u>19,538</u>
Total Operating Expenses	<u>45,000</u>	<u>45,202</u>	<u>45,202</u>
Tasks:			
Local water quality planning	<u>45,000</u>	<u>45,202</u>	<u>45,202</u>
Total Tasks	<u>\$ 45,000</u>	<u>\$ 45,202</u>	<u>\$ 45,202</u>

NOTES:

1. The project period for Local Water Quality Planning was July 1, 2019 through June 30, 2020.
2. Budget amounts were derived from fiscal 2020 overall agency budget.
3. As of June 30, 2020, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
OKI
FY 2020 LOCAL REGIONAL PLANNING
JUNE 30, 2020

	Budget	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2020
Operating Revenues:			
County matching funds	\$ 53,000	\$ 48,001	\$ 48,001
Total Operating Revenues	<u>53,000</u>	<u>48,001</u>	<u>48,001</u>
Operating Expenses:			
Direct expenses			
Personnel	17,804	16,010	16,010
Fringe benefits	12,614	10,229	10,229
Travel, subsistence & professional	326	249	249
Other direct expenses	384	334	334
Indirect costs	<u>21,872</u>	<u>21,179</u>	<u>21,179</u>
Total Operating Expenses	<u>53,000</u>	<u>48,001</u>	<u>48,001</u>
Tasks:			
Local regional planning	<u>53,000</u>	<u>48,001</u>	<u>48,001</u>
Total Tasks	<u>\$ 53,000</u>	<u>\$ 48,001</u>	<u>\$ 48,001</u>

NOTES:

1. The project period for Local Regional Planning program was July 1, 2019 through June 30, 2020.
2. Budget amounts were derived from fiscal 2020 overall agency budget.
3. As of June 30, 2020, no costs subject to audit have been questioned.

SCHEDULES OF CUMULATIVE REVENUES AND EXPENDITURES

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OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC/INDOT
FY 2020 TRANSPORTATION PLANNING
JUNE 30, 2020

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2020</u>
Operating Revenues:			
Federal and state grants			
Ohio: ODOT (MPO-PL Funds)	\$ 2,407,734	\$ 1,986,853	\$ 1,986,853
Kentucky: KYTC (HPR-PL Funds)	504,793	336,799	336,799
Kentucky: KYTC (FTA Funds)	152,900	102,016	102,016
Indiana: INDOT (Trans PL Funds)	25,000	24,766	24,766
State matching funds Ohio	300,967	248,357	248,357
State matching funds Kentucky	31,550	21,050	21,050
County matching funds	460,090	359,745	359,745
Total Operating Revenues	<u>3,883,034</u>	<u>3,079,586</u>	<u>3,079,586</u>
Operating Expenses:			
Direct expenses			
Personnel	1,257,189	1,013,407	1,013,407
Fringe benefits	890,730	633,541	633,541
Travel, subsistence & professional	66,558	36,797	36,797
Printing, marketing & contractual	42,500	429	429
Other direct expenses	81,595	35,976	35,976
Indirect costs	1,544,462	1,359,436	1,359,436
Total Operating Expenses	<u>3,883,034</u>	<u>3,079,586</u>	<u>3,079,586</u>
Tasks:			
Short range planning	84,000	69,659	69,659
Transportation improvement program	201,000	166,404	166,404
Continuing planning - surveillance	1,648,439	1,347,315	1,347,315
Security and Emergency Response	20,000	16,545	16,545
Transportation Plan	1,233,500	1,024,999	1,024,999
Transportation services	392,350	326,558	326,558
INDOT exclusive - Dearborn Co. Tran Planning	31,250	30,957	30,957
KYTC exclusive - transportation planning	184,245	22,150	22,150
UPWP administration	25,500	21,102	21,102
Transportation program reporting	22,500	20,526	20,526
Mobile source emissions planning	40,250	33,371	33,371
Total Tasks	<u>\$ 3,883,034</u>	<u>\$ 3,079,586</u>	<u>\$ 3,079,586</u>

NOTES:

- The grant period for FY 2020 MPO Transportation Planning is July 1, 2019 through December 31, 2020.
- FHWA/ODOT/KYTC funds are received under agreements for continuation of a transportation planning process with ODOT and KYTC. Revenues were received and expenditures incurred in accordance with a unified planning work program approved each fiscal year. INDOT also participated with the funding being 80 percent Federal and 20 percent local match.
- Due to timing differences between OH and KY funding contracts, KY revenues (PL, FTA, and state) from the beginning of the fiscal year were paired with OH FY19 carryover revenues and appear on the FY2019 Transportation PL page in the current year column. Total KY PL for FY2020 was \$107,377 + \$336,799 = \$444,176 from the MPO planning contract. Total KY FTA for FY2020 was \$20,617 + \$102,016 = \$122,633. Total KY State for FY2020 was \$4,254 + \$21,050 = \$25,304. All within budget.
- As of June 30, 2020, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FTA
FY 2015 FTA 5310 TRANSIT PLANNING ADMINISTRATION PROGRAM
JUNE 30, 2020

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2019</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2020</u>
Operating Revenues:				
Federal and state grants				
Federal FTA	\$ 271,671	\$ 168,240	\$ 83,611	\$ 251,851
Total Operating Revenues	<u>271,671</u>	<u>168,240</u>	<u>83,611</u>	<u>251,851</u>
Operating Expenses:				
Direct expenses				
Personnel	44,405	33,187	27,393	60,580
Fringe benefits	33,344	23,393	17,502	40,895
Travel, subsistence & professional	215	161	19	180
Printing, marketing & contractual	135,835	68,575	2,036	70,611
Other direct expenses	1,274	504	425	929
Indirect costs	<u>56,598</u>	<u>42,420</u>	<u>36,236</u>	<u>78,656</u>
Total Operating Expenses	<u>271,671</u>	<u>168,240</u>	<u>83,611</u>	<u>251,851</u>
Tasks:				
FTA - 5310 transit planning administrative activities	<u>271,671</u>	<u>168,240</u>	<u>83,611</u>	<u>251,851</u>
Total Tasks	<u>\$ 271,671</u>	<u>\$ 168,240</u>	<u>\$ 83,611</u>	<u>\$ 251,851</u>

NOTES:

1. The FTA 5310 transit planning grant began February 9, 2015.
2. The FTA 5310 Transit Planning grant is 100% Federally funded. Funds are used for administration of the Coordinated Public Transit Human Services Transportation Plan for the OKI region.
3. OKI has agreed to be the Designated Recipient of Section 5310 federal funds allocated to the Cincinnati urbanized area and SORTA has agreed to assist with the administration of the Section 5310 program in accordance with the Joint Cooperative Agreement. SORTA's primary duty will be to provide capital procurement services for the program.
4. As of June 30, 2020, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FTA
FY 2017 FTA 5310 TRANSIT PLANNING ADMINISTRATION PROGRAM
JUNE 30, 2020

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2019</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2020</u>
Operating Revenues:				
Federal and state grants				
Federal FTA	\$ 408,336	\$ 120,935	\$ 15,360	\$ 136,295
Total Operating Revenues	<u>408,336</u>	<u>120,935</u>	<u>15,360</u>	<u>136,295</u>
Operating Expenses:				
Direct expenses				
Personnel	69,969	23,032	3,536	26,568
Fringe benefits	51,072	16,123	2,259	18,382
Travel, subsistence & professional	200	576	-	576
Printing, marketing & contractual	200,000	46,333	4,881	51,214
Other direct expenses	100	5,015	7	5,022
Indirect costs	<u>86,995</u>	<u>29,856</u>	<u>4,677</u>	<u>34,533</u>
Total Operating Expenses	<u>408,336</u>	<u>120,935</u>	<u>15,360</u>	<u>136,295</u>
Tasks:				
FTA - 5310 transit planning administrative activities	<u>408,336</u>	<u>120,935</u>	<u>15,360</u>	<u>136,295</u>
Total Tasks	<u>\$ 408,336</u>	<u>\$ 120,935</u>	<u>\$ 15,360</u>	<u>\$ 136,295</u>

NOTES:

1. The FTA 5310 transit planning grant began January 31, 2017.
2. The FTA 5310 Transit Planning grant is 100% Federally funded. Funds are used for administration of the Coordinated Public Transit Human Services Transportation Plan for the OKI region.
3. OKI has agreed to be the Designated Recipient of Section 5310 federal funds allocated to the Cincinnati urbanized area and SORTA has agreed to assist with the administration of the Section 5310 program in accordance with the Joint Cooperative Agreement. SORTA's primary duty will be to provide capital procurement services for the program.
4. As of June 30, 2020, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FTA
FY 2017 FTA 5310 TRANSIT PLANNING PASS-THROUGH PROGRAM
JUNE 30, 2020

	Budget	Cumulative Revenues and Expenditures as of June 30, 2019	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2020
Operating Revenues:				
Federal and state grants				
Federal FTA	\$ 505,026	\$ 263,931	\$ 125,879	\$ 389,810
County matching funds	-	-	1	1
Contributed services	126,659	65,983	31,470	97,453
Total Operating Revenues	<u>631,685</u>	<u>329,914</u>	<u>157,350</u>	<u>487,264</u>
Operating Expenses:				
Direct expenses				
Printing, marketing & contractual	505,026	263,931	125,880	389,811
Contributed services	126,659	65,983	31,470	97,453
Total Operating Expenses	<u>631,685</u>	<u>329,914</u>	<u>157,350</u>	<u>487,264</u>
Tasks:				
Clermont Senior Services - software license renewal	37,500	26,910	28,575	55,485
Clermont Senior Services - preventive maintenance	48,590	-	-	-
No. Ky Area Development District - mobility mgmt	229,050	100,000	65,893	165,893
Jewish Community Center - preventive maintenance	11,875	-	-	-
Episcopal Retirement Homes - preventative maint	6,200	-	-	-
Clermont Senior Services -security equipment	60,000	52,011	-	52,011
Community First (Partners inPrime) - hardware	50,000	44,552	4,759	49,311
Jewish Community Center - security equipment, preventative maintenance, and training	23,504	-	-	-
Cancer Justice Network	164,966	106,441	58,123	164,564
Total Tasks	<u>\$ 631,685</u>	<u>\$ 329,914</u>	<u>\$ 157,350</u>	<u>\$ 487,264</u>

NOTES:

1. The FTA 5310 transit planning grant began January 31, 2017.
2. The FTA 5310 Transit Planning grant pass through projects are funded at 80% for capital and planning programs and passed through to other agencies for delivery of transportation services related to the Public Transit Human Services Transportation Plan for the OKI region.
3. The recipient agency provides the required 20% match.
4. As of June 30, 2020, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FTA
FY 2019 FTA 5310 TRANSIT PLANNING PASS-THROUGH PROGRAM
JUNE 30, 2020

	Budget	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2020
Operating Revenues:			
Federal and state grants			
Federal FTA	\$ 992,905	\$ 235,250	\$ 235,250
Contributed services	249,549	60,630	60,630
Total Operating Revenues	1,242,454	295,880	295,880
Operating Expenses:			
Direct expenses			
Printing, marketing & contractual	992,905	235,250	235,250
Contributed services	249,549	60,630	60,630
Total Operating Expenses	1,242,454	295,880	295,880
Tasks:			
Cincinnati Association of the Blind and Visually Impaired - mobility management	207,567	207,567	207,567
Cancer Justice Network - mobility management	200,673	60,113	60,113
Catch-A-Ride	39,550	28,200	28,200
No. Ky Area Development District - mobility mgmt	258,331	-	-
CASS Van, SE	144,516	-	-
Clermont Senior Services Van, SW	137,962	-	-
Maple Knoll Vans	140,350	-	-
Community First (Partners in Prime)	113,505	-	-
Total Tasks	\$ 1,242,454	\$ 295,880	\$ 295,880

NOTES:

1. The FTA 5310 transit planning grant began April 16, 2019.
2. The FTA 5310 Transit Planning grant pass through projects are funded at 80% for capital and planning programs and passed through to other agencies for delivery of transportation services related to the Public Transit Human Services Transportation Plan for the OKI region.
3. The recipient agency provides the required 20% match.
4. As of June 30, 2020, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
OKI
FY 2017 DUKE CLASS BENEFIT FUND ENERGY PLANS
JUNE 30, 2020

	Budget	Cumulative Revenues and Expenditures as of June 30, 2019	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2020
Operating Revenues:				
Local contracts	\$ 380,000	\$ 212,106	\$ 155,022	\$ 367,128
Total Operating Revenues	<u>380,000</u>	<u>212,106</u>	<u>155,022</u>	<u>367,128</u>
Operating Expenses:				
Direct expenses				
Personnel	73,650	61,126	26,926	88,052
Fringe benefits	55,874	42,583	17,203	59,786
Travel, subsistence & professional	-	106	98	204
Printing, marketing & contractual	154,500	29,600	75,136	104,736
Other direct expenses	2,266	286	42	328
Indirect costs	93,710	78,405	35,617	114,022
Total Operating Expenses	<u>380,000</u>	<u>212,106</u>	<u>155,022</u>	<u>367,128</u>
Tasks:				
Duke class benefit fund energy plans	380,000	212,106	155,022	367,128
Total Tasks	<u>\$ 380,000</u>	<u>\$ 212,106</u>	<u>\$ 155,022</u>	<u>\$ 367,128</u>

NOTES:

1. The project period for the Duke Class Action / Class Benefit Fund: A More Efficient and Secure Energy Future Through Planning project is February 20, 2017 through December 31, 2020.
2. OKI received grant funds through the Duke Class Benefit Fund to assist, in partnership with the Greater Cincinnati Energy Alliance, 8 municipal entities in it's southwest Ohio member counties with energy efficiency plans.
3. In February 2019 programmatic changes were made that resulted in \$120,000 of the original \$500,000 being reallocated to the Greater Cincinnati Energy Alliance for disbursement of incentive funds to be awarded and managed after the Energy Plan are complete. The result is OKI's grant being reduced to \$380,000.
4. At June 30, 2020 \$12,872 in grant funds were unspent. The Duke Class Benefit Fund (CBF) Board granted OKI a a no-cost extention through December 31, 2020 to disburse the remaining funds to provide incentives to municipal entities.
5. As of June 30, 2020, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
OKI
FY 2020 OHIO RIVER RECREATIONAL TRAIL GUIDE
JUNE 30, 2020

	Budget	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2020
Operating Revenues:			
Local contracts	\$ 6,000	\$ 5,948	\$ 5,948
Total Operating Revenues	<u>6,000</u>	<u>5,948</u>	<u>5,948</u>
Operating Expenses:			
Direct expenses			
Personnel	2,043	2,008	2,008
Fringe benefits	1,447	1,283	1,283
Indirect costs	<u>2,510</u>	<u>2,657</u>	<u>2,657</u>
Total Operating Expenses	<u>6,000</u>	<u>5,948</u>	<u>5,948</u>
Tasks:			
Ohio River Recreational Trail Digital Guide	<u>6,000</u>	<u>5,948</u>	<u>5,948</u>
Total Tasks	<u><u>\$ 6,000</u></u>	<u><u>\$ 5,948</u></u>	<u><u>\$ 5,948</u></u>

NOTES:

1. The project period for the Ohio River Recreational Trail Digital Guide project was January 1, 2020 through June 30, 2020.
2. Budget amounts were derived from estimated hours to complete out-of-region portion of guide.
3. As of June 30, 2020, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Federal Grantor/ Pass-Through Grantor/ Program/Cluster Title	Federal CFDA Number	Direct Grant or Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<u>U.S. Department of Transportation</u>				
<i>Direct Programs:</i>				
<u>Federal Transit Cluster</u>				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513			
FTA 5310 Transit Planning		OH-16-X012-02	\$ 2,036	\$ 83,611
FTA 5310 Transit Planning		OH-2017-005-01	4,881	15,360
FTA 5310 Transit Planning Pass-Through		OH-2017-005-02	22,860	22,860
FTA 5310 Transit Planning Pass-Through		OH-2017-005-03	103,019	103,019
FTA 5310 Transit Planning Pass-Through		OH-2019-015-00	235,250	235,250
<i>Total CFDA #20.513</i>			<u>368,046</u>	<u>460,100</u>
 Job Access and Reverse Commute Program	 20.516	 OH-37-X099-00	 0	 24,895
Total Federal Transit Cluster			<u>368,046</u>	<u>484,995</u>
<i>Total Direct Programs - U.S. Department of Transportation</i>				
			<u>368,046</u>	<u>484,995</u>
<i>Pass Through Programs:</i>				
<u>Highway Planning and Construction Cluster</u>				
Highway Planning and Construction	20.205			
<i>Passed Through Ohio Department of Transportation (ODOT)</i>				
Clean Air - Ozone Awareness (CMAQ funds)		735101	0	111,125
Ride Share (CMAQ funds)		735102	0	67,887
Transportation Planning (MPO-PL funds)		733610	0	418,434
Transportation Planning (MPO-PL funds)		735109	0	1,986,853
Surface Transportation (STP funds)		735099	0	323,602
Surface Transportation (STP funds)		735100	0	39,890
<i>Total CFDA #20.205 Passed through ODOT</i>			<u>0</u>	<u>2,947,791</u>
<i>Passed Through Kentucky Transportation Cabinet (KYTC)</i>				
Transportation Planning (HPR-PL funds)		1900001599	0	404,866
Transportation Planning (HPR-PL funds)		1900000325	0	39,310
Ride Share (SNK funds)		1900002235	0	11,510
Clean Air-Ozone Awareness (SNK funds)		1900002235	0	23,552
Surface Transportation (SNK funds)		1900000326	0	61,631
<i>Total CFDA #20.205 Passed through KYTC</i>			<u>0</u>	<u>540,869</u>
<i>Passed Through Indiana Department of Transportation (INDOT)</i>				
Transportation Planning (PL funds)		A249-19-G190014	0	24,766
Surface Transportation (STP funds)		A249-19-G190014	0	24,741
<i>Total CFDA #20.205 Passed through INDOT</i>			<u>0</u>	<u>49,507</u>
Total Highway Planning and Construction Cluster			<u>0</u>	<u>3,538,167</u>
<i>Passed Through Kentucky Transportation Cabinet (KYTC)</i>				
Metropolitan Transportation Planning				
Transportation Planning (FTA funds)	20.505	KY-2017-002-02	0	122,633
<i>Total Pass Through Programs - U.S. Department of Transportation</i>			<u>0</u>	<u>3,660,800</u>
Total U.S. Department of Transportation			<u>368,046</u>	<u>4,145,795</u>
<u>U.S. Environmental Protection Agency</u>				
<i>Passed Through Ohio Environmental Protection Agency (OEPA)</i>				
Water Quality Management Planning - Water Quality Planning (EPA funds)	66.454	OKI-FD60418	0	52,166
Total U.S. Environmental Protection Agency			<u>0</u>	<u>52,166</u>
Total Expenditures of Federal Awards			<u>\$ 368,046</u>	<u>\$ 4,197,961</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Ohio-Kentucky-Indiana Regional Council of Governments (OKI) under programs of the federal government for the year ended June 30, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of OKI, it is not intended to and does not present the financial position, changes in net position, or cash flows of OKI.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3. INDIRECT COST RATE

OKI has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance. The Schedule reflects the application of actual fringe benefits and indirect cost rates, subject to grant or program limitations.

NOTE 4: SUBRECIPIENTS

OKI passes certain federal awards received from the U.S. Department of Agriculture and the U.S. Department of Transportation to other not-for-profit agencies (subrecipients). As described in Note 2, OKI reports expenditures of federal awards to subrecipients on an accrual basis.

OKI has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

NOTE 5. MATCHING REQUIREMENTS

Certain federal programs require OKI to contribute non-federal funds (matching funds) to support the federally-funded programs. OKI has met its matching requirements. The Schedule does not include the expenditure of non-federal matching funds.

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

To the Executive Committee
Ohio-Kentucky-Indiana Regional Council of Governments
Cincinnati, Ohio

The Honorable Keith Faber
Auditor
State of Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the Ohio-Kentucky-Indiana Regional Council of Governments, Hamilton County, Ohio, (OKI) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise OKI's basic financial statements, and have issued our report thereon dated December 28, 2020, wherein we noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of OKI.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of This Report

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

James G. Zupka, CPA, Inc.
Certified Public Accountants

December 28, 2020

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**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE**

To the Executive Committee
Ohio-Kentucky-Indiana Regional Council of Governments
Cincinnati, Ohio

The Honorable Keith Faber
Auditor
State of Ohio

Report on Compliance for Each Major Federal Program

We have audited the Ohio-Kentucky-Indiana Regional Council of Governments, Hamilton County, Ohio's (OKI) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on OKI's major federal program for the year ended June 30, 2020. OKI's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the Ohio-Kentucky-Indiana Regional Council of Governments complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2020.

Report on Internal Control over Compliance

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

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

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

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

James G. Zupka, CPA, Inc.
Certified Public Accountants

December 28, 2020

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2020**

1. SUMMARY OF AUDITOR'S RESULTS

2020(i)	Type of Financial Statement Opinion	Unmodified
2020(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2020(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2020(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2020(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2020(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2020(v)	Type of Major Programs' Compliance Opinions	Unmodified
2020(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2020(vii)	Major Programs (list): Federal Highway Administration Highway Planning and Construction Cluster- CFDA #20.205	
2020(viii)	Dollar Threshold: A/B Program	Type A: \$750,000 Type B: All Others
2020(ix)	Low Risk Auditee?	Yes

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

The prior audit report, as of June 30, 2019, included no citations or instances of noncompliance. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

OHIO AUDITOR OF STATE KEITH FABER



OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS

HAMILTON COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 2/4/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
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