County of Hamilton, Ohio

2022
Annual Information Statement

In connection with Bonds, Notes and
Certificates of Indebtedness of the County

This Annual Information Statement pertains to the operations of Hamilton County for the calendar year 2021. (Where possible, 2022 data has been provided.)

In addition to providing information on an annual basis, the County of Hamilton intends that this Statement will be used, together with information to be specifically provided by the County for that purpose, in connection with the original offering and issuance by the County of its bonds, notes and certificates of indebtedness.

Questions regarding information contained in this Annual Information Statement should be directed to Jeffrey W. Aluotto, County Administrator, 603 County Administration Building, 138 East Court Street, Cincinnati, Ohio 45202 (513-946-4400).

The date of this Annual Information Statement is August 15, 2022.

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INTRODUCTORY STATEMENT

General

The "Annual Informational Statement in connection with Bonds, Notes and Certificates of Indebtedness of the County of Hamilton, Ohio" (the "Annual Statement"), including the Appendices hereto, has been prepared by the County of Hamilton (the "County") to provide, as of its date, financial and other information relating to the County. The County intends that this Annual Statement be used in conjunction with specific offering information to be provided by the County which, taken together, would serve as the Official Statement for the original offering and issuance by the County of specific issues of bonds, notes or certificates of indebtedness. Following the distribution of this Annual Statement and concurrently with the original offering by the County of certain types of its bonds, notes or certificates of indebtedness, the County will distribute or make available the specific offering information relating to that issue along with information updating or revising information contained in this Annual Statement.

The County has not bound itself contractually to furnish current information, in the form of a statement such as this or otherwise, on a continuing or regular basis and does not covenant to do so except for specific Continuing Disclosure Certificates or Agreements entered into for specific transactions (see "CONTINUING DISCLOSURE" herein). From time to time the County may elect to provide such information to parties named on a mailing list maintained by the County for such purpose. Names may be entered on the mailing list by writing Leslie Hervey, County Clerk, Board of County Commissioners, Room 603, Hamilton County Administration Building, 138 East Court Street, Cincinnati, Ohio 45202 with a copy to the County's disclosure counsel, Dinsmore & Shohl LLP, 255 E. 5th Street, Suite 1900, Cincinnati, Ohio 45202, Attention: Bradley N. Ruwe.

All financial and other information presented herein has been provided by the County from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historical information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the County. No representation is made that past experience, as might be shown by such financial and other information, will necessarily continue in the future.

References herein to provisions of Ohio law, whether codified in the Ohio Revised Code (the "Revised Code") or uncodified, or the Ohio Constitution, are references to such provisions as they presently exist. Any of those provisions may from time to time be amended, repealed or supplemented.

As used in this Annual Statement, "debt service" means principal (including mandatory redemptions) of and interest on the obligations referred to, "State" or "Ohio" means the State of Ohio, and "U.S. Census Bureau" refers to the United States Department of Commerce, Bureau of the Census.

Any addresses of or links to web sites, which may be contained herein, are given for the convenience of the user only. The County has not participated in the preparation, compilation or selection of information on these websites, and therefore presents no warranties or representations

of the material contained therein. Further, the County assumes no responsibility or liability for the contents there.

Certain information contained in this Annual Statement is attributed to the Ohio Municipal Advisory Council (OMAC). OMAC compiles information from official and other sources. OMAC believes the information it compiles is accurate and reliable, but OMAC does not independently confirm or verify the information and does not guaranty its accuracy. OMAC has not reviewed this Annual Statement to confirm that the information attributed to it is information provided by OMAC or for any other purpose.

The County has made every effort to provide current information as of the date of this Annual Statement. However, in some cases updated information was not available as of such date and in those cases the most recent available information has been provided.

With respect to the revenue obligations issued by the County for the benefit of MSD, please refer to additional risk factors and investment considerations under the heading "THE METROPOLITAN SEWER DISTRICT (MSD) OF GREATER CINCINNATI – Status of the MSD Operating Agreement – Risk Factors and Investment Considerations." The operating agreement between the County and the City scheduled to expire as of September 30, 2018 has been extended until further order of the U.S. District Court, Southern District of Ohio. In light of this extension and issues related to the operating agreement, there are a number of risk factors and investment considerations that should be reviewed by investors.

Impact of the COVID-19 Pandemic

Please see the attached ***Addendum*** for additional information provided by the County on a voluntary basis regarding the impact of the COVID-19 Pandemic on its financial position and operations.

THE COUNTY

Hamilton County was named for the former Secretary of the Treasury, Alexander Hamilton, and was created by proclamation of Arthur St. Clair, Governor of the Northwest Territory, on January 2, 1790. The County was the second county formed in the State of Ohio, with the City of Cincinnati as the county seat. The County is situated in the extreme southwestern corner of the State and covers an area of 414 square miles. The County encompasses 37 municipalities, including the City of Cincinnati, 19 other cities, and 17 villages. The County is the third largest in the State in terms of population, estimated at 830,639 in 2020 (the most recent year for which data is currently available). Located on the Ohio River, Hamilton County forms the core of the Cincinnati, OH-KY-IN Metropolitan Statistical Area (hereinafter the "Metropolitan Area") which also includes Brown, Butler, Clermont, and Warren Counties in Ohio, as well as Dearborn, Franklin, Ohio, and Union Counties in Indiana, and Boone, Bracken, Campbell, Gallatin, Grant, Kenton, and Pendleton Counties in Kentucky.[1]

[1] Executive Office of the President, Office of Management and Budget (OMB). OMB Bulletin No. 20-01, dated March 6, 2020, as accessed on August 15, 2022.

County Government

The County has only those powers, and powers incidental thereto, conferred upon it by Ohio statutes. A three-member Board of County Commissioners (the "Commissioners"), elected at large in even-numbered years for four-year overlapping terms, is the primary legislative and executive body of the County.

In addition to three Commissioners, the eight other administrative officials of the County listed below, each of whom is independent within the limits of the state statutes affecting the particular office, are elected for terms of four years each, with the County Auditor and one County Commissioner elected in even-numbered non-presidential election years (e.g., 2022, 2026), and the other County Commissioners and other County officers elected in each presidential election year. Common Pleas Judges, including Domestic Relations Judges, Juvenile Court Judges, and the Probate Judge, are also elected on a County-wide basis. Municipal Court Judges are elected two each from seven districts.

Board of County Commissioners

Name	Assumed Office	Present Term Expires
Stephanie Summerow Dumas, President	January 2019	December 2022
Alicia Reece, Vice President	January 2020	January 2025
Denise Driehaus, Commissioner	January 2017	January 2025

County Officials

Title	Name	Assumed Office	Present Term Expires
County Auditor	Dusty Rhodes	March 1991	March 2023
County Treasurer	Jill A, Schiller	Sept. 2021	Sept. 2025
Clerk of Courts	Pavan V. Parikh	January 2021	January 2025
County Engineer	Eric Beck	March 2020	January 2025
County Recorder	Scott Crowley	January 2021	January 2025
County Sheriff	Charmaine McGuffey	January 2021	January 2025
County Coroner	Lakshmi Kode Sammarco	March 2012	January 2025
County Prosecuting Attorney	Joseph T. Deters	January 2005	January 2025

General Government

Of the offices which can be grouped under the category of general government, in addition to the Commissioners, three elective offices are of particular importance.

The County Auditor (the "Auditor") is elected to a four-year term and has the important task of assessing real property for taxing purposes. A complete physical on-site inspection reappraisal must be conducted every six years. A triennial reappraisal must be conducted by the Auditor if ordered by the State Commissioner of Taxation. The Auditor is also the fiscal officer of the County, and no County contract may be made without the Auditor's certification that funds are available for payment or are in the process of collection. In addition, no account may be paid

except by the Auditor's warrant drawn upon the County Treasury. The Auditor is responsible for the County payroll and has major accounting responsibilities.

The County Treasurer (the "Treasurer") is required by state law to collect certain taxes, which are then distributed by the Auditor to various governmental units. The Treasurer is the disbursing agent for expenditures authorized by the Commissioners and is also custodian of the County's Bond Retirement Fund. The Treasurer must make daily reports showing receipts, payments and balances to the Auditor, and the Treasurer's books of account must always balance with those of the Auditor.

The County Engineer, required by law to be a registered professional engineer and surveyor, serves as the civil engineer for the County and its officials. Primary responsibilities relate to the construction, maintenance, and repair of the County's roads, bridges, and drainage facilities. The Commissioners take bids on and award contracts for the projects recommended and approved by the Engineer. The County Engineer also prepares tax maps for the County Auditor.

In addition to these elected officials, the County Administrator is appointed by the Board of County Commissioners and serves under the direction and supervision of the Board. The County Administrator is the administrative head of the County and is responsible for enacting policies of the Board, supervising County affairs, preparing and submitting the fiscal budget, and keeping the Board fully advised on the financial obligations of the County.

There are a number of independent boards and commissions, which administer a large variety of services within the County, including, among others, the Board of Elections, the Veterans Service Commission, Developmental Disabilities Services, and the Mental Health and Recovery Services Board.

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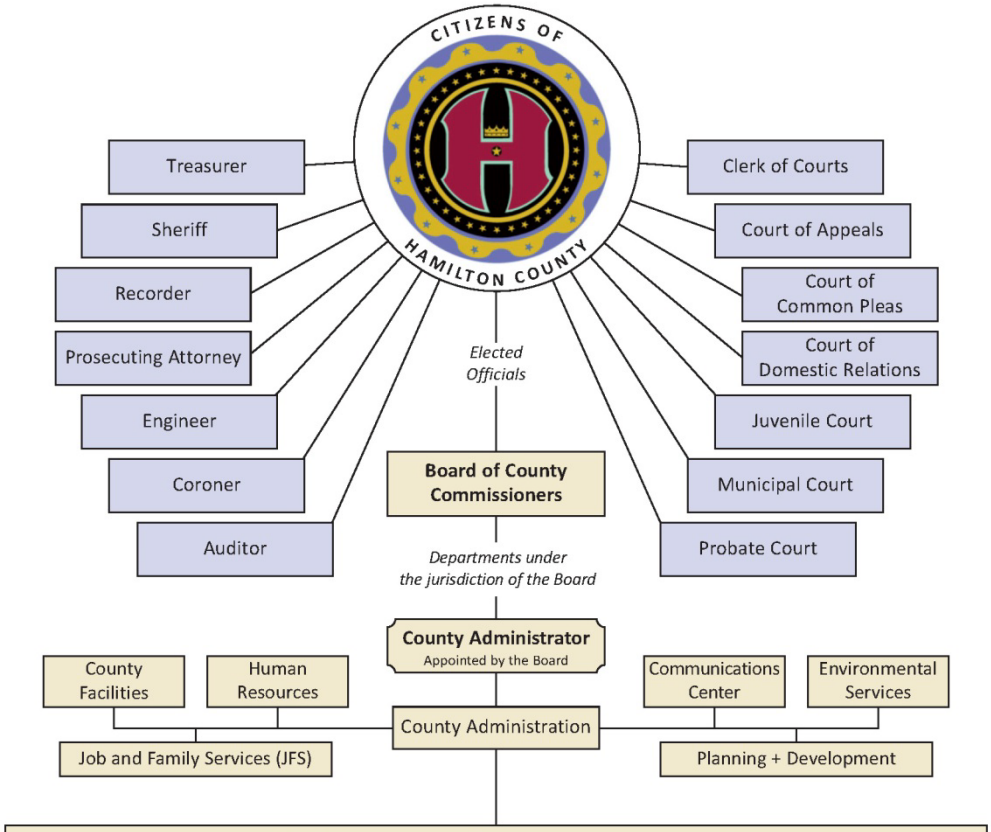

County services for which the Board of County Commissioners is solely responsible

Board of Building Appeals
Board of Building Standards
Board of Zoning Appeals
Commission on Women and Girls
Community Development Advisory Committee
Dog Warden
Earthworks Appeals Board
Economic Inclusion Advisory Council
Great American Ball Park
Hospital Commission
JFS Planning Commission
Local Corrections Planning Board
Metropolitan Sewer District
Paul Brown Stadium
Oral Health Coalition
Office of Reentry
Storm Drainage Appeals
Rural Zoning Commission
Tax Incentive Review Council
Tax Levy Review Committee

County services for which the Board of County Commissioners shares responsibility

Addition Response Coalition
Board of Elections
Board of Revision
Cincinnati Area Geographic Information System (CAGIS)
Cincinnati Metropolitan Housing Authority
Cincinnati Zoo and Botanical Gardens
County Law Enforcement Applied Regionally (CLEAR)
Community Action Agency
Community Improvement Corporation
Convention Facilities Authority
Developmental Disabilities Services Board
Elderly Services Program Advisory Council
Emergency Management Agency
Family and Children First Council
HCDC
Investment Advisory Committee
Integrating Committee (District 2)
Land Reutilization Corporation
Law Library Resources Board
Mental Health and Recovery Services
Miami Valley Resource Conservation and Development Council
OH-KY-IN Regional Council of Governments
Port of Greater Cincinnati Development Authority
Public Defender Commission
Public Health District
Public Library of Cincinnati and Hamilton County
Records Commission
Regional Economic Development Initiative
Regional Planning Commission
River City Correctional Facility
Soil and Water Conservation District
Recycling and Solid Waste District
Southwest Ohio Regional Transit Authority
Stormwater District Oversight Board
Transportation Improvement District
Union Terminal Restoration
Veterans Service Commission
Volunteer Peace Officers' Dependents Fund
Workforce Investment Board

Organization Chart *Hamilton County's judges and other elected officials (grouped around the citizens at the top of the chart) are independent administrators of their departments. The Board of County Commissioners (BOCC), and the County Administrator as its representative, have direct jurisdiction over the seven areas beneath the Board. The BOCC also has sole responsibility for the entities grouped in the next box and shares responsibility for the services in the box at the bottom of the chart.*

Administration of Justice System

As a part of the administration of the County's justice system, the County maintains the Common Pleas Court, including the Domestic Relations, Probate and Juvenile Divisions, and the Municipal Court (collectively referred to as the "County Courts"). Except for personnel costs, the County also maintains the First District Court of Appeals for the State of Ohio. The Prosecuting Attorney is designated by Ohio law as the chief legal counsel for all County officers, boards, and agencies, including the Commissioners, the Auditor and the Treasurer.

The Clerk of Courts keeps all official records of the Common Pleas and Municipal Courts and serves as Clerk of the Court of Appeals. The office of Clerk of Courts operates on a system of fees charged for services.

The County Sheriff is the chief law enforcement officer of the County and provides certain specialized services, among which are maintaining deputies to assist local law enforcement officers to "preserve the public peace" (ORC 311.07). The Sheriff also operates the County corrections system and is responsible for its inmates, including persons detained for trial or transfer to other institutions. As an officer of the Court of Common Pleas, the Sheriff is in charge of the preparation and service of documents.

County-Owned Utilities

The Metropolitan Sewer District (MSD) operates seven major treatment plants which currently have an aggregate design, dry weather capacity through both primary and secondary treatment of 208 million gallons per day, and during 2021 treated an average of 167 million gallons per day. In addition, MSD operates a number of smaller plants, processing an average of 50,000 to 65,000 gallons per day in 2020. MSD is a County Sewer District owned, governed and financed by the County, but operated by the City of Cincinnati pursuant to an agreement between the two government entities. The operating agreement between the County and the City scheduled to expire as of September 30, 2018, has been extended until further order of the U.S. District Court, Southern District of Ohio. For changes to the operations of MSD and other risk and investment considerations, see the section of the Annual Statement titled "THE METROPOLITAN SEWER DISTRICT (MSD) OF GREATER CINCINNATI – Status of the MSD Operating Agreement." MSD has approximately 672 employees, with a 2021 payroll and related benefits of approximately $54.8 million. A portion of this expense, principally related to project engineering (and collection), is capitalized.

Solid waste disposal is handled by various municipal and private firms in the County. In large part, it is disposed of at privately-owned landfills.

Financial Management

The Commissioners are responsible for providing and managing the funds used to support the various County activities. The Commissioners exercise their legislative powers in budgeting, appropriating, levying taxes, issuing bonds and letting contracts for public works and services to provide this financial management.

Permissive Taxes

The Revised Code permits the County to levy a variety of permissive taxes including sales taxes, use taxes, motor vehicle license taxes, hotel lodging taxes, property transfer taxes, transit taxes, and liquor and cigarette taxes. These permissive taxes are subject to referendum and repeal by voter initiative. The permissive taxes which are currently levied by the County include the following:

Sales Tax. See "OTHER MAJOR COUNTY REVENUE SOURCES – Sales Tax" herein for information regarding the sales taxes levied by the County.

Motor Vehicle License Tax. The County currently has in effect a motor vehicle license tax in the amount of $20 per vehicle, in addition to the $31 base tax set by the State of Ohio. The proceeds of the motor vehicle tax are required to be used for construction, maintenance and repair of streets and highways. All fees collected are to pay costs of construction, reconstruction, maintenance and repair of public highways and bridges and other statutory highway purposes. In addition, the County receives a portion of the tax on gasoline. (See "OTHER MAJOR COUNTY REVENUE SOURCES - Sales Tax" herein.)

Hotel Lodging Tax. A hotel lodging tax of six and one-half percent (6.5%) of gross room rentals is largely used to fund the expansion of two convention centers and operations of the local convention and visitors bureau. Lodging tax funds are also distributed to local communities that do not collect their own lodging tax.

Property Transfer Tax. The County is currently levying a three-mill real property transfer tax, the maximum permissible rate.

Management of County Facilities

The Commissioners have certain responsibilities for the management of most County facilities, including various courts, correctional and administrative facilities and general County government facilities.

Personnel Administration

Personnel costs account for the largest share of the County's general fund expenditures. The fiscal year 2021 annual payroll for the County was $276,367,942 and, of that amount, $144,973,553 was payable from the County's general fund.

Collective Bargaining

The 2022 Hamilton County budget includes the equivalent of 4,671 full-time positions across all county funds (including grant funds).

Under the Ohio Collective Bargaining Law, public employees of the State and many local subdivisions (including the County) have the right to organize, bargain collectively and have union representation. The employer must recognize and grant exclusive representation rights to an organization approved by the State Employment Relations Board (SERB). SERB approval may

be granted either after fulfillment of the requirements listed in its regulations or by majority approval of the employees at a SERB supervised election. The employer has the right to insist on an election. Any agreements under the Collective Bargaining Law must be in writing, must specify a grievance procedure and cannot exceed three years in duration.

The Ohio Collective Bargaining Law designates those actions which constitute unfair labor practices and prescribes procedures for their remedy. It also sets forth dispute resolution procedures for contract negotiation, including arbitration or other mutually agreeable methods. If an impasse persists after mediation procedures, then police, fire, correctional officers, and other public safety employees must take the dispute to binding arbitration and do not have the right to strike. All other employees have the right to strike after 10 days written notice.

The County has labor agreements with the following employee unions:

Union	Type of Personnel Covered	Number of Employees Covered	Date Contract Expires
AFSCME Council 8, Local 1093	Planning & Development Field Operations	11	12/31/22
AFSCME Council 8, Local 1768	Job & Family Services - Non Supervisory	579	12/31/23
AFSCME Council 8, Local 3156	Clerk of Courts – Bailiffs	32	12/31/23
AFSCME Council 8, Local 3157	Clerk of Courts Title Administration	27	03/31/25
Benevolent Employees of HC	Sheriff Dept. - Non Management Employees (including Laundry/Maintenance/Clerks	141	12/31/23
Cincinnati Building Trades	County Facilities - Building Trades	14	03/31/23
Communications Officers of HC	Communications Center - Comm. Officers	54	12/31/24
Corrections Officers Association	Sheriff Dept. - Corrections Officers	301	12/31/23
Deputy Sheriffs Supervisors	Sheriff Dept. - Corrections Supervisors	40	12/09/23
FOP/OLC	Sheriff Dept. – Captains	7	12/31/24
HC Sheriff's Association	Sheriff Dept. - Enforcement Officers	297	12/31/23
FOP/OLC	Sheriff Dept. - Enforcement Supervisors	42	12/31/24
IUOE #20	County Facilities – Building Managers	7	12/31/23
IUOE #20	County Facilities – Facility Maintenance Workers/HVAC Techs	19	04/30/22*
IUOE #20	County Facilities - Maintenance Repair Workers & Groundskeepers	15	12/31/22*
IUOE #20	Paul Brown Stadium – Stadium Facility Security	6	12/31/23
IUOE #20	Paul Brown Stadium – Building Trades	18	12/31/24
Teamsters Local 100	Engineer's Office - Highway Maintenance Workers	59	06/30/24

*In negotiations.

[Remainder of page intentionally left blank]

County Services – Health and Public Assistance

Department of Job and Family Services (JFS). The Department of Job and Family Services (JFS) is the agency administering the following functions within the County: public assistance programs, children services, child support enforcement, and workforce development including one-stop operator. JFS is headed by a director, who is appointed by, and is responsible to, the three County Commissioners. The Job and Family Services Planning Committee advises the director and is comprised of local community and business members appointed by the Commissioners.

JFS is the largest department in County government with a total of 975 positions as of December 31, 2021, and consumes the largest portion of the County budget. The department's 2021 personnel costs totaled $62.7 million. Other program and administrative costs accounted for an additional $138.6 million for an agency expenditure total of $201.3 million. Most of the state and federal funds received flow directly from the state government to public assistance recipients, with the County performing various administrative tasks, such as eligibility determination. Expenditures of the County's own funds for the activities and programs of JFS are derived from the voted levies. The divisions and programs of JFS include the following:

Family and Adult Assistance (FAA) Division. The Family and Adult Assistance (FAA) Division deals with Temporary Assistance to Needy Families (TANF), Medicaid, food assistance, other financial relief programs, and subsidized child care services. The Department's role in these programs includes the determination of the eligibility for these benefits.

Children's Services Division. The Children's Services Division, either directly or through agreements with other community agencies, provides services such as protective services to abused children, adoption, foster and group care, and independent living services. This division also maintains a component responsible for the safety and self-sufficiency of older adults. The children's services aspect is funded, in part, by a 4.51 mill levy. (See "AD VALOREM TAXES - Tax Tables A and B" herein.) Other funding includes the Federal Title XX program, State and Federal grant programs, and local funding for projects. In November 2021 voters in the County consolidated the millage from two levies for Children's Services, which is expected to have no substantial change to revenue collections.

Child Support Division. The Child Support Division is responsible for the collection and enforcement of child support orders on all Hamilton County court orders for support and provision of services under Title IV-D of the Social Security Act. Services to custodial parents certified as IV-D are the establishment of paternity and/or support, parent location and collection, modification and enforcement of court-ordered support.

Child Care Services and Adult Protective Services and Transportation. JFS provides child care services and adult protective services and transportation, which include funding from the Federal Title XX program, State and Federal grant programs, and local funding for projects. JFS manages the direct delivery of such services as the investigation of neglect and abuse of adults, child protective services, and employment and training

programs. Additionally, JFS contracts for, monitors, and evaluates the provision of a spectrum of social services and day care services which are delivered by independent agencies and individuals.

Workforce Development Programs. The Workforce Development programs include federally funded job-related services for recipients of Temporary Assistance to Needy Families and food assistance. Workforce Innovation and Opportunity Act (WIOA) funding supports a one-stop employment services center for job-seekers and employers.

Hamilton County Development Disabilities Services (HCDDS). HCDDS provides intensive programs, support and services to more than 7,600 children and adults with developmental disabilities, both directly and through service contracts with local organizations and agencies. HCDDS directly operates two schools, as well as providing service coordination, monitoring, residential placement, quality assurance and early intervention services. HCDDS funds numerous support services provided through partnerships in the community, including residential, vocational training, day services, family and individual support and clinical services. There are currently 391 full-time equivalent positions (including the Family and Children First Council). It is funded through a 4.13-mill levy effective through 2023, as well as Federal and State funds.

Hamilton County Mental Health and Recovery Services Board (MHRSB). MHRSB provides leadership in public behavioral health care as the authority charged under Chapter 340 of the Ohio Revised Code with planning, funding, managing, and evaluating behavioral health care in Hamilton County. MHRSB is statutorily prohibited from providing direct care to clients and instead contracts with numerous non-profit agencies to provide direct care in a community based (non-hospital) setting. The mission of the Hamilton County Mental Health and Recovery Services Board (MHRSB) is to develop and manage a continuum of mental health, addiction, and prevention services that have a positive impact on the community, are accessible, results oriented, and responsive to individual and family needs. The MHRSB's primary goals are to provide a system of care, with a wide array of evidence based treatment services, that ensures a high quality of care for residents and promotes recovery and a favorable quality of life, and to maximize the efficiency and effectiveness of the Hamilton County behavioral health system. The behavioral health system serves approximately 26,000 individuals through 27 local behavioral health organizations under contract to the Board. Funding sources include a 2.99-mill mental health levy effective through 2022, a limited portion of proceeds from the HHIC and FST levies, as well as federal, and state funds. The existing 2.99 mill levy will be on the November 2022 ballot as a renewal levy with a proposed increase of 0.38 mills for a proposed total rate of 3.37 mills.

Veterans Service Commission. Another County public assistance organization is the Veterans Service Commission, which is staffed by 11 employees and funded by the County general fund. The 2021 expenses were approximately $931,000. The Commission provides financial assistance to veterans, active duty members of the Armed Forces of the United States, or the needy spouse, surviving spouse, dependent parent, minor child, or ward of a veteran or active duty member of the Armed Forces of the United States, who is a bona fide resident of the County. The Commission assists in obtaining rights or benefits under any law of the United States or of this State.

Public Defender Commission. The Public Defender Commission appoints the Public Defender, who operates the Office of the Public Defender, pursuant to the policy direction of the appointing commission.

Health and Hospitalization Levies. There are two health and hospitalization levies in the County. One levy, which will run through 2022 at the rate of 4.07 mills, provides health and hospitalization services for indigent County residents at the University of Cincinnati Medical Center and Cincinnati Children's Hospital Medical Center. This levy will be on the November 2022 ballot as a renewal levy at the same millage rate. In addition, there is a County-wide levy, which will run through 2023 at a rate of 0.34 mills that provides family health and hospitalization services and treatment programs including Talbert House, Inc. Both levies also provide funding to support various County programs which provide health services.

Hamilton County General Health District. The Hamilton County General Health District has four major components: District Advisory Council, District Licensing Council, Board of Health, and Health Commissioner and Staff. The District Advisory Council consists of village mayors, presidents of township trustees, and the president of the County Commissioners. The District Advisory Council meets yearly to conduct business and select members to the Board of Health. The five-member Board of Health is a public health policy-making body, which meets at least once per month. The Board of Health appoints the Health Commissioner, who supervises staff in the Administration, Disease Prevention, Environmental Health, Epidemiology & Assessment, Health Promotion & Education, Harm Reduction, Emergency Preparedness, Plumbing, Water Quality and Waste Management Services divisions. The Health District is not controlled by the County Commissioners, but rather operates as a separate district pursuant to Chapter 3709 of the Ohio Revised Code. The purpose of the Health District is to work with the community to protect the public health and environment. By providing education, inspections, health care coordination, and data analysis it strives to assure that the citizens of Hamilton County are safe from disease, injury and contamination.

The Health District currently has 133 full-time employees and two part-time employees, with 2021 personnel costs of $10,079,576. Total revenues and resources for 2021 were $20,171,348. Included in that amount are assessments of $860,050 from the 45 county jurisdictions that are served by the Health District. Additional funding is provided through permits, fees, and grants.

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ECONOMIC INFORMATION

General

A transportation and industrial center since the early development of the territory west of the Appalachians, Hamilton County and the Metropolitan Area have developed into a major center for insurance and finance companies, wholesaling and retailing, e-commerce and emerging new economy companies, government installations, medical services, service industries, as well as manufacturing.

Centered in Hamilton County, the Metropolitan Area is a 15-county, three-state area located at the intersection of Ohio, Kentucky, and Indiana and is comprised of a diverse business ecosystem. The Metropolitan Area, which is considered to have low costs of doing business and living compared to other metropolitan areas in the U.S., has nationally ranked incubators and accelerators, a global business center with headquarters of seven Fortune 500 companies and more than 450 foreign-owned firms.

Among the Metropolitan Area's more prominent manufacturing groups are transportation equipment, which includes aircraft engines and motor vehicle parts; food and kindred products; metal working and general industrial machinery; chemicals; fabricated metal products; and printing and publishing. This diverse economic base continues to be a source of stability for the area, protecting it from severe instability in the business cycle.

Transportation equipment is also the primary export sector in the region, accounting in 2020 (the most recent year for which data is currently available) for 50% of all goods exported. According to the International Trade Administration of the Department of Commerce, 2020 exports from the Metropolitan Area fell to 2013 levels, down 27% from 2019 data. In 2020, $21.0 billion was the total value of goods exported from the region.

Total employment was estimated at 399,900 in Hamilton County in June 2022 by the Ohio Department of Job and Family Services. The Metropolitan Area is within 600 miles of 50% of the nation's purchasing power and 50% of the nation's manufacturing establishments. As of June 2022, the unemployment rate in Hamilton County was 4.1%, 0.4 points better than that of the State of Ohio (4.5%) and 0.3 points worse than the United States (3.8%) as a whole.

The corporate headquarters of numerous firms are located in the Metropolitan Area including seven Fortune 500 corporations: The Kroger Company, Procter & Gamble, Cincinnati Financial Corp., Western & Southern Financial Group, Fifth Third Bancorp, American Financial Group, and Cintas. Four other local firms rank in the Fortune 1000: Hillenbrand Inc., Ohio National Mutual, E.W. Scripps, and Chemed.

According to REDI Cincinnati (Regional Economic Development Initiative), in 2021, a total of approximately $502.8 million in direct capital investment was generated from 67 economic development projects in Southwest Ohio. These projects also created 5,106 jobs and retained 10,306 jobs, with a total created payroll of $298.8 million. Notable clusters regarding capital investments included the food and flavoring sector at 66.9% followed by the advanced manufacturing sector at 16.9%. The capital investment from international projects accounted for 5% of the total capital investment, while domestic projects made up the remaining 95%. Notable

clusters in new jobs creation included information services and software with 40.46% of new jobs announced by REDI Cincinnati, food sciences and agriculture with 16% of new jobs, along with advanced manufacturing and logistics and distribution each representing 11% of new job growth.

Foreign Trade Zone (FTZ) status is also available in Greater Cincinnati and Northern Kentucky, providing firms with opportunities to reduce their international business costs through duty, tax and operational savings. Greater Cincinnati Foreign Trade-Zone, Inc. is the grantee for the FTZ program in the region. On their behalf, the program is managed by the Greater Cincinnati Development Authority – an Ohio Port Authority. An FTZ is a restricted-access site that is treated, for the purposes of tariff laws and Customs entry procedures, as being outside the Customs territory of the United States. Foreign Trade Zone service areas under Zones 46 and 47 are located within eight counties located in Southwest Ohio and Northern Kentucky. Zone 46 benefits: Festo Corporation, Hit Promotional Products, GE Aviation, Givaudan, Mane, and Valbruna Stainless; Zone 47 benefits: GE Engine Services, Krauss Maffei, Levi Strauss & Co., Marathon Petroleum, Mitsubishi, Trancy Logistics, and Valeo North America Inc.

The County is also the location of 20 major federal government installations representing the Department of Labor, Department of Commerce, Social Security Administration, Internal Revenue Service, Occupational Safety and Health Administration, U.S. Bankruptcy Court, U.S. Attorney's Office, Department of Human Services, Office of Secretary of Defense, Environmental Protective Services, Department of Energy, Federal Public Defenders Office, Federal Bureau of Investigation, Small Business Administration, Rail Road Retirement Service, Immigration Customs Enforcement, Federal Mediation Council, Drug Enforcement Administration, National Park Service, and the Food & Drug Administration.

Economic Development

Government and Community Development Agencies

There are a variety of state and local programs available to assist with development within Hamilton County. In addition, several non-profit organizations exist to respond to development needs throughout the County.

During the 2020-21 fiscal year, the *Alloy Development Company's* Economic Development Office (previously the Hamilton County Development Company) facilitated $165 million in new private business investments which will retain or create approximately 1,118 jobs in Hamilton County. In addition, Alloy Commercial Lending approved 13 SBA 504 Loans for $35.4 million with a total project investment of $90 million. The Alloy Growth Lab, one of the top 10 public business incubators in the world has over 70 member companies that innovate, create, and contribute to the overall economic growth and investment in Hamilton County. With a focus on coaching (over 5,000 coaching hours), capital, and community connections these companies accounted for over $10 million in capital investment and over $22 million in product sales in 2021.

The *Community Planning Division* of the County's Planning + Development Department provides expert planning services to member jurisdictions and fosters planning on multi-jurisdictional issues related to transportation, land use and the environment in

Hamilton County. Staff provides services, upon request, to 49 county municipalities that are members of the Commission and pay annual fees. Its services are tied to the annual work programs of the Board of County Commissioners, the Hamilton County Regional Planning Commission, the Planning Partnership, the First Suburbs Consortium of Southwest Ohio, and numerous other boards and commissions that are working to improve Hamilton County.

In recent years, the Community Planning Division has provided leadership on several important countywide and regional initiatives including the Mill Creek Alliance and Taking Root. The Mill Creek Alliance has received millions of dollars in grants to restore the Mill Creek and develop a greenway along the creek. Taking Root's goal is to plant one tree for every person in the region. The focus on these sustainability initiatives is important to Hamilton County residents because the improvements can be leveraged to help improve the quality of life for homeowners and businesses by reducing floods, beautifying landscapes, and improving water quality.

Beyond this work, the Community Planning Division is focused on supporting Hamilton County's jurisdictions by administering the Home Improvement Program (HIP), assisting with township land use plans, and administering the CDBG planning mini-grants.

The purpose of the *Regional Economic Development Initiative (REDI) Cincinnati* is to retain and expand existing regional businesses and attract new businesses and investment from across the globe. Led by a Board of Directors comprised of investors that represent leading business, governmental and civic organizations, REDI serves as the first point of contact for businesses locating or expanding in the Metropolitan Area. In 2021, REDI assisted companies in investing approximately $502.8 million on a total of 67 separate projects in southwest Ohio. These projects helped to bring an additional 5,106 new jobs and retain 10,306 current jobs. REDI also met with more than 268 existing companies in Southwest Ohio to help develop action plans for retention and future growth.

The *Port of Greater Cincinnati Development Authority* – an Ohio Port Authority ("The Port") is an economic development agency created to proactively seek and carry out projects that increase jobs, attract and retain residents and add to the region's prosperity. It is governed by a board of directors, made up of business and civic leaders, who serve voluntarily and are appointed in equal number by Hamilton County and the City of Cincinnati. In Ohio, port authorities have broad development-related powers and ability to partner with property owners, communities, municipalities, and non-profits. In its role as a public-sector partner in these collaborations, The Port has been able to deliver vehicles for financing major developments, obtain grants, serve as property owner, assist in regulatory approvals, and provide technical assistance to improve real estate in Hamilton County.

The Port has an active public finance program that is grounded in commercial real estate and redevelopment of complex sites for the purpose of stimulating private investment and job-creating operations. In 2021, The Port provided more than $250 million in bond financing for 13 projects throughout Hamilton County. The Port's financing projects in 2021 included the issuance of $6 million of multifamily housing revenue

obligations to facilitate the acquisition and rehab of the 66-unit Colonial Village Apartments by an affiliate of Related Affordable. Colonial Village is an affordable housing apartment complex located in the neighborhood of Avondale, and the apartment complex had fallen into disrepair and become a hotbed for criminal activity under the prior owner. Related Affordable has a proven track record in Hamilton County and nationally in leading reform at troubled housing communities and their acquisition and rehab of the apartment community has been well received by residents and community leaders.

The Port also manages the *Hamilton County Land Reutilization Corporation* ("Landbank"), which enables communities to return vacant, tax-foreclosed, and underutilized properties to productive use. Since 2012, the Landbank has put over 1,000 properties back to productive use and has administered $21.62 million in state and federal grant funding for the demolition of vacant and blighted homes in County neighborhoods.

Cincinnati Center City Development Corporation (3CDC) is a private, non-profit corporation with a strategic focus to strengthen the core assets of downtown by revitalizing and connecting the Fountain Square District, the Central Business District and Over-the-Rhine (OTR). Since 2004, 3CDC and its partners have invested over $1.6 billion in Cincinnati's Central Business District and OTR. $617 million of that investment, or 37%, is from CEF, CNMF and tax credit equity. This includes the $48 million overhaul of Fountain Square and the $48 million renovation of Washington Park. By the end of 2021, 3CDC had approximately $254 million in its development pipeline (projects completing construction, initiating construction, or in the final stages of planning/design/financing). In addition, 12 projects with a total value of $215.6 million are currently under construction, or in final stages of planning, design and financings, with plans to start construction within the next six months. These projects include The Foundry, Findlay Community Center, and August Flats.

Founded in 1994, *Downtown Cincinnati, Inc. (DCI)* is a non-profit organization with a mission to build a dynamic metropolitan center valued as the heart of the region. DCI supports this mission by providing unique services in three areas: safety and cleanliness, marketing and communications, and stakeholder services. As of January 2022, the Downtown Cincinnati area had $367.4 million in recently completed projects, $429 million in projects under construction and $477.6 million in proposed projects. Effective January 1, 2019, DCI merged with 3CDC. Both organizations are focused on making Downtown Cincinnati a vibrant, dynamic metropolitan center.

CincyTech is a public-private seed-stage investor whose mission is to strengthen the regional economy by driving talent and capital into scalable life science, human health and technology companies in Southwest Ohio. CincyTech's portfolio companies continue to create new jobs and raise capital at an accelerated pace. Since the launch of its first fund in 2007, CincyTech has invested in nearly 90 regional startups, and it is one of the most active seed funds in the Midwest. As of June 30, 2022, its portfolio companies employed over 1,250 people. Through 2021, cumulative investment in its portfolio companies surpassed $1.7 billion, including nearly $80 million from CincyTech seed funds and $1.6 billion in co-investment.

The *Minority Business Accelerator (MBA)* was established in 2003 as the result of the recommendations of the Cincinnati Community Action Now Commission. The program is focused on reducing disparity in the region's business community by driving economic activity for African-American and Hispanic-owned companies and increasing employment in underemployed segments of the region. Through FY 2021, the MBA has managed a portfolio of 67 minority firms in a variety of industries. With average annual revenues of $30 million apiece, these firms collectively employ over 3,500 people. The MBA has set a goal is to grow the annual revenues of the region's minority business enterprises by $1 billion and create 2,000 jobs by 2025. In 2021, the MBA received a $1.5 million grant from the U.S. Economic Development Administration to increase technology entrepreneurship, and in February 2022 received $300,000 from the PNC Foundation to address racial equity in of economic empowerment and entrepreneurship.

Uptown Cincinnati is the region's center of learning, research, and healthcare, and with over 75,000 employees, is the second largest employment hub in the Greater Cincinnati region. Formed in 2004, *Uptown Consortium, Inc. (UCI)* is a nonprofit community development corporation dedicated to Uptown Cincinnati. UCI brings local neighborhood, civic and institutional leaders together to focus on opportunities in transportation, safety, economic development, community inclusion and more. Members of the organization include Uptown Cincinnati's largest employers and the area's leading tourist attraction: Cincinnati Children's Hospital Medical Center, UC Health, TriHealth, the University of Cincinnati and the Cincinnati Zoo & Botanical Garden. It's estimated that Uptown, which includes the communities of Avondale, Clifton, Corryville, CUF and Mt. Auburn, has an estimated 46,721 residents and is home to 1,099 businesses employing an estimated 90,469 individuals. UCI spurs comprehensive development and revitalization in the neighborhoods of Uptown. To date, the Consortium's efforts have facilitated $1.4 billion in development projects (redevelopment, new construction, and neighborhood improvements) in Uptown Cincinnati, inducing over $2.4 billion in total project investments throughout Uptown.

Visit Cincy (formerly Cincinnati Convention and Visitors Bureau (CVB) drives economic impact through visitor/tourism spending within the Metropolitan Area, which provides 30,485 hotel and motel rooms for major events, vacations, business travel, and activities that take place in Hamilton County. The downtown area is home to the Duke Energy Convention Center, offering 750,000 square feet of meeting and exhibit space; and Sharonville Convention Center, in northern Hamilton County, offers 65,000 square feet of meeting and exhibit space.

As part of the downtown Convention Center District improvements, the former headquarter hotel connected to the convention center was demolished paving the way for a future convention center renovation and expansion in conjunction with a new headquarter hotel development projected to break ground in 2023 and opening in late 2025 or early 2026.

The Sharonville Convention Center is set to double its exhibit space from 20,000 square feet to 40,000 square feet with its upcoming expansion expected to be complete in July 2023. This expansion combined with the new Delta Hotel by Marriott and Third Eye

Brewery across the street are expected to attract more group and convention business to the Sharonville area and northern hotels.

2021 started with a significant COVID-19 surge and continued safety restrictions limiting group events to less than 300 attendees. The 2021 cancellation impact included 25 groups with an economic impact over $45 million. As of spring 2021, the Covid surge declined, and group size restrictions were lifted providing the opportunity for large groups and conventions to return. This combined with very strong leisure and regional travel demand, especially on weekends, fueled the start of the recovery from the pandemic. While navigating the evolving safety restriction and travel demand, Visit Cincy continued to focus on safety protocols while rebooking cancelled conventions and confirming new groups that will provide a future economic impact of $106 million throughout the county.

Although the ongoing impact of COVID-19 still constrains inbound travel, especially for large conventions, 2022 includes high-profile meetings and conventions that will bring in tens of thousands of new visitors to the region, such as Lessiter Publications, Dayton Juniors Volleyball, AAU Volleyball, National Private Truck Council, Midwest Homeschool, Cincinnati Flying Pig Marathon, Zeta Phi Beta Sorority, Educational Testing Service (ETS), Christian Methodist Episcopal Church, Ohio American Legion, Pure Romance, Entrepreneurs' Organization, Order of Eastern Star, Grand Chapter of Ohio, Child Neurology Society, Federal Energy Management Program and American Water Works Association.

Development Projects and Investments

The Banks, a collaborative project of the County and the City of Cincinnati to develop the riverfront property between the Reds and Bengals stadiums, has increased property tax revenues, income/sales/admissions tax receipts, and parking revenues. The Banks project is on track to create up to 1,800 residential units and bring over 5,000 new jobs to the riverfront. To date, over $1.7 billion in local, state, and federal funding has been leveraged in the form of infrastructure, sports facilities, museums, park space and transportation improvements.

The first phase of The Banks consists of 300 apartments, 100,000 square feet of retail space, 171 boutique hotel rooms, and a parking garage of over 2,600 spaces. An additional 371,000 square feet of office space (15-floors including two floors for 90 parking spaces) will be under construction in 2022-23. The second phase of the project includes 292 apartments, 20,000 square feet of retail, and 338,000 square feet of office space for the General Electric Global Operations Center (1,800 jobs, and added parking revenue and tax receipts to the region) and a parking garage of over 700 spaces. The third phase of The Banks completed a parking garage of over 700 spaces which is now ready for private-development above (the garage is designed to support dense, multi-use high-rise private development). Construction of the fourth phase of public infrastructure was completed July 2020 and includes a 300-space garage that supports both a 4,500-capacity new indoor music venue and 2.8 acres of new park (including a stage for up to 8,000 capacity outdoor music concerts). Future phases of The Banks will add residential, retail, hotel and commercial space as well as parking infrastructure are in the planning stages for anticipated completion in the next 10 years. Currently under construction is an interactive exhibit park for the Cincinnati Black Music Walk of Fame.

Private investment of $500-$600 million is anticipated in this development. A working group consisting of representatives of the City of Cincinnati and Hamilton County, and private development experts oversee The Banks development. Now approximately 60% complete, The Banks development already generates over $1 billion in annual economic impact.

Other recent and ongoing development projects and business investment in Hamilton County total in excess of $9.0 billion and are projected to create over 13,000 new jobs.

Among the largest projects are mixed-use district-wide projects such as The District ($500 million) and the Uptown Gateway ($200 million) projects in the uptown area by the University of Cincinnati (UC) and the surrounding hospitals. This area also includes a $650 million critical care building at Children's Hospital, a $251 million expansion and renovation of UC Health's Clifton campus, a $140 million facility modernization plan for Good Samaritan Hospital, a $110 million consolidated campus for the National Institute for Occupational Safety and Health, and the Cincinnati Innovation District, a first-of-its-kind partnership between JobsOhio, UC, Cincinnati Children's Hospital designed to build, retain and attract talent. JobsOhio expects to invest $100 million in the project over 10 years with the goal of generating $2 billion in research and real estate investments and creating 20,000 jobs. Another $589 million in projects in the vicinity include a 180,000-square-foot classroom building at UC, renovations to two UC residence halls, two colleges and the athletics center, and 1,000+ apartment units due by 2025.

Just east of the Uptown area, Walnut Hills/Mt Auburn has over $455 million in ongoing development including 1,900+ residential units, anchored by the $125 million mixed use development on the site of a former Kroger store.

Other district-wide developments include a 200-acre AeroHub advanced manufacturing innovation district in Evendale ($150 million), the Montgomery Quarter in Montgomery ($150 million), and the Madisonville Business District ($80 million+). The city of Norwood also appears ready for district-wide movement with a $100 million mixed-use development at the former U.S. Playing Card site, and an event center and office space renovation at the former Fidelity Professional Building.

The Gallery at Kenwood continues to expand development projects around the Kenwood Towne Center, adding $150 million for 248 apartments, a 115,000-square-foot class A office building, a 130-room hotel, and two first-floor restaurants. The Oakley area continues to draw mixed development as well, including Three Oaks, a $200 million, 30-acre residential development, as well as 316 new apartments and 26 townhomes near Oakley Station. Blue Ash is also a strong commercial center featuring expanding headquarter locations for Kroger technology, Belcan LLC (expecting $20 million in new payroll by 2024), Ensemble Health Partners (550 new employees), the Neighborhoods at Summit Park ($100 million, 108 residential units), and the mixed-use BLUE development ($80 million, 250 residential units).

In Springdale, the $1.3 billion Tri-County Mall mixed-use redevelopment is projected to include 2,300 residential units. Another $95 million in area development includes an additional 440 units. Just west in Forest Park, the former Forest Fair Mall is being demolished to create 1.5 million square feet of light industrial buildings on 90 acres.

The central business district and its surrounding neighborhoods also continue strong development, with over $1.4 billion in projects in addition to the $250 million FC Cincinnati soccer stadium. These include a $116 million apartment tower (264 units) at Fourth and Race, $107 million in Hilton brand hotels at Fourth and Walnut, a $92 million commercial space renovation of 180 Walnut, the $90 million City Club Apartments (300 units) at Fourth and Vine, the $89 million mixed-use renovation of the Textile Building on West Fourth, an $85 million expansion in canning operations at the Samuel Adams Brewery, an $81.5 million five-star Pendry Hotel at 602 Main, and an $80 million mixed-use renovation of multiple buildings at Liberty and Elm. Also in the vicinity: three more hotels (428 total rooms) and an additional 1,500+ residential units.

Local Recognition

Rank	Recognition	Source	Category	Year
1	Best startup model in U.S.	Barrett Digital	Business	2019
3	Business climate rankings	Site Selection Magazine	Business	2020
5	Best markets for future tech growth	Zillow	Business	2020
6	Best performing rust belt cities	Commercial Café	Business	2019
9	Top states for doing business: Ohio	Area Development Magazine	Business	2019
10	Best Midwest cities for startups	M25	Business	2020
1	Best cities for new college grads	SmartAsset	Livability	2021
1	Cities where renter can afford to live alone (4th consecutive year)	SmartAsset	Livability	2021
1	Ohio's most affordable city: Delhi Township	SmartAsset	Livability	2020
1	Best cities for new college grads	SmartAsset	Livability	2020
1	Best cities to pay down debt	LendingTree	Livability	2019
3	Cities Black Americans should consider for career growth	Travel Noire	Livability	2022
3	Best work-from-home value	LawnStarter	Livability	2021
3	Best cities for first-time homebuyers	Livability.com	Livability	2019
4	Best places to raise a family	Rocket Homes	Livability	2022
4	Access to public parks	Trust for Public Land	Livability	2022
6	Best cities for young professionals	SmartAsset	Livability	2020
6	Thriving U.S. job markets	LinkedIn	Livability	2020
7	Best cities for millennial moms	SmartAsset	Livability	2019
8	Best cities for finding a job in 2020	Forbes	Livability	2019
10	Top metro areas for Generation Z	Commercial Café	Livability	2021
11	Top job markets in the U.S. (from No. 42)	The Wall Street Journal	Livability	2020
1	Best regional airport in North America	Skytrax	Travel	2020
1	Best North American airport for customer service	Airports Council International	Travel	2019
1	Best marathon: Flying Pig	BibRave	Culture	2020
1	Best cities for beer drinkers	SmartAsset	Culture	2019
3	Best History Museums: National Underground Railroad Freedom Center	USA Today	Culture	2022
8	Best cities for runners	SmartAsset	Culture	2020

Transportation

The Cincinnati/Northern Kentucky International Airport (CVG), located approximately 12 miles (15 minutes) from downtown Cincinnati in Northern Kentucky, offers passenger service to more than 50 nonstop destinations, and more than 200 daily passenger and cargo flight operations. The airport also provides direct international service to Paris, Toronto, Cancun, Los Cabos, Montego Bay and Punta Cana. CVG is the seventh largest cargo airport in North America, 19th largest in the world, serving as one of DHL's three global super-hubs and the U.S. air hub for Amazon. In 2022, development at CVG includes terminal improvements, replacement of Concourse B passenger loading bridges, ramp and taxiway rehabilitation, and a second maintenance and repair hangar to be built by FEAM Aero. Hamilton County is also served by Lunken Airport in the City of Cincinnati and Cincinnati West Airport in the City of Harrison, both accommodating private corporate flights and aircrafts.

The Metropolitan Area is an important freight rail center. The region is served by two major railroad systems: CSX Transportation and Norfolk Southern Corporation. Sixty-four percent of all the rail miles in the region are operated by these two Class I railroads. Four short line or regional railroads operate within the OKI region: Indiana & Ohio Railway (IORY), Central Railroad of Indiana (CIND), Cincinnati Eastern Railroad (CET), and Indiana Eastern Railroad (IERR). All have over 479 miles of track serving local industry and the region including the CSX Transportation's Queensgate computerized yard. Amtrak also supplies passenger service to the area.

The Metropolitan Area is on the 15,000 mile Mississippi River inland waterway and intra-coastal canal system. The ports of the City of Cincinnati and Northern Kentucky is an inland port jurisdiction that includes 226.5 miles of commercially navigable waterways of the Ohio River and Licking River in Kentucky. The port boundary supports more than 70 active terminals, moving 36 million tons of cargo as of 2020.

Highways serving the Metropolitan Area include: U.S. Routes 22, 25, 27, 42, 50, 52 and 127 and Interstates 71, 74, 75, 275 and 471 and numerous state routes. I-70, 60 miles to the north, links the east and west coasts. There are several state routes that run through the county such as OH 3, 4, 125, 126, 264, 561, and 562. The area's highways carry over 900 interstate common motor freight carriers, with over 380 general freight trucking establishments and 44 freight forwarders located in the Metropolitan Area.

The Brent Spence Bridge, which connects Southwestern Ohio with Northern Kentucky along Interstates 75 and 71, carries 160,000-200,000 vehicles and 3% of the national Gross Domestic Product every day. A proposed project calls for the separation of local and through traffic on the bridge, with local traffic using the existing Brent Spence Bridge and through traffic on a new companion bridge. In May 2022, Ohio and Kentucky announced a joint submission of an application requesting nearly $1.67 billion in federal funding toward the $2.77 billion needed to complete the project.

The Southwest Ohio Regional Transit Authority (SORTA) provides public transportation services through two operating divisions, Metro and Access. Metro currently operates 47 fixed bus routes throughout Hamilton County, including both local service and commuter express service on weekdays during rush hours with limited reach into surrounding counties. Several routes operate 24 hours a day, and all local routes operate seven days a week, including holidays. Prior to the COVID-19 pandemic, Metro provided roughly 13 million rides in 2019. Since an initial drop in Spring 2020, Metro has rebuilt its local route ridership back to roughly 75% of this pre-pandemic level, as of Summer 2022. Access provides demand-response, shared-ride paratransit service in Hamilton County for persons whose disabilities prevent them from riding Metro fixed-route service. SORTA's Access fleet consists of 47 paratransit vehicles, all of which are lift-equipped. See "OTHER MAJOR COUNTY REVENUE SOURCES – Sales Tax – Sales Tax Levied under Section 5739.023" for information regarding the tax levy passed in 2020 to provide general revenues for operating the Metro system and finance public infrastructure projects.

The City of Cincinnati also features a streetcar system comprised of a 3.6-mile loop around the city's inner core, connecting The Banks, Great American Ballpark, downtown and Findlay Market.

The Hamilton County Transportation Improvement District and the Ohio Department of Transportation (ODOT), in cooperation with other local Eastern Corridor Project sponsors, including Clermont County, the City of Cincinnati, SORTA/Metro and the Ohio-Kentucky-Indiana Regional Council of Governments (OKI) are currently developing and advancing identified feasible portions of the Eastern Corridor multi-modal transportation project, which will use various forms of transportation (highway/rail/bus/bike) to improve connecting the east side to downtown Cincinnati. These transportation improvements will provide regional access, support workforce development by linking people to jobs with more transportation choices, and increase opportunities for new housing development within the Metropolitan Area's urbanized neighborhoods.

ODOT's Thru the Valley redevelopment project is a seven-phase project that began in May 2004 and involves the widening and reconstruction of I-75 from Paddock Road to I-275 in Hamilton County. The goals of this project are to improve safety and ease congestion on I-75, increase regional mobility and provide transportation solutions that are compatible with local land use plans. Currently, Phases 1 and 2, are under construction. Multiple other phases of the project are expected to follow in future years and the project's total estimated cost is between $500-600 million.

The Western Hills Viaduct connects Interstate 75 and major roads on the west side of Hamilton County to the downtown and uptown areas of Cincinnati. It is a major transportation link that carries more than 55,000 vehicles a day. The City of Cincinnati and Hamilton County are leading a joint effort to replace the 90-year-old viaduct. The team has secured $152 million of the $398 million needed to build a new "extradosed" bridge immediately to the south of the current viaduct. Site preparation is beginning in 2022. The existing viaduct will remain in place for through traffic until the new bridge is finished in 2030.

Healthcare Industry

There are 23 acute care hospitals in the Metropolitan Area. Within Hamilton County, there are 11 acute care facilities, including the Veterans Affairs Medical Center and Cincinnati Children's Hospital Medical Center.

Recently, there have been a number of new developments within the healthcare industry:

- UC Health built an outpatient center in Coryville that treats people with neurological and psychiatric diseases. Completed April 2019, $68 million.

- TriHealth created a neuroscience institute at Good Samaritan Hospital in partnership with Mayfield Brain & Spine. Completed in 2019, $40 million.

- TriHealth expanded the Bethesda North Hospital campus by constructing a new clinical building devoted to cancer care. Completed January 2020, $85 million.

- TriHealth expanded the Good Samaritan Western Ridge Ambulatory Campus in Green Township by 88,000 square feet for the offering of primary care services in addition to cancer and cardiovascular programs. Completed December 2020, $56.6 million.

- Cincinnati Children's Hospital has constructed a 632,500 square-foot critical care building. Completed November 2021, $650 million.

- UC Health is expanding and renovating its emergency department and constructing a new surgical pavilion. Expected December 2024, $251 million.

- TriHealth is building a 55,000 square-foot ambulatory campus in Finneytown. Expected August 2023, $30 million.

- Cincinnati Children's Hospital is constructing a 170,000 square-foot building in College Hill to bolster mental and behavioral health services. Expected December 2023, $99 million.

- TriHealth Bethesda North is adding 40,000 square feet and renovating 80,000 square feet at its heart hospital. Expected March 2024, $85 million.

- Good Samaritan Hospital is implementing a five-year facility modernization plan. Expected June 2026, $140 million.

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Education

Public Library of Cincinnati and Hamilton County. The Public Library of Cincinnati and Hamilton County serves 49 separate jurisdictions that are economically, educationally, and ethnically diverse. The library is one of the largest, oldest, and most heavily used in America. In 2021, over 17.4 million items were borrowed, including 4.7 million digital checkouts, as well as 4.6 million engagements with research databases and other digital resources. For the ninth consecutive year the library was recognized as a Five-Star Library by Library Journal, one of only two in the nation. On May 8, 2018, County voters approved an additional 1-mill operating levy for 10 years. The revenues from the additional levy will allow the Library to continue to grow and complete capital projects in a timely manner. The total 2.0 mills in property tax levy collections for 2021 were $39.5 million.

Colleges and Universities. In the Metropolitan Area, there are over 19 colleges and universities with a combined enrollment of over 115,000. Current enrollments at the largest institutions are set forth below:

College/University	Enrollment
University of Cincinnati	46,710
Miami University	23,045
Northern Kentucky University	15,752
Cincinnati State Technical & Community College	8,205
Xavier University	6,418
Gateway Community & Technical College	5,417

Other colleges in the area include Hebrew Union College, a graduate seminary for rabbinical studies; Thomas More College; Mount St. Joseph University; and the national headquarters of the Union Institute adult distance learning center. In addition, there are many specialized institutions, including the Art Academy of Cincinnati.

Colleges and universities located in Cincinnati continue to invest in initiatives to improve their campuses.

- University of Cincinnati (UC) opened in 2019 new buildings for its College of Business ($120 million) and College of Allied Health Science ($61 million). Calhoun Hall, an 822-bed residence ($80 million) is expected in 2022 and Clifton Court Hall, a 180,000 square-foot classroom building ($93 million), in 2023. Also underway: a renovation of the Old Chemistry building ($95 million, 2025), a renovation of the athletic center ($70 million, 2025), a renovation of Siddall residence hall ($60.5 million, 2025) and a renovation of the former College of Business for the College of Law ($45.6 million, 2022).

- Xavier University (XU) opened its Health United Building ($54 million) in January 2020, including classrooms for health-related academic programs, a new fitness and recreation center and a new health and wellness space. It is also expanding the Cintas Center to add a training center and second practice gym ($10 million, 2022).

Elementary and Secondary Education. Public elementary and secondary education is provided by 22 independent school districts, supplemented by a county vocational school district. In addition, there are a variety of education options at parochial schools of various denominations, Montessori schools and private non-affiliated academies. The Roman Catholic Archdiocese of Cincinnati maintains a system of 111 schools, among the largest private systems in the United States.

Utilities

The County's electric and gas provider is Duke Energy, the nation's largest utility company. Duke Energy serves approximately 8.2 million electric customers and 1.6 million gas customers, of which 880,000 electric customers and 550,000 gas customers reside in Southwest Ohio and Northern Kentucky (the only Duke service areas in the two states). The company has approximately 50,000 megawatts of electric generating capability. Cincinnati is near the center of one of the nation's largest concentrations of electrical power. The County is close to the coal mines of Ohio and the Appalachian states, and coal is barged on the Ohio River directly from these areas. The plants of Duke Energy are connected to those of other utility companies in the Ohio River Valley and to a regional network of high voltage lines, providing an accessible source of reserve capacity.

Cincinnati Bell Telephone provides telecommunications services and advanced voice, data, internet, and entertainment services to business and residential customers in the region. As of the fourth quarter of 2021, Cincinnati Bell provided services for 101,200 voice lines, as well as 283,000 internet subscribers, and 123,300 video subscribers.

Water is principally furnished by the municipally-owned utility of Cincinnati (Greater Cincinnati Water Works), although other municipalities serve area systems. Supplies consist of surface water and ground water. The Ohio River and the Miami Watershed provide an abundant water supply.

The Metropolitan Sewer District of Greater Cincinnati (MSD), a County Sewer District under Ohio law, is owned, governed and financed by the County, but its operation is handled by the City of Cincinnati under an agreement with the County. MSD operation is County-wide. The operating agreement between the County and the City scheduled to expire as of September 30, 2018 has been extended until further order of the U.S. District Court, Southern District of Ohio.

Several municipal solid waste collection departments serve the Metropolitan Area.

Fire and Police Services

Fire protection in the County is provided by a blend of village, city, township and joint fire districts. These fire departments all have mutual aid agreements in place. The fire departments in Hamilton County are a mix of full-time, part-time and volunteer firefighters. Many departments have 24-hour staffing but others staff differently based on community need and available funding.

Hamilton County's 37 cities and villages provide their own police services, with the exception of Silverton, Lincoln Heights, Cleves and North Bend, which receive patrol support under contract with the County Sheriff's Office. The Sheriff's Office also provides supplemental

patrol services to five of the 12 townships in Hamilton County: Anderson, Columbia, Miami, Sycamore, and Symmes Townships.

The County Sheriff's department consists of a Sheriff and 955 full-time employees. These employees are found within three divisions: Court Services, Enforcement and Corrections Division. In addition to enforcing the laws of the State of Ohio, preserving the peace, and protecting life and property, the Sheriff's divisions oversee County adult detention facilities, County court security, public auction of foreclosed and tax default properties, service of indictments and warrants, extradition of fugitives traffic accident reports and citations, the sexual offender registration and notification program, and the concealed weapons license program.

Print and Broadcast Media

The County has one daily newspaper of general circulation, the *Cincinnati Enquirer*, as well as many local community newspapers. Weekly publications include the *Cincinnati Business Courier*, the *Cincinnati Herald,* an African-American newspaper, and *Cincinnati CityBeat,* an arts and issues newspaper. Monthly and online publications include *Cincinnati Magazine, Cincy: The Magazine for Business Professionals,* and *Movers & Makers Cincinnati*. Six television stations are available in addition to cable television. Twenty-two AM and FM radio stations complement the area's communication capabilities.

Culture and Recreation

Hamilton County has a thriving arts and culture scene that includes nationally recognized cultural organizations and vibrant neighborhood arts districts. The Cincinnati Symphony Orchestra, May Festival Chorus, and the Cincinnati Opera call the century-old Music Hall home. The Aronoff Center for the Arts hosts a wide range of productions including the Broadway Series, Cincinnati Boychoir, Cincinnati Music Theatre, Cincinnati Playwrights Initiative and several contemporary dance companies. Also available in the area are Cincinnati Playhouse in the Park, Ensemble Theater Cincinnati, Cincinnati Shakespeare Company, and the contemporary Know Theatre. Music and Event Management, associated with the Cincinnati Symphony Orchestra, manages concert venues Riverbend Music Center, the Taft Theater, and the new Brady Center at The Banks on the riverfront. The US Bank Arena and BB&T Arena at Northern Kentucky University host a variety of events including college basketball, rodeo, circus and musical concerts. More than 20 community-based arts centers throughout the region bring families and neighbors together for performances, arts learning, and more. Arts districts like Over-the-Rhine combine fine dining, galleries, and theaters that attract visitors and create economic vibrancy.

The Tony-Award winning Cincinnati Playhouse in the Park has announced a $46.3 million renovation to its main stage and theater complex, slated to be complete in the spring of 2023. The Cincinnati Ballet completed a new $30 million dance center in Walnut Hills in September 2021.

Local museums include the Cincinnati Art Museum, the Contemporary Art Center, the Taft Museum of Art, the Krohn Conservatory, the Cincinnati Fire Museum, The National Underground Railroad Freedom Center and the Museum Center at Union Terminal, which includes the Museum of Natural History and Science, the Cincinnati History Museum and the Duke Energy Children's Museum. The area has higher education institutions in art and design including University of

Cincinnati's College-Conservatory of Music; UC College of Design, Art, Architecture and Planning; and the Art Academy of Cincinnati. The School for Creative and Performing Arts is a magnet K-12 public arts school.

The City of Cincinnati is also well known for its festivals, including the famous Oktoberfest Zinzinnati (the world's largest Oktoberfest outside of Munich, Germany), Bockfest, Summerfair, Riverfest, Taste of Cincinnati, the Cincinnati Fringe Festival, the Midwest Regional Black Family Reunion, and the BLINK light, art and projection mapping event. The Cincinnati Music Festival featuring hip-hop, R&B and soul artists attracts 80,000 visitors to Paul Brown Stadium every July. It is one of the largest urban music festivals in the country, and the largest annual weekend tourism driver in the region, generating $110 million in economic impact.

The Metropolitan Area offers many sports based entertainment options. These include professional teams such as the Cincinnati Reds (Major League Baseball), Cincinnati Bengals (National Football League), Cincinnati Cyclones (East Coast Hockey League), and FC Cincinnati (Major League Soccer). In addition, local colleges and universities offer competitive sports programs which have strong local followings (Xavier University, University of Cincinnati, Northern Kentucky University, and Miami University). Nearby in northern Kentucky, residents can enjoy minor league baseball (Florence Y'Alls in the Independent Frontier League), motor car racing (Kentucky Speedway), and horse racing (Belterra and Turfway Parks). The region is also host to the Western & Southern Open professional tennis tournament.

FC Cincinnati joined Major League Soccer (MLS) in 2019 as the league's newest expansion team. FC Cincinnati has relocated to the West End, an underdeveloped area northwest of the central business district. The new stadium and surrounding development will connect the West End to existing development in Over-the-Rhine and the central business district to provide vitality and vibrancy to this emerging neighborhood. Construction on the new stadium began in 2018 and was completed in spring 2021. The cost of the stadium was $250 million and has a seating capacity of 26,000.

Hamilton County recreational attractions include Coney Island Amusement Park, and the OMNIMAX theater, the Hard Rock Casino, and Belterra Park Gaming and Entertainment Center. In close proximity to the County are: Kings Island Amusement Park; Perfect North Slopes; Hollywood, Belterra and Grand Victoria casinos; and the Tournament Players Club golf course at River's Bend.

In addition to The Banks development described earlier in the economic development section, the Ohio riverfront also features various gathering places such as Smale Riverfront Park, Sawyer Point and Bicentennial Commons. The John & Phyllis Smale Riverfront Park is a 45-acre park that includes the Schmidlapp Stage and Event Lawn, a carousel, and an adventure playground. The 22-acre Sawyer Point Park site is just east of Smale Park and features a performance pavilion, eight outdoor tennis courts, three sand volleyball courts, a world class playground, the Armelder Memorial Sprayground, the Serpentine Wall and the Public Landing. Across the river in Kentucky, the Newport on the Levy entertainment complex, including the Newport Aquarium as well as numerous restaurants and retail stores, is located on a 15-acre site in Newport, Kentucky. It includes the first Hofbrauhaus brewery and restaurant in North America.

Great Parks of Hamilton County protects over 17,700 acres, including four conservation areas, making it the largest landowner in Hamilton County. These natural areas feature a picturesque collection of natural habitats, from wetlands to prairies to mature forests. Seventeen developed parks offer a variety of recreation opportunities for area residents and include four lakes for fishing and boating, seven golf courses, three campgrounds, dozens of playgrounds and picnic areas and more than 78 miles of trails. Great Parks is an independent political subdivision operating under the Ohio Revised Code. The park district is funded by a 10-year 1.0 mill tax levy and a 10-year 0.95 mill levy, along with 0.03 mills of inside millage, user fees, and motor vehicle permits.

The Cincinnati Zoo and Botanical Garden, the nation's second oldest and one of the top zoos in the country, is internationally known for its success in the protection and propagation of endangered animals and plants. The zoo is consistently rated one of the top five zoos in the nation by Zagat Survey and attracts over 1.6 million visitors a year. The zoo is supported, in part, by a voter-approved tax levy.

Demographic Information

Hamilton County has witnessed the same suburban spread seen in many cities throughout the Midwest and Northeast which is reflected in the decrease in population from 845,303 in 2000 to a low of 800,362 in 2011 before an upswing to 830,639 in 2020, as set forth in the table below. Despite this aggregate population decrease, Hamilton County, the City of Cincinnati and local development organizations continue to promote investment in and around the area to revitalize the region's core.

Population	1970	1980	1990	2000	2010	2020[a]
Hamilton County	925,944	873,136	866,228	845,303	802,374	830,639[b]
City of Cincinnati	453,514	385,457	364,040	331,285	296,943	309,317
Metropolitan Area[c]	1,689,873	1,741,049	1,832,313	1,994,830	2,130,151	2,256,884

[a] U.S. Census Bureau, 2020 Decennial Census

[b] Total 2020 population provided by the U.S. Census Bureau for Hamilton County as a whole differs from the sum of the 2020 population data provided by the U.S. Census Bureau for the incorporated and unincorporated areas in the tables which follow. Per OMAC, the data for the unincorporated areas (townships) may include incorporated portions of townships.

[c] The population for the Metropolitan Area is based on the delineation by OMB of the metropolitan statistical area which included the County in the year referenced. The current delineation of the Metropolitan Area was established by OMB in 2013 (OMB Bulletin No. 13-01, February 28, 2013).

Source: U.S. Census Bureau, OMAC, and Ohio Development Services Agency, Office of Research (A State Affiliate of the Bureau of the Census).

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Population of Incorporated Areas – 2020 Census

Addyston	927	Madeira	9,487
Amberley	3,840	Mariemont	3,518
Arlington Heights	823	Milford*	27
Blue Ash	13,394	Montgomery	10,853
Cheviot	8,658	Mount Healthy	6,996
Cincinnati	309,317	Newtown	2,702
Cleves	3,414	North Bend	835
Deer Park	5,432	North College Hill	9,663
Elmwood Place	2,087	Norwood	19,043
Evendale	2,669	Reading	10,600
Fairfax	1,768	St. Bernard	4,070
Forest Park	20,189	Sharonville*	11,572
Glendale	2,298	Silverton	4,908
Golf Manor	3,814	Springdale	11,007
Greenhills	3,741	Terrace Park	2,355
Harrison City	12,563	The Village of Indian Hill	6,087
Lincoln Heights	3,144	Woodlawn	3,916
Lockland	3,514	Wyoming	8,756
Loveland*	9,705		
		TOTAL	537,692

*Figures include only the number of people living in the County.
Source: U.S. Census Bureau, 2020 Decennial Census (population data). Hamilton County, Ohio. "Local Jurisdictions." www.hamiltoncountyohio.gov/about/about_hamilton_county/jurisdictions, as accessed on August 15, 2022 (list of incorporated areas).

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Total Population in Unincorporated Areas – 2020 Census

Anderson	44,088
Colerain	59,239
Columbia	4,446
Crosby	6,030
Delhi	28,760
Green	60,424
Harrison	14,288
Miami	15,969
Springfield	35,862
Sycamore	19,563
Symmes	15,642
Whitewater	6,375
TOTAL	310,686[†]

[†] Total 2020 population provided by the U.S. Census Bureau for Hamilton County as a whole (see first table under "Demographic Information") differs from the sum of the 2020 population data provided by the U.S. Census Bureau for the incorporated and unincorporated areas (see second table and this third table under "Demographic Information"). Per OMAC, the data for the unincorporated areas (townships) may include incorporated portions of townships.

Source: U.S. Census Bureau, 2020 Decennial Census (population data). Hamilton County, Ohio. "Local Jurisdictions." www.hamiltoncountyohio.gov/about/about_hamilton_county/jurisdictions, as accessed on August 15, 2022 (list of unincorporated areas).

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Employment

The average employment and weekly earnings of workers in the Cincinnati-Middletown Metropolitan Statistical Area (which includes Hamilton, Warren, Clermont and Brown Counties) are as follows:

Nonagricultural Employment and Average Weekly Earnings
Cincinnati-Middletown Metropolitan Statistical Area
(Includes the County)

Earnings	Employment *(in thousands)*[*]	Average Weekly Earnings[**]
Manufacturing	117,300	$961.60
Durable Goods	66,100	1,000.70
Transportation Equipment	21,100	1,171.30
Nondurable Goods	51,200	884.82
Chemical Manufacturing	12,800	N/A
Service Industries	811,500	N/A
Trade, Transportation, Utilities	224,400	N/A
Wholesale Trade	57,900	1,108.20
Retail Trade	101,000	564.19
Transportation, Warehousing, Utilities	65,500	N/A
Financial Activities	76,000	1,082.36
Finance and Insurance	61,800	N/A
Insurance, Carriers and Related Activities	28,000	N/A
Health Care and Social Assistance	147,700	782.88

[*] Source: Ohio Department of Job & Family Services, Labor Market Review, June 2022.
[**] Source: Ohio Department of Job & Family Services, Average Weekly Earnings for Nonsupervisory Employees, June 2022. The amounts listed above represent State averages.

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Largest Employers in Metropolitan Area

	Employer	Nature of Business	Approximate Number of Employees
1.	Kroger Co.	HQ – Retail	18,000[(a)]
2.	Cincinnati Children's Hospital	Health Care	16,478
3.	TriHealth Inc.	Healthcare	12,000
4.	St. Elizabeth Healthcare	Health Care	10,282
5.	University of Cincinnati	Education	10,196
6.	UC Health	Healthcare	10,112
7.	The Procter & Gamble Company[†]	HQ – Consumer Products	10,000
8.	GE Aviation	HQ - Aerospace	9,000
9.	Bon Secours Mercy Health	Healthcare	7,700
10.	Fifth Third Bancorp[†]	Financial	7,521
11.	Cincinnati Public Schools	Education	6,500
12.	Christ Hospital Health Network	Healthcare	6,238
13.	Amazon.com LLC	Retail	6,000
14.	City of Cincinnati	City Government	5,800
15.	Fidelity Investments	Financial Services	4,675
16.	Hamilton County	County Government	4,500
17.	Boone County Schools	Education	3,800
18.	Miami University	Education	3,723
19.	Skyline Chili Inc.	Restaurant Chain	3,600
20.	Cincinnati Financial Corp.	Financial Institution	3,459
21.	Kings Island	Amusement Park	3,000
22.	Macy's Inc.	Retail	3,000[(b)]
23.	U.S. Bank National Association	Financial Institution	3,000[(b)]
24.	State of Ohio	State Government	2,989
25.	Anthem Blue Cross and Blue Shield in Ohio	Health Insurance Provider	2,500

* *The Metropolitan Area includes Brown, Butler, Clermont, Hamilton and Warren counties in Ohio, Boone, Bracken, Campbell, Gallatin, Grant, Kenton and Pendleton counties in Kentucky, and Dearborn, Franklin and Ohio counties in Indiana.*

[(a)] Figure represents store employees only.

[(b)] 2020 data unavailable.

[†]Fortune 500 company with headquarters located in Greater Cincinnati.

Source: *Cincinnati Business Courier 2021-2022 Book of Lists* (Ranked by local employees as of December 2021)

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Unemployment Statistics. The following table lists the unemployment rates for Hamilton County, the State of Ohio and the United States for the five most recent years and the unemployment rates for the most recent month for which such data is available. The figures are expressed in percentages and represent the ratio of the total unemployed to the total labor force. The monthly data is not seasonally adjusted.

Unemployment Statistics*

Year	Hamilton County	State of Ohio	United States
2017	4.4%	5.0%	4.4%
2018	4.1	4.5	3.9
2019	3.8	4.2	3.7
2020	7.9	8.2	8.1
2021	4.9	5.1	5.3
June, 2022	4.1	4.5	3.8

* Not seasonally adjusted
Source: Ohio Bureau of Employment Services, Ohio Labor Market Information: Civilian Labor Force Estimates.

The chart below provides employment data for Hamilton County.*

Year	Total Labor Force	Total Employment	Unemployment	Percent Unemployed
2017	412,800	394,800	18,100	4.4%
2018	414,700	397,700	17,000	4.1
2019	419,900	403,800	16,100	3.8
2020	412,500	380,100	32,400	7.9
2021	415,200	395,000	20,200	4.9
June, 2022	416,800	399,900	17,000	4.1

* Not seasonally adjusted
Source: Ohio Bureau of Employment Services, Ohio Labor Market Information: Civilian Labor Force Estimates

Income and Housing Data

The following shows the estimated Median Household Income, Per Capita Money Income and Median Home Value for 2020 for Hamilton County in comparison to the State of Ohio and the United States:

	Hamilton County	State of Ohio	United States
2020 Median Household Income	$59,190	$58,116	$64,994
2020 Per Capita Income	37,028	32,465	35,384
2020 Median Home Value	163,000	151,400	229,800

Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates (2015-2019).

Building Permits

The County issues building permits for the unincorporated areas as well as 11 municipalities which contract with the County for this service. The remaining 27 municipalities issue their own building permits. The chart below indicates the number of permits and their estimated value for the County and its contracting municipalities, as well as the cities of Cincinnati, Montgomery, Blue Ash and Sharonville for the last five years.

County and Contracting Municipalities

Year	No. *	Est. Value
2017	5,034	$484,757,480
2018	5,378	403,282,398
2019	5,682	461,444,000
2020	5,131	360,036,031
2021	5,616	409,391,507

	Cincinnati		Blue Ash	
Year	No.	Est. Value	No.	Est. Value
2017	11,090	$843,278,000	755	$53,188,509
2018	10,877	752,270,000	870	148,797,750
2019	10,790	843,660,000	815	141,831,767
2020	10,517	1,071,642,000	642	59,376,317
2021	10,242	743,943,192	672	49,384,423

	Montgomery		Sharonville	
Year	No.	Est. Value	No.	Est. Value
2017	393	$27,852,211	620	$142,378,525
2018	484	217,495,615	535	28,007,122
2019	466	32,919,534	638	34,615,741
2020	502	41,594,037	573	21,794,039
2021	635	190,979,627	616	28,831,076

* Includes sub-permits in total permit count by the County.
Source: Building and Infrastructure, Hamilton County Department of Planning and Development, Building Inspectors of respective cities.

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FINANCIAL MATTERS

Introduction

The County's fiscal year corresponds with the calendar year.

The administrative functions of the County are performed by or under the supervision of the following:

1. Overall planning and development, the Board of County Commissioners.

2. Assessment of real and personal property, as well as financial control functions, the County Auditor.

3. Inspection and supervision of the accounts and reports of the County as required by law, the State of Ohio Office of Auditor.

4. Public utility property assessment, the State of Ohio.

The County currently has no material sum of monies invested in banks or savings and loans that are not insured by FDIC or FSLIC.

Budgeting, Tax Levy and Appropriations Procedure

Detailed provisions for County budgeting, tax levies and appropriations are made in the Revised Code. The procedures involve collective review by County officials at several stages.

County budgeting for a fiscal year formally begins in July of the prior year with the preparation and adoption of a tax budget for the fiscal year. With respect to payment of debt service in the fiscal year, the tax budget must show the amounts required, the estimated receipts from sources other than property taxes for payment, the net amount for which a property tax levy must be made, and the portions of that levy to be inside and outside the ten-mill tax rate limitation (see "COUNTY DEBT AND OTHER LONG TERM OBLIGATIONS - "Indirect Debt Limitations" herein). The modified tax budget is then presented for review by the County Budget Commission comprised of the Auditor, Treasurer and Prosecuting Attorney of the County.

The County Budget Commission reviews the budget and, with respect to debt service, determines and approves levies for debt service inside and outside the ten-mill rate limitation. The law expressly provides that "if any debt charge is omitted from the budget, the commission shall include it therein." Upon approval of the modified tax budget, the County Budget Commission certifies the estimate by the County Auditor of the tax rates inside and outside the ten-mill tax limitation. Thereafter and before the end of the then calendar year, the Commissioner of the Department of Tax Equalization approves the tax levies and certifies them to the proper officials. The tax rates are then reflected in the tax bills sent to property owners. Real property taxes are payable in two installments, the first usually in January and the second in June.

The Commissioners adopted the calendar year appropriation for 2022 on December 16, 2021. Annual appropriations may not exceed the County Budget Commission's official estimates of resources, and appropriation measures are to be certified by the County Auditor as not appropriating more moneys than set forth in those latest official estimates.

Financial Reports and Examinations of Accounts

Under current law, the County is required to prepare financial reports in accordance with generally accepted accounting principles, as applied to government units. The accounting procedures prescribed by the State Auditor, applicable to all counties in Ohio, are the generally accepted government accounting principles as promulgated by the Governmental Accounting Standards Board (GASB), Codification of Governmental Accounting and Financial Reporting Standards, June 30, 2004, and the Industry Audit Guide of the American Institute of Certified Public Accountants, entitled Audits of State and Local Governmental Units. Those publications, among other things, provide for the preparation of financial statements. The County's basic financial statements consist of government-wide statements and fund financial statements.

1. The government-wide statements display information about the County as a whole. These statements include the financial activities of the primary government and its component unit. The statements distinguish between those activities of the County that are governmental, which normally are supported by taxes and intergovernmental revenues, and those that are considered business-type activities, which rely to a significant extent on fees and charges for support.

2. Fund financial statements are designed to present financial information of the County at a more detailed level that aligns with the function or activities related to the various financial transactions. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Separate financial statements are provided for the agency funds, even though they are not included in the government-wide statements. (Agency funds are custodial in nature, i.e., assets equal liabilities, and do not involve measurement of results of operations. These funds account for (1) assets held by the County as agent for other entities and (2) various taxes, assessments and state shared resources collected on behalf of other local governments.)

The County's accounting system tracks financial activity by fund, and each fund is a distinct self-balancing accounting entity. For financial reporting, the modified accrual basis of accounting is followed for governmental funds. Revenues are recognized in the period when measurable and available to meet obligations incurred during the year. The County defines available as meaning collectible within sixty (60) days of year-end. Governmental funds' expenditures are recognized when the related liability is expected to be liquidated with expendable available financial resources, except interest on long-term debt, which is recorded when due.

Proprietary funds' financial transactions are recorded on the accrual basis of accounting: revenues are recognized when earned and measurable, and expenses are recognized as incurred. Unbilled service charges receivable are recognized as revenue at year-end.

The Auditor's Finance Department is responsible for the auditing analysis of all purchase orders and vouchers of the County. As these documents are received, they are carefully examined to ensure their legal nature, their use of proper accounts and the availability of funding prior to payment.

INSURANCE

Hamilton County uses several risk management techniques of "risk transfer" and "transfer of risk financing" to limit its financial exposure in those areas where the County has liability exposure. Hamilton County is self-funded for general, public officials and automobile liabilities. The County has established a reserve fund to pay potential court-ordered judgments and on December 31, 2021, this amounted to $265,526. The County also participates in a workers' compensation program administered through the Ohio Bureau of Workers' Compensation (OBWC). Separate insurance policies are procured for buildings and contents, and County-owned equipment.

As a general rule, Ohio law provides that political subdivisions such as the County have an immunity from liability in damages for injury, death, or loss to persons or property allegedly caused by an act or omission of such political subdivisions or their employees in connection with governmental and proprietary functions, as defined in the Ohio statutes. This law has no effect on actions based on contract and any liability imposed by federal law or other federal cause of action. Pursuant to Ohio law, there are, however, five areas in which a county may be held liable for such loss. These include the negligent operation of a motor vehicle on public roads, highways or streets; negligent performance of proprietary functions; negligent failure to remove obstructions from public roads or to keep public roads, highways, streets, sidewalks, bridges or public grounds open, in repair, and free from nuisance; negligence of employees within or upon the grounds of buildings used in the performance of governmental functions which buildings have physical defects within or upon the grounds thereof, but excluding jails, juvenile detention workhouses and other detention facilities; and liability specifically imposed by law. Ohio law imposes a two-year statute of limitations, prohibits the garnishment or judicial sale of assets and funds of political subdivisions and puts limits on the damages that may be recovered from such political subdivisions. The political subdivision is also required to indemnify and defend its officers and employees when the officer or employee was acting in good faith and within the scope of its duties. No punitive or exemplary damages can be recovered, and any insurance benefits are deducted from any award against a political subdivision. Although there is no limitation with respect to compensatory damages representing a person's economic loss, there is a $250,000 per person ceiling on the compensatory damage that represents a person's noneconomic loss in cases other than wrongful death, in which case there is no maximum limitation.

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INVESTMENT POLICY OF THE COUNTY

The County is limited by Ohio law, ORC Chapter 135 and the Uniform Depository Act on its investments. Chapter 135 of the Revised Code sets forth the requirements and limitations for investments of the state's political subdivisions, including the County. Under Section 135.35 of the Revised Code, the County Treasurer may invest its funds as follows:

Nothing in the classification of eligible securities and obligations set forth in (A) of this section or in the classifications of eligible securities and obligations set forth in (B) through (I) of this section shall be construed to authorize any investment in stripped principal or interest obligations of such eligible securities and obligations.

(A) United States Treasury bills, notes, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States.

(B) Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities.

(C) Time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts, in any eligible institution mentioned in Section 135.32 of the Revised Code.

(D) Bonds and other obligations of this state or the political subdivisions of this state, provided that such political subdivisions are located wholly or partly within the same county as the investing authority and the bonds and other obligations of political subdivisions mature within ten years from the date of settlement.

(E) No-load money market mutual funds consisting exclusively of obligations described in (A) or (B) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions mentioned in Section 135.32 of the Revised Code.

(F) The Ohio subdivision's fund as provided in Section 135.45 of the Revised Code.

(G) Securities lending agreements with any eligible institution mentioned in Section 135.32 of the Revised Code that is a member of the Federal Reserve System, Federal Home Loan Bank, or with any recognized United States government securities dealer meeting the description in Section 135.35 of the Revised Code, under the terms of which agreements the investing authority lends securities and the eligible institution or dealer agrees to simultaneously exchange either securities described in (A) or (B) of this section or cash or both securities and cash, equal value for equal value.

(H) Up to forty percent of the County's total average portfolio in either of the following investments: Commercial paper notes issued by an entity as defined in Section 1705.01 of the Revised Code and that has assets exceeding $500 million dollars to which notes all of the following apply:

(1) at least two nationally recognized rating agencies rank the commercial paper in their highest classification;

(2) the aggregate value of the notes does not exceed ten percent of the aggregate value of the outstanding commercial paper of the issuing corporation;

(3) the notes mature not later than 270 days after purchase; and

(4) the investment in commercial paper notes of a single issuer does not exceed in the aggregate five percent of interim moneys available for investment at the time of purchase.

(I) Bankers acceptances of banks that are insured by the Federal Deposit Insurance Corporation and to which both of the following apply:

(1) the obligations mature not later than 180 days after purchase; and

(2) the obligations are eligible for purchase by the Federal Reserve System.

(J) Written repurchase agreements with any eligible institution mentioned in Section 135.32 of the Revised Code or any eligible securities dealer pursuant to Section 135.35 of the Revised Code, under the terms of which agreement the investing authority purchases and the eligible institution or dealer agrees unconditionally to repurchase any of the securities listed in sub-sections (B)(1) to (5) of Section 135.18 of the Revised Code. The market value of securities subject to an overnight repurchase agreement must exceed the principal value of the overnight repurchase agreement by at least two percent.

(K) Up to fifteen per cent of the County's total average portfolio in notes issued by corporations that are incorporated under the laws of the United States and that are operating within the United States, or by depository institutions that are doing business under authority granted by the United States or any state and that are operating within the United States, provided both of the following apply:

(1) The notes are rated in the second highest or higher category by at least two nationally recognized standard rating services at the time of purchase; and

(2) The notes mature not later than two years after purchase.

(L) No-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service and consisting exclusively of obligations described in division (A)(1), or (2), or (6) of Section 135.14.3 of the Revised Code.

(M) Debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government. All interest and principal shall be denominated and payable in United States funds. The investments made under this section shall not exceed in the aggregate one per cent of a County's total average portfolio.

The County has never owned any derivative type investments, interest only investments or principal only investments. These are specifically ineligible investments under Section 135.35 of the Revised Code. The County may not leverage the portfolio through the use of reverse repurchase agreements. These are specifically ineligible investments under Section 135.35 of the Revised Code.

The County values safety, liquidity and return, in that order. Interest earned by the County in 2020 totaled approximately $15.03 million.

The investment policy of the County, as adopted by the Hamilton County Treasurer's Office and the Hamilton County Investment Advisory Committee, is attached hereto as ***Appendix F***. All brokers, dealers and financial institutions initiating transactions with the investment authority by giving advice or making investment recommendations shall sign the County's Investment Policy thereby acknowledging their agreement to abide by the Policy's contents; those who execute transactions initiated by the investment authority, having read the Policy's contents, shall sign the Investment Policy thereby acknowledging their comprehension and receipt.

AD VALOREM TAXES

Assessed Valuation

The following is the assessed valuation, for the most recent five years, of property subject to ad valorem taxes levied by the County.

Tax Year	Collection Year	Real Estate[a]	Personal Property[b]	Public Utility Personal Property[c]	Total	Increase Over Previous Year
2017*	2018	$18,333,373,230	$-0-	$1,009,992,460	$19,343,365,690	4.77%
2018	2019	18,361,434,140	-0-	1,084,390,590	19,445,824,730	0.53
2019	2020	18,531,556,280	-0-	1,157,539,060	19,689,095,340	1.25
2020**	2021	21,013,930,490	-0-	1,259,789,110	22,273,719,600	13.13
2021	2022	21,176,924,260	-0-	1,324,716,720	22,501,640,980	1.02

* Sexennial reappraisal year
** Triennial update year
[a] Real property taxes collected in a calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year.
[b] Tangible personal property taxes collected in a calendar year are levied in the same calendar year, on assessed values during and at the close of the most recent fiscal year of the taxpayer (ending on or before March 31 of said calendar year) at tax rates determined in the preceding year. Tangible personal property tax was phased out beginning in Tax Year 2006.
[c] Public utility property taxes collected in a calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year.
Source: Hamilton County Auditor.

The Tax Year 2021 (Collection Year 2022) real estate assessed valuation of $22,501,640,980 is comprised of the following types of property in the indicated amounts:

Type	Assessed Valuation	Percentage of Total
Residential/Agricultural	$15,821,653,410	70.31%
Commercial/Industrial	5,355,270,850	23.80
Public Utility	1,324,716,720	5.89
Total	$22,501,640,980	100.00%

Source: Hamilton County Auditor.

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Approximate percentages of land use by type in 2022 in the County are as follows:

LAND USE	PARCELS	AREA IN ACRES	AVG. PARCEL SIZE	PERCENT OF TOTAL
AGRICULTURE	**1,567**	**24,161**	**15.42**	**8.0%**
COMMERCIAL/OFFICE	**19,578**	**14,152**	**0.72**	**4.7%**
Commercial	12,650	9,750	0.77	3.2%
Office	5,251	4,207	0.80	1.4%
Mixed Use	1,677	195	0.12	0.1%
SINGLE FAMILY RESIDENTIAL	**240,055**	**95,819**	**0.40**	**31.5%**
Single Family	239,858	94,999	0.40	31.3%
Mobile Home	197	820	4.16	0.3%
MULTI-FAMILY RESIDENTIAL	**47,567**	**60,900**	**1.28**	**20.1%**
Two Family	13,337	1,958	0.15	0.6%
Multi Family	33,984	58,131	1.71	19.1%
Congregate Housing	246	812	3.30	0.3%
INDUSTRIAL	**8,918**	**15,478**	**1.74**	**5.1%**
Heavy Industrial	3,347	8,617	2.57	2.8%
Light Industrial	5,571	6,861	1.23	2.3%
PUBLIC/INSTITUTIONAL	**42,345**	**44,152**	**1.04**	**14.5%**
Educational	2,291	4,104	1.79	1.4%
Public Service	30,878	30,526	0.99	10.1%
Institutional	6,559	6,605	1.01	2.2%
Public Utility	2,617	2,917	1.11	1.0%
PARKS & RECREATION	**1,891**	**13,461**	**7.12**	**4.4%**
VACANT	**44,325**	**26,983**	**0.61**	**8.9%**
NOT AVAILABLE	**11,560**	**8,498**	**0.74**	**2.8%**
COUNTY TOTALS	**417,806**	**303,603**	**0.74**	**100.0%**

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Prepared by Hamilton County Planning and Development.
Source: Hamilton County Auditor via Cincinnati Area Geographic Information System.

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The ten largest ad valorem property taxpayers ranked by amount of assessed valuation for Tax Year 2021 (Collection Year 2022) are:

	Company	Total Assessed Valuation	Percentage of Total County Assessed Valuation
1.	Duke Energy Ohio Inc.	$1,280,441,030	5.69%
2.	City of Cincinnati	577,836,010	2.57
3.	The Procter & Gamble Co.	69,879,240	0.31
4.	Port of Greater Cincinnati Development Authority	67,121,690	0.30
5.	Duke Energy Miami Fort LLC	40,543,590	0.18
6.	Fifth Third Bank	33,412,640	0.15
7.	HGreit II Edmonson Road LLC	33,250,000	0.15
8.	FFC Realty LLC	28,545,770	0.13
9.	Texas Gas Transmission LLC	28,477,580	0.13
10.	Acabay Atrium Two LP	26,425,000	0.12
	Total	$2,185,932,550	9.71%
	All Remaining Value	20,315,708,430	90.29
	TOTAL ASSESSED VALUE	$22,501,640,980	100.00%

Source: Hamilton County Auditor.

Hamilton County most recently completed the statutory sexennial, on-site reappraisal of real property in 2017, whereby the true value of real property was adjusted to reflect current market values as of January 1, 2017. The laws of the State of Ohio presently require that the County Auditor reassess real property at any time it is determined that the true or taxable value thereof has changed, and in the third calendar year following the year in which a sexennial reappraisal is completed if ordered by the State Commissioner of Taxation (the "Commissioner"). Such a triennial update was last completed in 2020 to reflect property values as of January 1, 2020.

Pursuant to law, the taxable value of real property is that percent of true value in money, or the current agricultural use value in the case of agricultural land, established by rule of the Commissioner, not to exceed thirty-five percent (35%). Under existing rules of the Commissioner, real property is assessed at not more than 35% of true value, or 35% of current agricultural use value as determined by the County Auditor pursuant to rules of the Commissioner. If declared by the property owner and deemed to qualify as "forest land" under Section 5713.22 of the Revised Code, certain real property is taxed at fifty percent (50%) of the local tax rate upon its true value.

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Given the standard assessment base determined under the provisions noted above, the Revised Code provides for a three-phase tax reduction of real property taxes, with respect to taxes other than taxes levied at a rate required to produce a specified amount of tax money (i.e., for payment of debt charges), taxes levied inside the ten-mill limitation, or taxes authorized by a municipal charter. The tax reduction is accomplished through the following procedures:

(1) The Commissioner must determine annually by what percent (the "Tax Reduction Factor") the sums that would otherwise be levied by a tax against real property would have to be reduced to equal the amount that would be levied if the full rate thereof were imposed against the total taxable value of real property in the district in the preceding tax year, plus the total taxable value of all improvements added to the tax list since the preceding tax year. Thereafter, the County Auditor must reduce the sum to be levied by the tax against each parcel of real property in the district by the Tax Reduction Factor certified by the Commissioner. However, if said reduction could cause the total taxes charged and payable for current expenses prior to the statutory ten percent reduction, discussed hereinafter, to be less than two percent of the taxable value of all real property subject to taxation, the Commissioner, upon notification thereof by the County Auditor, must adjust the Tax Reduction Factor as required by law.

(2) The County Auditor must reduce the sums remaining thereafter to be levied against parcels of real property by ten percent. The taxes remaining after such reduction constitute the real and public utility property taxes charged and payable, and the manufactured home tax charged and payable, on each property and shall be the amounts certified to the County Treasurer for collection.

(3) The application of the homestead exemption.

While the aforesaid tax reductions shall not affect the determination of the principal amount of notes that may be issued in anticipation of any tax levies or the amount of notes for any planned improvements, should funds for payment of debt charges on notes payable from taxes so reduced be insufficient for such purpose, the reduction of taxes shall be adjusted to the extent necessary to provide sufficient funds from real property taxes.

Failure of the County Auditor to supply to the Commissioner the information required to determine the Tax Reduction Factor may result in substantial withholding of state revenues to the local government until such time as the County Auditor has fulfilled the requirement.

Changes to Assessed Valuation

As part of the various law changes that accompanied the deregulation of electric utility and natural gas companies in 1999-2000, property tax assessed value for electric generating equipment and natural gas property were reduced. Due to the reduction of public utility tangible property (PUTP) tax revenues to counties and other local taxing units, the Ohio General Assembly enacted a program whereby such subdivisions of the State would be compensated for these losses, subject to a timed phase-out schedule. In 2005, the Ohio General Assembly enacted Am. Sub. H.B. 66, which gradually repealed the business tangible personal property tax (TPP) on (i) manufacturing equipment, (ii) furniture and fixtures and (iii) inventory over a four-year period ending in 2009,

resulting in further reduced revenues to school districts and other local taxing units. The tax on a fourth category of business personal property, telephone, telegraph and interexchange communication companies, was phased out over the period from 2007-2011. A subsequent reimbursement program similar to the one developed for lost PUTP revenues was implemented to replace the lost TPP revenues, which was also scheduled to be phased out. This program was funded, among other things, by the application of revenues derived by the State from the imposition of a new Commercial Activities Tax (the "CAT"). The reimbursement payments for loss of the PUTP and TPP tax revenues are collectively referred to as "replacement payments."

The application of the CAT to certain types of business receipts has been the subject of litigation. In 2009, the Ohio Supreme Court held that the CAT does not violate the State's constitutional prohibitions against a sales or excise tax "upon the sale or purchase of food."[1] Later, in 2012, the Ohio Supreme Court held that the application of revenues derived from the imposition of the CAT on gross receipts from motor vehicle fuel sales towards replacement payments violates the State's constitutional limitation on the use of revenues resulting from taxes related to motor vehicle fuel.[2] In 2013, the Ohio General Assembly remedied the situation by creating a separate fund into which such tax proceeds are deposited, separate from other proceeds of the CAT. As is the case with many state-based gross receipts taxes, the CAT continues to be the subject of ongoing litigation, facing challenges regarding its general constitutionality. The Ohio Supreme Court is set to decide in the coming months whether the "bright line presence" test, a statutory threshold for imposition of the CAT, is constitutional in its imposition of the tax on a corporation which meets the statutory test but has no physical presence in the State.

With the election of a new State-level administration in 2010, the Ohio General Assembly took a different approach to accomplishing the reimbursement of lost revenues to counties and other local taxing units as a result of the repeal of PUTP and TPP taxes. Effective June 30, 2011, Am. Sub. H.B. 153 was adopted to modify the reimbursement methodology. Though the application of the proceeds of the CAT to the replacement payments was scheduled to be phased-out in 2018, with the State's general fund receiving 100% of the CAT tax revenues thereafter, H.B. 153 accelerated that schedule and reduced the reimbursement payments. Effective June 30, 2015, Am. Sub. H.B. 64 increases the amount of CAT tax revenues allocated to the State's general fund from 50% to 75% of such revenues; the percentage allocated to replacement payments dropped from 15% to 5% for counties and other local taxing units. A basic concept behind these changes is that fixed-rate levy replacement payments should be based on the relative need for counties and other local taxing units (each, a "unit"), the primary beneficiaries of the tangible personal property taxes that have been phased out. Relative need is measured by calculating a unit's replacement payment as a percentage of total revenue sources available to the applicable unit for current operating purposes. H.B. 153 also made distinctions among types of levies in implementing the phase-out. Maintaining those distinctions, H.B. 64 slightly modified the phase-out of replacement payments with certain changes as described below.

[1] *Ohio Grocers Association v. Levin*, 123 Ohio St.3d 303 (2009).
[2] *Beaver Excavating Co. v. Testa*, 134 Ohio St.3d 565 (2012).

Fixed Rate, Current Expense Levies. Under H.B. 153, replacement payments for current expense levies were based on certain thresholds. For fiscal year 2012, counties and other local taxing units received payments only if the amount of current expenses received from such levies exceeded 4% of total resources. For fiscal year 2013, this threshold percentage was set at 6%. Any amounts over the established thresholds were reimbursed at 100% for counties and all other local taxing units. H.B. 64 maintains a similar structure, but generally accelerates the phase-out of replacement payments for units whose existing replacement payments are a relatively small percentage of total resources. H.B. 64 established new threshold percentage schedules that allow for a complete phase-out.

For counties and other local taxing units, H.B. 64 calls for replacement payments to be made under a similar structure as H.B. 153, except the threshold percentage was reset at 2% for fiscal year 2016, and increases an additional 2% annually until all replacement payments are phased out for these levies.

Fixed Rate, Non-Current Expense Levies. Under H.B. 153, replacement payments for these levies were subjected to a simpler reduction schedule, beginning in calendar year 2012 and reducing such payments by 25% each year until they would have ceased in fiscal year 2015. However, the reductions were not continued in the next biennial budget legislation. Because counties and other local taxing units utilize the calendar year as their fiscal year, a third reduction for counties and other local taxing units had already taken place when the phase-out was halted, resulting in the receipt of only 25% of such levies for those years. For counties and other local taxing units, H.B. 64 completes the phase-out by eliminating replacements with respect to these levies.

Fixed Sum Levies. These include bond and emergency levies and were not affected by H.B. 153 or H.B. 64. For counties and other local taxing units, unvoted debt levies that qualified for reimbursement in 2015 were reimbursed through 2016 for utility property-based replacement payments and through 2017 for business property-based replacement payments.

For additional information regarding expected changes to reimbursement amounts, please reference the following website: http://www.tax.ohio.gov/personal_property/phaseout.aspx.

The Ohio General Assembly has exercised from time to time its power to revise the Ohio statutes applicable to the determination of assessed valuation of property subject to ad valorem taxation and the amount of tax proceeds produced by ad valorem taxation against such property. It is anticipated that the Ohio General Assembly will continue to make similar provisions.

Ohio law provides for numerous tax exemptions for real and personal property to stimulate economic development.

Statutory Procedure and the Levying of Ad Valorem Property Taxes

Ohio law provides for tax credits to offset increases in tax resulting from increases in the true value of real property. Legislation classifies real property as between residential and agricultural property and all other real property, and provides for tax reduction factors to be separately computed for and applied to each class. These tax credits apply only to certain voted levies on real property and do not apply to unvoted levies or to voted levies to provide a specified dollar amount or to pay debt charges on general obligation debt.

Statutory procedures limit, by the application of tax credits, the amount realized by each taxing subdivision from real property taxation to the amount realized from those taxes in the preceding year plus: (i) the proceeds of any new taxes (other than renewals) approved by the electors, calculated to produce an amount equal to the amount that would have been realized if those taxes had been levied in the preceding year, and (ii) amounts realized from new and existing taxes on the assessed valuation of real property added to the tax duplicate since the preceding year.

The tax credit provisions do not apply to amounts realized from taxes levied at whatever rate required to produce a specified amount or an amount to pay debt service, or from taxes levied inside the ten-mill limitation or any applicable municipal charter tax rate limitation. To calculate the limited amount to be realized, a reduction factor is applied to the stated rates of the tax levies subject to these tax credits. A resulting "effective tax rate" reflects the aggregate of those reductions, and is the rate based on which real property taxes are in fact collected.

Under statutory procedures, the amount realized by each taxing subdivision from real property taxation (other than amounts realized from taxes levied at a rate required to produce a specified amount, such as for debt service charges or emergency school levies, and taxes levied inside the ten mill limitation or, in the case of municipalities, any applicable charter tax rate limitation) is limited to the amount realized from real property taxes in the preceding year plus: (i) any new taxes (other than renewals) approved by the electorate but calculated to produce an amount equal to what would have been realized if levied in the preceding year and (ii) amounts realized from new and existing taxes on real property added to the tax duplicate since the preceding year. To accomplish this, the Tax Reduction Factor is applied to the stated rates of taxes subject to this reduction levied by the County and its underlying subdivisions. The resulting effective tax rate reflects the aggregate of those reductions and therefore the effective rate at which real property taxes are levied.

See ***Appendix E*** for the County Tax Rate Table for all County subdivisions for Tax Year 2021 (Collection Year 2022).

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The following table sets forth the rates, in mills per $1.00 of assessed valuation, at which the County levied 2021 ad valorem property taxes (for collection in 2022) for the general categories of purposes with proper Reduction Factors.

Tax Table A*

Name of Tax Levy	Voted	Unvoted	Full Tax Rate	Effective Residential/ Agricultural Rate	Effective Commercial/ Industrial Rate
General Fund		x	2.26	2.260	2.260
Children's Services	x		4.51	3.328	4.190
Developmental Disabilities Services	x		4.13	3.333	3.752
Health & Hospital Care – Indigent	x		4.07[(a)]	1.440	2.473
Mental Health Services	x		2.99[(b)]	1.390	2.116
Senior Services	x		1.60[(a)]	1.104	1.430
Zoological Park	x		0.46	0.298	0.408
Family Services & Treatment	x		0.34	0.287	0.309
Police Information Center	x		0.54	0.141	0.275
Total			20.90	13.582	17.214

* See ***Appendix E*** hereto for the effective number of mills levied on each dollar of property listed for taxation within the County.
(a) Proposed renewal levy at the same millage rate will appear on the November 2022 ballot.
(b) Proposed renewal levy with an increase in the millage rate will appear on the November 2022 ballot.
Source: Hamilton County Budget Commission.

For a discussion of the ten-mill unvoted tax limitation, and the priority of claim thereon for debt service on unvoted general obligation debt of the County and all underlying taxing subdivisions, see the discussion herein of "COUNTY DEBT AND OTHER LONG TERM OBLIGATIONS – Indirect Debt Limitations."

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The following table presents certain information concerning the County's voted and ad valorem tax levies stated in mills per $1.00 of assessed valuation (except such levies for voted bond issues):

Tax Table B

First Authorized	Millage Rate for Current Year Collection	Purpose	First Collection Year	Last Collection Year
05-03-66	4.07	Health-Hospitalization Services including University Hospital	2018[1]	2022[(a)]
11-03-81	4.51	Children Services	2022[2]	2026
11-07-67	0.54	Police Information Center	1983[2]	Continuing
11-05-74	4.13	Developmental Disabilities Services	2020[1]	2024
11-09-80	2.99	Community Mental Health	2018[1]	2022[(b)]
11-03-92	1.60	Senior Services	2018[2]	2022[(a)]
11-02-82	0.46	Zoological Parks and Facilities	2019[1]	2023
11-03-09	0.34	Family Treatment & Services	2020[1]	2024

[1]Renewal
[2]Renewal and increase
[(a)] Proposed renewal levy at the same millage rate will appear on the November 2022 ballot.
[(b)] Proposed renewal levy with an increase in the millage rate will appear on the November 2022 ballot.

Source: Hamilton County Budget Commission

Collection of Ad Valorem Property Taxes and Special Assessments

The following are the amounts billed and collected for County ad valorem taxes, including the total amount billed and collected for the underlying, subdivisions of the County and the amounts attributable to the County, on the tax duplicates, and the special assessments billed and collected, for the indicated tax collection years. "Billed" amounts include the current charges, plus the respective current and delinquent additions, less the respective current and delinquent abatements.

Real Estate and Public Utility

County and Underlying Subdivisions

Collection Year	Current			Delinquent		
	Billed	Collected	%	Billed	Collected	%
2017	$1,445,400,850	$1,404,866,282	97.20%	$72,946,263	$36,307,537	49.77%
2018	1,486,722,781	1,444,790,763	97.18	100,286,465	41,045,669	40.93
2019	1,552,289,951	1,511,980,985	97.40	99,594,760	40,578,966	40.74
2020	1,603,611,757	1,564,469,590	97.56	107,013,450	45,592,607	42.60
2021	1,683,531,949	1,627,577,530	96.68	108,981,430	43,461,062	39.88

County

Collection Year	Current			Delinquent		
	Billed	Collected	%	Billed	Collected	%
2017	$264,597,590	$257,379,587	97.27%	$12,666,450	$6,542,891	51.66%
2018	274,317,312	266,879,506	97.29	17,578,742	7,431,453	42.28
2019	315,369,857	307,314,646	97.45	19,248,776	8,039,959	41.77
2020	319,957,091	312,219,981	97.58	20,586,699	8,958,337	43.52
2021	331,372,712	320,478,271	96.71	20,814,582	8,502,650	40.85

Special Assessments

County and Underlying Subdivisions

Collection Year	Current			Delinquent		
	Billed	Collected	%	Billed	Collected	%
2017	$14,625,312	$12,153,148	83.10%	$10,949,746	$772,312	7.05%
2018	17,060,878	13,310,222	78.02	12,134,141	961,879	7.93
2019	17,040,840	13,868,060	81.38	12,604,674	950,691	7.54
2020	16,917,828	15,034,963	88.87	11,041,889	804,715	7.29
2021	17,906,350	14,355,951	80.17	11,450,443	727,809	6.36

County

Collection Year	Current			Delinquent		
	Billed	Collected	%	Billed	Collected	%
2017	$3,710,999	$3,617,193	97.47%	$680,283	$120,134	17.66%
2018	3,784,545	3,713,556	98.12	713,911	102,089	14.30
2019	3,867,045	3,760,128	97.24	785,137	126,384	16.10
2020	3,881,087	3,765,307	97.02	817,646	119,129	14.57
2021	3,834,847	3,706,564	96.65	860,320	122,714	14.26

Tangible Personal Property

County and Underlying Subdivisions

Collection Year	Current*			Delinquent		
	Billed	Collected	%	Billed	Collected	%
2017	$-0-	$-0-	0.00%	$15,825,521	$1,931	0.01%
2018	-0-	-0-	0.00	15,821,673	332	0.0021
2019	-0-	-0-	0.00	-0-	-0-	0.00
2020	-0-	-0-	0.00	-0-	-0-	0.00
2021	-0-	-0-	0.00	-0-	-0-	0.00

* Reflects the phase-out of the tangible personal property tax which began in 2006.

County

Collection Year	Current			Delinquent		
	Billed	Collected	%	Billed	Collected	%
2017	$-0-	$-0-	0.00%	$2,932,256	$251	0.01%
2018	-0-	-0-	0.00	2,972,172	61	0.0021
2019	-0-	-0-	0.00	-0-	-0-	0.00
2020	-0-	-0-	0.00	-0-	-0-	0.00
2021	-0-	-0-	0.00	-0-	-0-	0.00

Source: Hamilton County Auditor

Pursuant to Ohio law, the current and delinquent taxes and special assessments are billed and collected by County officials for the County and other taxing or assessing subdivisions in the County.

Included in the above figures for ad valorem property taxes Levied and Collected are certain real property tax relief payments made by Ohio from State revenue sources; such payments are not made with respect to special assessments. "Homestead" exemptions are made available for the elderly and handicapped (Amended Substitute H.B. 59 of the 130th General Assembly ("H.B. 59") imposed income limitations on the Homestead exemption but preserved the credit of those who received the credit for tax year 2013 along with those who lived in a manufactured home and is receiving the credit in 2015). Ohio law provides for the payment to taxing subdivisions from State funds of an amount equaling approximately 10% (12 1/2% with respect to owner occupied residential property) of ad valorem real property taxes levied, thereby reducing the tax obligation of any real property owner in any given year by an equivalent percentage (H.B. 59 removed these reductions for new property tax levies approved at elections held on or after September 29, 2013 but preserved the rollback for existing levies and renewal of existing levies). As an indication of the extent of such State assistance as applied to the County's tax collections, the elderly/handicapped homestead payment made by Ohio, and included in the above County tax collection figures, for 2021 was $3,956,585 and the "rollback" payment made by Ohio was $21,734,326. These figures represent only the County's share of said payments. Similar payments are also made to many of the underlying subdivisions within the County.

The following table indicates the property tax revenues of the County's General Fund (including homestead, rollback and personal property tax exemption payments reimbursed by the State of Ohio prior to the deduction), exclusive of any other County Fund:

Year	Real Property	% Change Over Prior Year	Personal Property	% Change Over Prior Year	Total	% Change Over Prior Year
2017	$41,481,079	0.21%	$30	99.21%	$41,481,109	0.22%
2018	43,729,087	5.42	8	-73.33	43,729,095	5.42
2019	43,834,198	0.24	-0-	-100.00	43,834,198	0.24
2020	44,872,851	2.40	-0-	0.00	44,872,851	2.40
2021	49,634,622	10.61	-0-	0.00	49,634,622	10.61

Source: Hamilton County Auditor.

Delinquency Procedures

Taxes for real and utility property for the fiscal year 2021 became a lien on January 1, 2022. Taxes for tangible personal property for the fiscal year 2023 became a lien on January 1, 2023.

The time for payment of real property taxes is January 31 and June 20 as per Revised Code 323.17. In the case of emergencies, extensions may be granted by the Department of Taxation of Ohio. When such extensions are made, taxes become delinquent at the expiration of the extended period. The tangible personal property tax has been phased out in Ohio effectively at the end of 2008. However, telecommunication companies were required to report their value in fiscal years 2009 and 2010. 2010 was the final year for reporting current tangible personal property value. Delinquencies will continue to be billed for the next several years.

Discounts are not given for prepayment. Penalties and interest for delinquent real property taxes are as follows:

1. 10% penalty on current taxes if first half current taxes are not received by first half due date.

2. 10% penalty on all current taxes unpaid as of the final date for payment of second half.

3. If the full amount of taxes due at either of the due dates is paid within ten days after such time, the County Treasurer shall waive the collection of and the County Auditor shall remit one-half of the 10% penalty.

4. On the first day of the month following the last day the second half taxes are due, interest in the amount determined by the Tax Commissioner of the State of Ohio shall be charged against all delinquent taxes other than the current years taxes. The charge shall be for interest that accrued during the period that began on the preceding first day of December and ended on the last day of the month that included the last date such second half could be paid without penalty.

5. On the first day of December, the interest shall be charged against all delinquent taxes. The charge shall be for interest that accrued during the period that began on the first day of the month following the last date prescribed for the payment of the second installment of taxes in the current year and ended on the immediately preceding last day of November.

There is no one taxpayer that accounts for any significant percentage of any of the delinquencies identified above.

The following is a general description of delinquency procedures under Ohio law. The implementation of these procedures may vary in practice among Ohio counties.

If real estate taxes and special assessments are not paid in the year in which they are due, they are certified by the County Auditor's office as delinquent. A list of delinquent properties is then to be published in a newspaper of general circulation in the County. If the delinquent taxes and special assessments are not paid within one year after such certification, the properties are then to be certified as delinquent to the County Prosecuting Attorney. If the property owner so requests, a payment plan is arranged with the County Treasurer. If such payment plan is not adhered to or if none is arranged, foreclosure proceedings may be initiated by the County. Ohio law also provides for notice by publication and mass foreclosure proceedings and sales after three years' delinquency.

The County Treasurer's office employs a notification procedure and proceedings in Common Pleas Court to collect delinquent tangible personal property taxes.

Proceeds from the foreclosure sales of delinquent property become part of the current collection and are distributed as current collections to the taxing subdivisions in the County, or, if applicable to special assessments, are remitted to the subdivisions that levied such assessments.

OTHER MAJOR COUNTY REVENUE SOURCES

Described under this caption are major sources of revenue for the County in addition to ad valorem taxes. See ***Appendix A*** for further information regarding other sources of revenue for the general fund and other funds.

Sales Tax

Counties in Ohio are permitted to levy a piggyback sales tax of up to one and one-half of one percent (1.50%) pursuant to Sections 5739.021 and 5739.026 of the Revised Code. The County currently levies a one and one-quarter of one percent (1.25%) sales tax on retail sales made within the county. Sections 5739.021 and 5739.026 permit the County to levy a piggyback sales tax for various purposes which are set forth below.

Sales Tax Levied under Section 5739.021

Pursuant to Section 5739.021 of the Revised Code, the County is permitted to levy up to a one percent (1%) sales tax on retail sales made within the county. The sales tax may be levied for the purpose of providing additional revenue for County general fund purposes, supporting criminal and administrative justice services in the County, funding a regional transportation improvement project, or any combination of the foregoing. The sales tax levied under Section 5739.021 of the Revised Code may be authorized by the Board of County Commissioners at any time and must be a multiple of one-quarter of one percent (¼%) or one-tenth of one percent ($^1/_{10}$%) up to the maximum of one percent (1%), but the authorization of this sales tax is subject to repeal by voter referendum.[1] Further, in the event that a sales tax under Section 5739.021 of the Revised Code is not levied as an emergency measure, the Board of County Commissioners may submit the question

[1] A resolution adopted by the Board of County Commissioners imposing a sales tax under Section 5739.021 of the Revised Code which is not submitted to the electors for approval is subject to voter referendum upon the filing of a petition, within thirty (30) days of adoption of the resolution, signed by ten percent (10%) of the number of electors in the County that voted for the office of Governor of Ohio at the most recent general election.

of levying the sales tax (or increasing the rate of an existing sales tax) to the electors of the county at a special election.

The County is currently levying a three-quarters of one percent (¾%) sales tax pursuant to Section 5739.021 of the Revised Code. This is comprised of a continuing one-half of one percent (½%) sales tax and a continuing one-quarter of one percent (¼%) sales tax effective April 1, 2020, upon the ending of a five-year one-quarter of one percent (¼%) sales tax directed at restoration of the Cincinnati Museum Center, which became effective April 1, 2015.

Sales Tax Levied under Section 5739.026

Pursuant to Section 5739.026 of the Revised Code, the County may levy an additional one-half of one percent (½%) sales tax on retail sales, for various purposes, which include, but are not necessarily limited to: financing a convention center, providing additional revenue for a county transit authority, provide additional revenue for general fund purposes, provide for additional revenue for permanent improvements under the jurisdiction of the Community Improvement Board, to provide for the implementation of a 9-1-1 system, to provide additional revenue for the operation or maintenance of a detention facility, or to provide revenue for the construction or renovation of a sports facility. The sales tax levied under Section 5739.026 of the Revised Code must be levied in increments that are multiples of one-quarter of one percent (¼%) or one-tenth of one percent ($^1/_{10}$%). Further, the sales tax levied under Section 5739.026 of the Revised Code is subject to voter approval, except when it is levied solely to provide additional general fund revenues, in which case it is subject to repeal by voter referendum.[1] The sales tax levied pursuant to Section 5739.026 of the Revised Code (one-half of one percent (½%)) is levied in addition to the one percent (1%) county sales tax that may be levied under Section 5739.021 of the Revised Code.

The County is currently levying an additional one-half of one percent (½%) sales tax under Section 5739.026 of the Revised Code. This is comprised of a one-half of one percent (½%) sales tax directed at the development of the riverfront area (including construction of the two professional sports stadia), which became effective on June 1, 1996.

Combined, the County is currently levying a one and one-quarter of one percent (1.25%) sales tax. This tax was the second largest source of revenues for the County in 2021, yielding $231.3 million.

Sales Tax Levied under Section 5739.023

Further, pursuant to Section 5739.023 of the Revised Code, a regional transportation authority may levy an additional one and one-half percent (1½%) sales tax on retail sales, for several purposes, which include, but are not necessarily limited to: providing additional general revenues for a transit authority, funding a regional transportation improvement project or funding public infrastructure projects. The sales tax levied under Section 5739.026 of the Revised Code

[1] A resolution adopted by the Board of County Commissioners imposing a sales tax under Section 5739.026 of the Revised Code for the purpose of providing additional general fund revenues is subject to voter referendum upon the filing of a petition, within thirty (30) days of adoption of the resolution, signed by ten percent (10%) of the number of electors in the County that voted for the office of Governor of Ohio at the most recent general election.

must be levied in a multiple of one-twentieth of one percent ($^1/_{20}$%) and shall not exceed one and one-half percent (1½%) minus the amount by which the rate levied under Section 5739.021 of the Revised Code by a county located in the territory authority exceeds one percent (1%). The sales tax levied under Section 5739.023 of the Revised Code is subject to voter approval. The sales tax levied pursuant to Section 5739.023 of the Revised Code by a transit authority (one and one-half percent (1½%)) is levied in addition to the one percent (1%) county sales tax that may be levied under Section 5739.021 of the Revised Code and the one-half of one percent (½%) county sales tax that may be levied under Section 5739.026.

The Board of Trustees of SORTA proposed an eight-tenths of one percent (0.8%) sales tax to be levied by SORTA under Section 5739.023 of the Revised Code, which was approved by electors of the County during the March 2020 primary election (postponed to April 28, 2020). The sales tax approved by electors is expected to generate approximately $130 million each year for 25 years. Twenty-five percent of the proceeds of the additional tax will be used to finance public infrastructure projects (including construction and maintenance of roads and bridges) around the County and 75% of the proceeds of the additional tax will be used for providing general revenues for operating the Metro transportation system. Collection of the additional sales tax began on July 1, 2020. With the approval of the additional sales tax increase, the City of Cincinnati's 0.3% earnings tax to fund SORTA was terminated.

Changes to Ohio Sales Tax

On June 30, 2017, Ohio Governor John Kasich signed Am. Sub. H.B. 49 ("H.B. 49") which is the budget for the 2018-2019 biennium. Beginning July 1, 2018, H.B. 49 will permit a county to levy a sales tax under Section 5739.021 of the Revised Code for the purpose of funding a regional transportation improvement project, which is in addition to purposes currently provided for in Section 5739.021 of the Revised Code. Further, H.B. 49 will permit a county to increase a sales tax levied under Section 5739.021 of the Revised Code in increments of one-tenth of one percent ($^1/_{10}$%) up to the maximum of one percent (1%).

With respect to the sales tax levied under Section 5739.026 of the Revised Code, H.B. 49 will permit a county to levy no more than a one-half of one percent (½%) sales tax on retail sales at any multiple of one-tenth of one percent ($^1/_{10}$%). In addition, H.B. 49 will permit a county to increase an existing sales tax levied under Section 5739.026 of the Revised Code in any multiple of one-tenth of one percent ($^1/_{10}$%).

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Historic Sales Tax Collections

The following tables demonstrate historical sales tax collections based on the two separate components of the sales tax and total collections.

Total Sales Tax Collections

Year	Tax Rate	Sales Tax Collections	Variance from Prior Year
2017	1.25%	$200,970,809	0.01%
2018	1.25	196,489,789	(2.23)
2019	1.25	207,648,303	5.68
2020	1.25	210,843,157	1.54
2021	1.25	231,391,842	9.75

Source: Hamilton County Auditor

General Fund Sales Tax Collections

Year	Tax Rate	Sales Tax Collections	Variance from Prior Year
2017	0.5	$80,474,500	0.04%
2018	0.5	78,638,624	(2.28)
2019	0.5	83,110,780	5.69
2020	0.75*	105,431,495	26.86
2021	0.75	138,752,463	31.06

* 0.25% rate increase was effective April 1, 2020, increasing revenue receipts beginning in July 2020.
Source: Hamilton County Auditor

Riverfront Sales Tax Collections

Year	1996 Additional Tax	Additional ½% Sales Tax Collections	Variance From Prior Year
2017	0.5%	$80,474,500	0.04%
2018	0.5	78,638,624	(2.28)
2019	0.5	83,110,780	5.69
2020	0.5	84,359,268	1.50
2021	0.5	92,639,378	9.82

Source: Hamilton County Auditor

Union Terminal Sales Tax Collections

Year	2015 Additional Tax	Additional 1/4 % Sales Tax Collections	Variance From Prior Year
2017	0.25%	$40,021,809	0.22%
2018	0.25	39,212,540	(2.02)
2019	0.25	41,426,743	5.65
2020	0.25	21,052,395*	N/A

* Collections reflect the final six months of a five-year sales tax levy. Collections ended in 2020.
Source: Hamilton County Auditor

Seasonal Variance in General Fund Sales Tax Receipts

The table below provides data regarding the Riverfront receipts for the One-Half of One Percent Sales Tax for 2017 through 2021. Year-to-date 2022 collections through July are performing 19.1% above pre-pandemic 2019 collections, with particularly strong performance in the first quarter (representing sales from Q4 of 2021).

	2017	2018	2019	2020	2021
January	$ 6,741,208	$6,524,909	$6,803,331	$7,178,549	$7,117,899
February	6,703,955	6,282,393	6,807,713	7,197,364	6,890,526
March	8,569,034	7,909,893	8,234,638	8,800,811	8,808,005
April	5,910,951	5,785,726	6,143,964	6,538,758	6,672,265
May	6,084,155	5,769,403	6,023,018	6,504,177	6,489,752
June	6,618,883	6,499,714	6,687,352	5,976,113	8,527,170
July	6,560,241	6,511,311	6,768,381	5,685,100	7,842,959
August	7,064,532	6,713,975	7,100,743	6,918,037	7,916,179
September	7,246,189	6,802,324	7,274,978	8,058,377	8,713,614
October	6,310,860	6,737,979	7,270,010	7,152,708	8,030,227
November	6,233,347	6,531,435	6,941,211	6,893,885	7,705,952
December	6,404,145	6,569,562	7,055,442	7,455,390	7,924,832
TOTAL	$80,474,500	$78,638,624	$83,110,780	$84,359,268	92,639,378

Note: The month indicates receipt by the County, while the collection of such amount by the State of Ohio occurs two months prior and payment by the consumer occurs three months prior.

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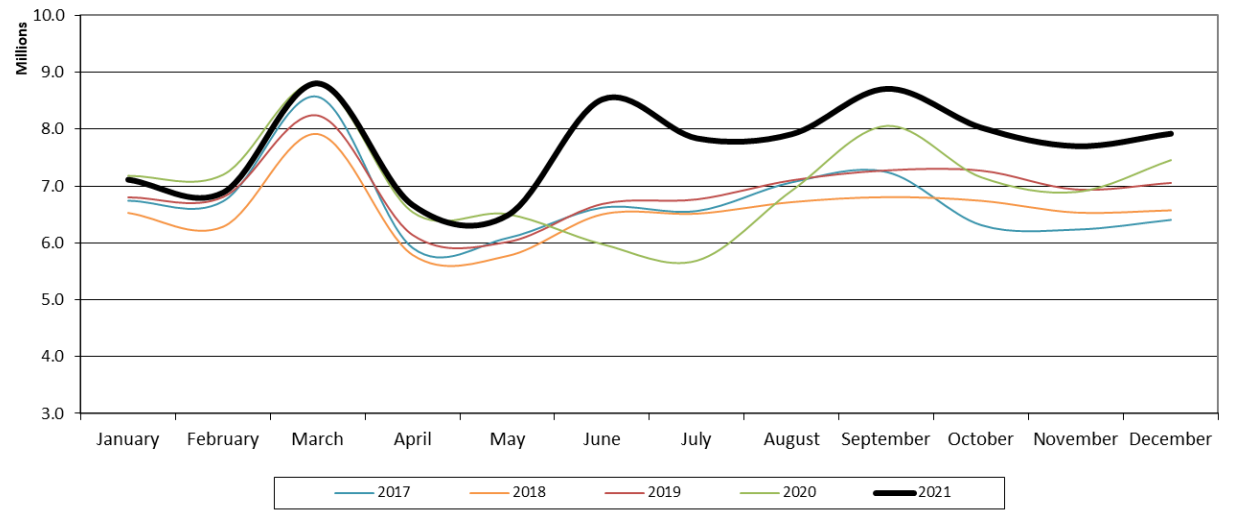
The following chart based on the data provided in the table above depicts the seasonal variations in the Riverfront Sales Tax Receipts, which are primarily the result of seasonal variations in the underlying retail activity.



Historical Sales Tax Collections by Category

The following table shows the Sales Tax collections by category in the County* for each year as reported by the Department of Taxation.

Category	2017	2018	2019	2020	2021
Finance, Real Estate, Management and Administrative Services	$25,834,814	$18,532,655	$19,034,314	$17,209,614	$17,011,923
Information and Telecom	15,093,850	15,693,416	15,929,215	18,010,614	18,847,899
General Merchandise Stores	15,089,773	15,762,292	15,272,706	14,902,989	14,716,996
Miscellaneous Store Retailers	20,044,792	18,592,843	16,493,072	14,640,016	14,363,720
Building Material and Garden Equipment & Supplies	12,963,183	12,923,217	13,971,597	15,192,692	16,683,393
Food, Health and Clothing	35,939,910	37,711,661	39,212,840	29,788,203	39,097,000
Motor Vehicle and Parts Dealers	23,675,615	25,081,393	26,319,984	26,289,398	30,815,731
Furniture and Appliances	9,161,472	9,697,961	9,927,315	7,555,892	8,896,078
Other	42,285,231	44,496,554	53,411,564	66,359,946	76,006,150
TOTAL SALES TAX COLLECTIONS	$200,088,640	$198,491,991	$209,572,607	$209,951,384	$236,438,890

* These figures do not tie to the "Total Sales Tax Collections" table provided earlier in this section ("OTHER MAJOR COUNTY REVENUE SOURCES – Historic Sales Tax Collections") because these figures do not account for the lag between receipt of Sales Tax by the State and payment of the Sales Tax by the State to the County, which is generally a two-month lag.

Local Government Fund

The Ohio local government fund was created by statute and is comprised of designated State revenues which are distributed to each county and then allocated among the county and cities, villages and townships located in the county on the basis of statutory formulas. Local government fund receipts by the County in recent years are outlined below:

Year	Total Received for Distribution	Amount Retained by the County	% Retained by the County
2017	$29,234,101	$11,793,767	40.3%
2018	29,442,495	11,877,839	40.3
2019	31,943,992	12,894,927	40.4
2020	31,889,564	12,872,747	40.4
2021	36,028,578	14,565,528	40.4

Source: Hamilton County Auditor

As part of the FY14-15 budget, a "percentage of revenue" funding approach went back into effect for the LGF. Each month the fund receives 1.66% of state general revenue fund tax revenue received during the previous month.

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Federal Funds

The County receives federal funds for a variety of major and non-major federal programs. Total federal assistance estimated for the County's 2021 Schedule of Expenditures of Federal Awards is estimated to be $195,510,390*.

The majority of the federal funds received by the County were in the form of grants and Medicaid reimbursements from the following agencies:

U.S. Department of Health and Human Services

Year	Amount
2017	$107,867,603
2018	111,448,202
2019	102,543,945
2020	89,766,923
2021*	95,295,006

U.S. Department of the Treasury

Year	Amount
2017	0
2018	0
2019	0
2020	97,841,614
2021*	78,157,690

Source: Hamilton County Auditor.
*Unaudited estimates.

Revenues from County Properties

The County received the following amounts in rental payments from the leasing of space in various County buildings during the last five years:

Rental Receipts

Year	Amount
2017	$969,000
2018	1,140,000
2019	1,135,000
2020	434,000
2021	521,000

Source: Hamilton County Auditor.

Casino Revenues

In November 2009, Ohio voters approved casino gambling in Ohio. The casinos in Cleveland and Toledo opened in May 2012. The casino in Columbus opened in October 2012 and the casino in Cincinnati opened in February 2013. A casino tax is imposed on licensed casino operators on gross casino revenue at the rate of 33%. Fifty-one percent (51%) of those tax revenues are deposited into the gross casino revenue county fund (the "County Fund") and then distributed to the 88 counties in Ohio on a quarterly basis in proportion to the population of each county at the time of distribution. If the largest city in a county had a population greater than 80,000 in the 2000 census, then 50% of the county's distribution from the County Fund will go to that city. The revenues are distributed on or before the end of the month following each calendar quarter.

In addition, five percent (5%) of the casino tax revenues are deposited into the gross casino revenue host city fund (the "City Fund") and distributed to the host cities of Cincinnati, Columbus, Cleveland and Toledo on a quarterly basis based on the gross casino revenue generated by each host city.

The following table reflects the gross casino revenues and distributions from the County Fund to Hamilton County and the City of Cincinnati for fiscal years 2017-2021 (distributions lag one quarter behind respective gross revenues and fund receipts):

Year	Gross Casino Revenues	County Fund Receipts	Hamilton County Distributions	City of Cincinnati Distributions
2017	$818,979,250	$135,409,356	$4,714,649	$4,714,649
2018	837,482,101	139,251,062	4,857,835	4,857,835
2019	850,984,462	142,641,828	4,980,689	4,980,689
2020	643,377,342	111,350,674	3,892,419	3,892,419
2021	983,711,240	158,358,028	5,538,205	5,538,205

Additional casino tax revenue information can be found on the Ohio Department of Taxation website at: https://tax.ohio.gov/wps/portal/gov/tax/business/resources/gross-casino-revenue.

County General Fund

The following table shows the County's General Fund unaudited year-end cash balance for the last five years:

Year	General Fund Balance
2017	$50,999,176
2018	55,459,247
2019	67,367,163
2020	123,314,214
2021	144,102,636

Source: Hamilton County Auditor.

SECURITY AND SOURCES OF PAYMENT FOR COUNTY GENERAL OBLIGATION BONDS AND NOTES

Ad Valorem Property Tax Security

The basic security for the unvoted general obligation debt of the County is the County's ability to levy, and its pledge to levy, an ad valorem tax on all the taxable property in the County within the ten-mill limitation, imposed by the Ohio Constitution and laws, for the County and overlapping political subdivisions (described in detail under "COUNTY DEBT AND OTHER LONG TERM OBLIGATIONS - Indirect Debt Limitations"), in sufficient amount to pay, as the same becomes due, the principal of and interest on the outstanding unvoted general obligation bonds, bond anticipation notes and certificates of indebtedness of the County and the overlapping subdivisions. The laws of the State of Ohio require that the levy for debt service has priority over any levy for current expenses within such ten-mill limitation.

The basic security for the voted general obligation debt of the County is the authorization of the electors of the County to levy ad valorem taxes on all real and personal property in the County subject to ad valorem taxation by the County. The tax is to be in sufficient amount to pay (to the extent not paid from other sources), as it becomes due the debt service on the voted bonds, subject to the 3%, l½%, 2½% limitation discussed in "COUNTY DEBT AND OTHER LONG TERM OBLIGATIONS" below affecting creditors' rights.

Ohio law requires the levy during the period in which general obligation bond anticipation notes run of ad valorem property taxes in an amount not less than that which would have been levied if bonds had been issued without the prior issue of the notes. Such levy need not actually be collected if payment in fact is to be provided from other sources (see "COUNTY DEBT AND OTHER LONG TERM OBLIGATIONS - Bond Anticipation Notes and Certificates of Indebtedness" herein).

Chapter 9 of the Federal Bankruptcy Code, contains provisions relating to the adjustment of debts of a State's political subdivisions, public agencies and instrumentalities ("eligible entity"), such as the County. Under such Code and in certain circumstances described therein, an eligible entity may be authorized to initiate Chapter 9 proceedings without prior notice to or consent of its creditors, which proceedings may result in material and adverse modification or alternation of the rights of its secured and unsecured creditors, including holders of its bonds and notes.

Chapter 9 of the Bankruptcy Code further protects holders of municipal revenue bonds by providing that special revenues acquired by the eligible entity after the commencement of bankruptcy proceedings remain subject to any lien resulting from any security agreement entered into by the eligible entity before commencement of the proceedings.

Section 133.36 of the Revised Code permits a political subdivision, such as the County, for the purpose of enabling such subdivision to take advantage of the provisions of the Bankruptcy Code, and for that purpose only, and upon approval of the State Tax Commissioner, to file a petition stating that the subdivision is insolvent or unable to meet its debts as they mature, and that it desires to effect a plan for the composition or readjustment of its debts, and to take such further proceedings as are set forth in the Bankruptcy Code as they relate to such subdivision. The taxing

authority of such subdivision may, upon like approval of the State Tax Commissioner, refund its outstanding securities, whether matured or unmatured, and exchange refunding bonds for the securities being refunded. In its order approving such refunding, the State Tax Commissioner shall fix the maturities of the bonds to be issued, which shall not exceed thirty years. No taxing subdivision is permitted, in availing itself of the provisions of the Bankruptcy Code, to scale down, cut down or reduce the principal sum of its securities except that interest thereon may be reduced in whole or in part.

Sources of Payment

In addition to the basic ad valorem property tax security described above, each resolution authorizing the issuance of the County's general obligation bonds or notes issued in anticipation thereof must, under Ohio law, provide further security by making a pledge of the full faith, credit and revenues of the County for the payment of debt service on such bonds or notes as the same become due. Included in such general pledge are all funds of the County, except those specifically limited to another use or prohibited from use for such debt service by the Ohio Constitution, or Ohio or federal law, or revenue bond trust agreements, such as tax levies voted for specific purposes, taxes levied for debt service on voted general obligation bond issues, and certain utility revenues. As discussed herein, only voted general obligations are payable from unlimited ad valorem property taxes.

The County expects that the debt service on certain unvoted general obligation debt of the County will in fact be paid from sources other than the ad valorem property tax, such as utility revenues and special assessments. Should these other revenues for any reason become insufficient to pay debt service on the bonds described above, and on any notes issued in anticipation thereof, the County, under Ohio law, is required to levy and collect the above-described ad valorem taxes to pay such debt service.

In addition, pursuant to Section 133.08 of the Revised Code, the County may issue revenue bonds payable solely from the revenues of a given utility, airport, stadium, or other enterprise permitted by the statute for which the bonds were issued. Further, pursuant to Section 133.081 of the Revised Code, the County may issue sales tax supported bonds payable from certain types of sales tax. In both cases, neither the aforesaid revenue bonds nor the aforesaid sales tax bonds, as special obligation bonds, are supported by the underlying taxing power of the County.

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INVESTMENT CONSIDERATIONS

General

All obligations of the County are subject to changes in value due to changes in the condition of the tax-exempt bond market and/or changes in the financial position of the County.

Prospective purchasers of the County's obligations may need to consult their own tax advisors prior to any purchase as to the impact of the Internal Revenue Code of 1986, as amended, upon their acquisition, holding or disposition.

For a further description of the risks associated with the purchase of particular issues of bonds, notes or certificates of indebtedness of the County, please refer to the Investment Considerations section in the Official Statement for the specific issue.

With respect to the revenue obligations issued by the County for the benefit of MSD, please refer to additional risk factors and investment considerations under the heading "THE METROPOLITAN SEWER DISTRICT (MSD) OF GREATER CINCINNATI – Status of the MSD Operating Agreement." In light of the operating agreement between the County and the City being extended until further order of the U.S. District Court and potential changes to the operations of MSD and other issues concerning Sewer District assets, there are a number of risk factors and investment considerations that should be reviewed by investors (see "THE METROPOLITAN SEWER DISTRICT (MSD) OF GREATER CINCINNATI – Status of the MSD Operating Agreement – Risk Factors and Investment Considerations").

In general, where the County expects to refund a note issue or certificates of indebtedness with an issue of bonds or renewal notes or certificates, and where unfavorable market conditions are combined with an interest ceiling, the County could experience difficulty in receiving any bids for the refunding or renewal issue.

Local Fiscal Emergency Legislation

Chapter 118 of the Revised Code of Ohio (hereinafter in this section of this Annual Statement the "Act") provides methods for dealing with fiscal emergencies of municipal corporations, counties and townships in Ohio. The Act applies only to those municipal corporations, counties and townships which are determined to have circumstances that constitute the existence of a fiscal watch or a fiscal emergency condition and therefore a fiscal watch or a fiscal emergency pursuant to Sections 118.021, 118.022, 118.03 and 118.04 of the Revised Code, as set forth in the Act.

Section 118.022 of the Revised Code sets forth a series of conditions that constitute grounds for a fiscal watch. If a fiscal watch is determined to exist, the municipality, county or township is provided technical and support services by the State Auditor's Office to restore financial stability. If the fiscal watch conditions are not remedied, the municipality, county or township will remain under fiscal watch or be reclassified to a fiscal emergency.

Section 118.03 of the Revised Code sets forth a series of circumstances that are defined "fiscal emergency conditions." If a fiscal emergency condition is determined to exist, the municipality, county or township is subjected to state oversight through a seven-member Financial Planning and Supervision Commission (hereinafter in this section of this Annual Statement the "Financial Planning and Supervision Commission"). The Financial Planning and Supervision Commission is assisted by certified public accountants designated as the Financial Supervisor to be engaged by the Financial Planning and Supervision Commission. The Auditor of State may also be required to assist the Financial Planning and Supervision Commission.

A municipal corporation, county or township subject to the Act because of the existence of a fiscal emergency must develop and submit a detailed financial plan for the approval or rejection of the Financial Planning and Supervision Commission. Among other matters, the financial plan must show the actions to be taken by such a municipal corporation, county or township to eliminate existing fiscal emergency conditions, avoid future fiscal emergency conditions, and to restore such a municipality's, county's or township's ability to market long-term debt obligations under state laws generally applicable to Ohio political subdivisions.

The Financial Planning and Supervision Commission must approve the amount and purpose of any issue of debt obligations. The Financial Planning and Supervision Commission, or when authorized by the Financial Planning and Supervision Commission, the Financial Supervisor, among other powers, shall require the municipal corporation, county or township to establish monthly levels of expenditures and encumbrances consistent with the financial plan and shall monitor such monthly levels and require justification to substantiate any departure from an approved level. The Financial Planning and Supervision Commission must disapprove the issuance of debt obligations if the issuance would impede the purposes of the financial plan or be inconsistent with the financial plan or the Act; debt limits would be exceeded; the ability of overlapping subdivisions to issue unvoted full faith and credit debt obligations would be impaired; and their issuance be likely to lead to the reallocation of minimum levies of other political subdivisions. Expenditures may not be made contrary to an approved financial plan. Expenditures may not be made contrary to a proposed financial plan after it is submitted to the Financial Planning and Supervision Commission and before it is approved or disapproved; and if it is disapproved, no expenditures may be made which are inconsistent with the reasons given for disapproval.

The Act provides, among other requirements and provisions, that a municipality, county or township subject to such Act must develop an effective financial accounting and reporting system; budgets, appropriations and expenditures are to be consistent with the purposes of the financial plan; permits the issuance of Local Government Fund Notes, payable solely from such a municipal corporation's, county's or township's share of the local government fund pursuant to restrictions imposed by such Act; such a municipal corporation, county or township may include certain covenants in its debt obligations, including a state pledge not to repeal such Act; and permits the municipality to issue current revenue notes and advanced tax payment notes pursuant to the authorization and subject to the restrictions of such Act.

The County Auditor has reviewed the applicable portions of the Act and has reviewed records pertaining to the County's circumstances with respect to the Act. The County Auditor, based upon his understanding of the Act, is of the opinion that, with respect to the County, no

circumstances or conditions exist that will cause a fiscal emergency condition to be determined under the Act.

THE METROPOLITAN SEWER DISTRICT (MSD) OF GREATER CINCINNATI

Formation and MSD Operating Agreement

MSD is a county sewer district established pursuant to Chapter 6117 of the Revised Code. MSD collects and treats wastewater through the operation of the Sewer System. The Sewer System is operated pursuant to the authority of the Revised Code. The Revised Code specifically authorizes the formation of joint sewer districts, agreements between counties and municipal corporations providing for sewage treatment, the establishment of sewage rates and assessments by the Board of County Commissioners, and the borrowing of money to pay the cost of constructing, maintaining, and repairing sewer systems.

Prior to 1968, the County and the City maintained separate sewage operations. The County Sewer District was formed in the 1920s and became known as Hamilton County Sewer District No. 1 in 1955. By ordinance, the City consolidated its sewer system into Hamilton County Sewer District No. 1 in 1968. Through the ordinance and as part of the consolidation, the City granted the sole and exclusive use of all City sanitary and combined sewers and sewage treatment facilities to the County. Through resolution, the County accepted the consolidation of the City's sewer system into Hamilton County Sewer District No. 1. At the same time, the County also assumed the City's contractual obligations to provide sewage treatment to 23 separate municipalities located within Hamilton County, including communities such as Norwood, Indian Hill, Montgomery, Blue Ash, Wyoming and Reading. Thereafter, the County renamed Hamilton County Sewer District No. 1 to MSD.

On April 10, 1968, the County and City entered an agreement (the "MSD Operating Agreement") regarding the City's service, for a 50-year term, as the County's agent and operator of MSD. The MSD Operating Agreement established, in part, the respective responsibilities and duties of the City and the County with respect to the operation and governance of MSD. Pursuant to the MSD Operating Agreement, the County retained authority and control of the Sewer System including, but not limited to, the sole authority to establish sewer service charges, adopt rules and regulations and approve capital improvement programs. The County designated the City as its sole managing agent for the operation of the Sewer System, subject to the control and direction of the Board of County Commissioners as provided in the MSD Operating Agreement. Subject to the retained authority of the County, the City agreed to undertake the management and operation of MSD for and on behalf of the County for a period of 50 years commencing May 1, 1968 and expiring April 30, 2018. The County agreed to maintain Sewer System service charges and revenues at rates that would at all times be sufficient to pay the reasonable expenses of operation and maintenance of the Sewer System and the debt service charges on all then existing and future indebtedness of the City and County related to the Sewer System. The County also transferred all of its then existing sewer system related personal property, equipment, and vehicles to the City so that the City could operate the Sewer System. The City agreed to plan, design and supervise the construction of all sewers and sewage treatment facilities, maintain and operate all sanitary and combined sewers and all sewage pumping and treatment facilities and generally operate the Sewer System.

Following consolidation of the City's sewer system into Hamilton County Sewer District No. 1, now named MSD, 19 other communities (Amberly Village, Arlington Heights, Blue Ash, Deer Park, Elmwood Place, Evendale, Fairfax, Forest Park, Golf Manor, Indian Hill, Lincoln Heights, Madeira, Mariemont, Montgomery, Mt. Healthy, North College Hill, Sharonville, Silverton, and Springfield) passed legislation, which the County accepted via resolution in December 1968, to consolidate their sewer systems into MSD, the County Sewer District. The City of Loveland, through ordinance accepted by County resolution, consolidated its sewer system into MSD, the County Sewer District, in 1985. MSD is presently comprised of all municipalities and townships (unincorporated areas of the County) within the County, except the Villages of Glendale and Terrace Park and the City of Harrison, plus minor sections of Warren, Clermont and Butler Counties.

The Ohio Administrative Code requires that all households that have sanitary sewers available to them must be connected to such sanitary sewers. This requirement is administered by Hamilton County Public Health, not by MSD. Portions of the County, primarily its western area, are not sewered. Many developed portions of the unsewered area utilize household treatment systems, usually septic tanks or aerobic treatment systems. Development and population density is low in portions of the unsewered areas.

In March of 2010 the City and the County executed the 2010 amendment to the MSD Operating Agreement allowing MSD to expend funds for storm sewer facilities that constitute prevention or replacement facilities under the Revised Code and setting forth the procedures to be followed in making such expenditures. MSD must determine that these storm sewer facilities are a cost effective measure to assist in compliance with the Consent Decrees (as hereafter described).

Loveland Litigation

The sewer system of the City of Loveland, Ohio ("Loveland") was consolidated into MSD through an agreement dated January 30, 1985 (the "1985 Loveland Agreement"). The 1985 Loveland Agreement contains neither a termination date nor a provision allowing for its termination. The Polk Run Treatment Plant serves areas both inside and outside Loveland (this active sewer shed being called the "Polk Run Segment"). The Polk Run Treatment Plant treats approximately 3% of the sewage treated by MSD.

MSD, including the Polk Run Segment, is currently subject to the Consent Decrees. The parties to the Consent Decrees include the United States, the State, the County, the City, and Ohio River Water Sanitation Commission ("ORSANCO")[1]. Loveland is not a party to the Consent Decrees. The Polk Run Segment, however, is an express, named part of, and is subject to, the Consent Decrees, which require the County to make various upgrades throughout MSD, including the Polk Run Segment. The Consent Decrees mandate that the U.S. District Court, Southern District of Ohio ("Court") retains jurisdiction over the Consent Decrees and that any proposed transfer of an interest or operating role in any part of property subject to the Consent Decrees requires the Court's approval following the agreement of the parties to the Consent Decrees or the overruling of their objections.

[1] ORSANCO is an interstate commission comprised of representatives from each of the eight states in the Ohio River drainage basin that is charged with establishing water quality standards for the Ohio River.

Loveland sought an order in the Clermont Court of Common Pleas allowing it to terminate the 1985 Loveland Agreement and requiring the County to transfer operation and control of the Polk Run Treatment Plant; however, the Court of Common Pleas dismissed the suit and the Ohio 12th District Court of Appeals upheld the decision of the Common Pleas Court and the case was concluded.

In a separate action, the County filed a declaratory judgment action on January 14, 2009 against Loveland, the United States, the State, and ORSANCO in the United States District Court, Southern District of Ohio, seeking an order that Loveland was not entitled to terminate the 1985 Loveland Agreement or, alternatively, that the 1985 Loveland Agreement could not be terminated until after a variety of Consent Decree-related obligations were determined and the County was made whole. On January 13, 2010, the District Court granted the County's motion for judgment on the pleadings and issued an order enjoining Loveland from attempting to modify the Consent Decrees by collateral attack, through termination of the 1985 Loveland Agreement or otherwise, while Consent Decree obligations are pending. On September 15, 2010, a three judge panel of the U.S. Court of Appeals for the Sixth Circuit unanimously affirmed the District Court's order. On May 2, 2011, Loveland's petition for a Writ of Certiorari with the U.S. Supreme Court was denied, thus concluding the Loveland Federal Court case.

No new legal actions have been initiated by Loveland on these issues against the County since the conclusion of the Loveland State Court case and the Loveland Federal Court case.

County-City Litigation (2014)

The County filed a petition to enjoin the City from violating the Consent Decree on May 5, 2014 (the "Petition"). The City (and, separately, the Sierra Club) filed responses in opposition on May 30, 2014, and the County filed its reply on June 9, 2014. The Petition was filed, by agreement of the County and City, with the U.S. District Court pursuant to the Consent Decree's dispute resolution provisions. The underlying issue was the City's intended use of three City procurement ordinances, which the Court named "Local Hire", "Responsible Bidder", and "Local Preference" (collectively, "City Ordinances"), all of which established new or different requirements from existing state law or County procurement rules, regulations and/or resolutions. After passage of the City Ordinances, the City bid contracts for MSD projects with requirements to comply with the City Ordinances. County and City elected officials negotiated for several months but failed to resolve the dispute.

On June 26, 2014, U.S. District Magistrate Judge Litkovitz issued an Order granting the County's Petition and "enjoined the City from using" certain City procurement ordinances "in the procurement of contracts for Consent Decree projects." The Court further ordered the City "to follow the County's rules, regulations, and resolutions and Ohio state law in procuring Consent Decree sewer projects both within and outside of the City boundaries." Regarding the MSD Operating Agreement, the Court held "the [MSD Operating Agreement] creates a principal-agency relationship pursuant to which the City's authority as agent is specifically limited and is subject to the direction and control of the County as principal." Applying this further, the Court held that "under the plain terms of the [MSD Operating Agreement] providing that the County maintains authority and control over MSD, as well as the provisions of Ohio law and MSD regulations

incorporated therein, the City must adhere to the County's rules and regulations, as well as the County's resolutions, for procuring Consent Decree projects."

The Order held that the City's application of the City Ordinances violated the Consent Decree's mandate to "use sound management, operational, and maintenance practices…to implement all the requirements of this Consent Decree" and "to achieve expeditious implementation of the provisions" of the Consent Decree. The Court stated that "the City must apply County rules and regulations and state law in procuring contracts for MSD Consent Decree sewer projects." The Court's Order identified two Consent Decree projects at issue, although there were other Consent Decree projects, and non-Consent Decree projects, which were anticipated to be impacted. Following the Order, which the City did not appeal, administrative and legal representatives of the County and City met and the City revised its MSD-related procurement documents and procedures to comply with County rules and regulations and state law. The two Consent Decree projects at issue were then bid in compliance with County rules and regulations and state law.

Status of the MSD Operating Agreement

Mediation

The MSD Operating Agreement, through which the City serves as the County's agent and operator of MSD, was originally scheduled to expire on April 30, 2018. It was extended to September 30, 2018, pursuant to the legislative passage of the Commitment Letter (defined below). Various disputes between the County and the City have occurred in the past few years, resulting in litigation (see United States of America, et al. v. Board of County Commissioners of Hamilton County, Ohio, et al., No. 1:02-CV-00107-MRB-KLL (S.D. Ohio)). On February 22, 2016, the County filed a Motion to Enforce the Court's 2014 Order and Motion for Court-Ordered Mediation. In June 2016, Judge Michael R. Barrett of the United States District Court for the Southern District of Ohio, who took jurisdiction over the Consent Decree case after the death of Judge Arthur Spiegel (the "Mediating Court"), directed the Board of County Commissioners and the Mayor and the Vice Mayor of the City to commence judicial-directed mediation, subject to a Protective Order preventing disclosure of the mediation discussions and communications.

Commitment Letter and Transition Agreement

As a result of the mediation, on August 14, 2017, by letter to Judge Barrett, the President and Vice President of the Board of County Commissioners and the Mayor and Vice Mayor of the City committed to several broad parameters regarding a plan to transition all operational aspects of MSD from the City to the County (the "Commitment Letter"), subject to voted legislative approval by the County and the City. A copy of the August 14, 2017, legislatively approved County Resolution and City Ordinance, each of which contains the Commitment Letter, is attached hereto as ***Appendix I***. The broad terms of the Commitment Letter, which are set forth below, are further memorialized in an MSD Operation Transition and Cooperation Agreement (the "Transition Agreement"), by and between the County and the City.

The Commitment Letter describes a framework for the County and the City to proceed cooperatively to the expiration of the MSD Operating Agreement and thereafter to transition MSD operations from the City to the County. The terms of the Commitment Letter include, but are not limited to the following:

- *Transfer of Operations:* All operational aspects of MSD will be transferred to the County. The Commitment Letter calls for the establishment of a five-member MSD Citizens Board (the "Citizens Board"). The Citizens Board will oversee the Director of MSD and daily operations of MSD by simple majority vote and will report to the Board of County Commissioners regarding the performance of the Director and MSD; provided, however, recommendations from the Citizens Board to the Board of County Commissioners to hire the director of MSD and the firing of the director of MSD will occur by supermajority vote of the Citizens Board. The County can also fire the director of MSD for cause. All power, authority, and duties not assigned to the Citizens Board by the Board of County Commissioners will remain with the Board of County Commissioners as provided under Chapter 6117 of the Revised Code.

- *Protection of Workforce and Pensions:* All current and future employees of MSD will be employees of the County and, with certain exceptions, will be members of the Cincinnati Retirement System. The County will pay into the Cincinnati Retirement System the employer share of pension contributions for MSD employees in accordance with the terms of the Collaborative Settlement Agreement and Consent Decree (the "Pension Decree"), dealing with City pension matters, or subsequent means by which the City's employer contribution is determined, although the County is not a party to the Pension Decree (see "City Retirement Plan" herein). The Board of County Commissioners will negotiate new collective bargaining agreements with MSD employee unions consistent with existing agreements with the City.

- *Odor-Related Matters:* The County and the City have agreed to implement a number of odor control projects and, with express exceptions, to place restrictions on the construction of new plants and to changes in the volume or nature of waste feedstocks transported into MSD's wastewater treatment plants.

- *MSD Assets:* The County and the City disagree regarding their respective ownership or other rights in certain assets of MSD (the "Dispute"). The County and the City covenanted in the Trust Agreement securing bonds issued for MSD projects not to sell, lease, or otherwise dispose of the Sewer System until the bonds are paid or defeased except as otherwise permitted in the Trust Agreement or the MSD Operating Agreement. The MSD Operating Agreement has no specific provisions regarding disposition of the Sewer System. Under the terms of the Commitment Letter, (a) the Board of County Commissioners shall have the right to use all MSD assets which may be subject to the Dispute; and (b) the City will not sell, transfer, lease, separate, or otherwise dispose of or encumber any MSD assets which would impair bonds issued for MSD projects or other obligations of MSD payable from its revenues. Otherwise, neither the County nor the City has waived any existing claims, defenses, or positions regarding MSD assets.

- *City Removed as Co-Defendant:* The City will be removed as a defendant, and will not remain or act to become a party, to the Consent Decree, except for enforcement of the Transition Agreement.

- *Smooth Transition to Occur:* The County and the City agreed to work collaboratively, expeditiously, and in good faith to prepare the Transition Agreement and other necessary documents. The parties further agreed to execute all necessary documents to accomplish the transition of the operations of MSD from the City to the County, including assignments/transfers of contracts, the transition of MSD financial matters, other systems and data, personnel and other matters, and will cooperate in unwinding any contracts that are not assignable.

The Commitment Letter was executed in August 2017.

Transition Agreement and Temporary Extension of MSD Operating Agreement

The County and City executed the Transition Agreement in June 2018. However, it was not effective until the conditions precedent set forth in the Commitment Letter were met. These conditions precedent included: potential changes in state law in connection with the Citizens Board and the Cincinnati Retirement System; the City's removal as a Consent Decree defendant; and the Mediating Court's approval and Order taking continuing jurisdiction over, and enforcement of, the Transition Agreement. A copy of the fully executed Transition Agreement is attached hereto as ***Appendix J***.

The Transition Agreement was subject to the approval of the Mediating Court and the Mediating Court would oversee the enforcement of the Transition Agreement. The Transition Agreement was to take effect upon the satisfaction of its conditions precedent (described above) and the Order of the Mediating Court (the "Effective Date"). The duration of the Transition Agreement was the later of forty-five (45) years after the Effective Date or the date of the termination of the Consent Decree.

As provided for in the Commitment Letter, because not all of the Commitment Letter's conditions precedent were satisfied by April 30, 2018, the MSD Operating Agreement was extended until the sooner of the date the Transition Agreement was approved by the Mediating Court or September 30, 2018 (at which time the MSD Operating Agreement was to terminate). The County and the City also agreed that judicial mediation process could be started or other remedies sought if any condition precedent set forth in the Commitment Letter was not met by April 30, 2018. That process remains underway.

The City indicated at various times that if the Transition Agreement did not become effective, absent some other agreement with the County, it would return to operating the City sewer system as it did before the MSD Operating Agreement was entered and that the County could negotiate with the City for the City to continue to operate MSD as well. The County indicated to the City that any such attempt by the City to separate the MSD system would be unlawful, that only the County has the authority to deconsolidate a County Sewer District, and that the County would seek legal protections from the Mediating Court to maintain MSD as a single, consolidated, County Sewer District.

Transition Agreement Does Not Become Effective

One of the conditions precedent in the Commitment Letter was a potential state law change regarding the Cincinnati Retirement System, which would have allowed MSD employees to become County employees (rather than City employees) while still participating in the Cincinnati Retirement System. By letter dated August 14, 2018, the Ohio Public Employees Retirement System ("OPERS") advised the County and the City that, as of that date, it could not support a state law change which would allow current and future MSD (County) employees to participate in the Cincinnati Retirement System rather than in OPERS. OPERS failure to support the required state law change resulted in the failure of a condition precedent to the Commitment Letter. As a result, the Transition Agreement did not become effective.

Temporary Extension of MSD Operating Agreement

Upon learning that the Transition Agreement would not become effective, the County and City negotiated a potential extension to the MSD Operating Agreement, which was set to expire on September 30, 2018. Those negotiations did not result in a mutually agreed extension of the MSD Operating Agreement. On September 5, 2018, the County filed a Motion to Enjoin the City from Violating the Consent Decree and Motion to Extend the MSD Operating Agreement, including, alternatively, for a Temporary Restraining Order. The City, United States, and Sierra Club filed responses on September 14, 2018, and the County filed its reply on September 18, 2018. The County sought an order: (1) enjoining the City from attempting to withdraw or deconsolidate from MSD; (2) enjoining the City from attempting to assert control over, or otherwise interfere with, MSD assets; (3) temporarily extending the MSD Operating Agreement; and (4) requiring the City to adhere to the law of the case established by multiple Court orders.

On September 21, 2018, the Mediating Court issued an order partially granting the County's motion. The Mediating Court evaluated the City's argument that its obligations would end when the MSD Operating Agreement expired and found that the City's arguments ignored the City's obligations under the Consent Decree. The Mediating Court specifically held that "The City's proposal that the County and City return to a pre-1968 arrangement where the County and City manage their own sewer systems is not workable and threatens the successful completion of the objectives of the Consent Decree." The Mediating Court then extended the MSD Operating Agreement until further order of the Mediating Court. Finally, the Mediating Court declared that its prior decision interpreting the MSD Operating Agreement was the law of the case and it ordered the County and City to continue mediation efforts.

On October 19, 2018, the City appealed the portion of the Mediating Court's order temporarily extending the MSD Operating Agreement until further order of the Mediating Court to the U.S. Court of Appeals for the Sixth Circuit (the "Sixth Circuit Court of Appeals"). The City filed its appellate brief on December 4, 2018, the County filed its appellate brief on January 3, 2019, and the City filed its reply brief on January 17, 2019. On September 6, 2019, the Sixth Circuit Court of Appeals unanimously affirmed the District Court's September 21, 2018 Order. The Sixth Circuit Court of Appeals found the injunction extending the MSD Operating Agreement necessary to enforce the Consent Decree provisions that the Consent Decree would remain binding on the City and the Board of County Commissioners, unless either party named a successor-in-interest and obtained approval from the other Consent Decree parties or the Court. The Sixth

Circuit Court of Appeals further found that the City's withdrawal from the MSD Operating Agreement would interfere with the parties' fulfillment of their Consent Decree obligations.

City Seeks Clarification of Federal Court's 2014 Order

Separately, on November 15, 2018, the City filed a Motion to Clarify the Magistrate Judge's June 26, 2014 Order (see "THE METROPOLITAN SEWER DISTRICT (MSD) OF GREATER CINCINNATI - County-City Litigation (2014)" above). The County, United States, and Sierra Club filed responses to the City's motion on December 6, 2018. The City filed its reply on December 20, 2018. The City asked the Mediating Court to clarify whether the holding and application of the Mediating Court's June 26, 2014 Order was limited to whether the City, in operating MSD, was required to follow state procurement law or whether, as the County's agent in operating MSD, the City was required to follow the County's direction and control in all MSD matters. On May 12, 2020, the Mediating Court issued an Order declaring the City's Motion moot, as the Court previously determined that "the City is the agent of the County for the operation and maintenance of the sewer system and is subject to the control and direction of the County in all matters related to those functions." The City did not appeal, and this matter is final.

County Seeks Court-Ordered Transition of MSD Management

On April 8, 2019, the County filed a Motion to Solve Dysfunction at MSD, to Have the County and City Move Forward Together to Ensure Consent Decree Compliance, and to Prevent Future Violations of the Consent Decree. The City, United States, and Sierra Club filed responses to the County's motion on April 29, 2019. The County filed its reply on May 20, 2019. The County asked the Mediating Court to order and supervise a transition of MSD's top management positions (i.e., its Executive Team, consisting of up to approximately 20 positions) from the City to the County, to order the City to follow the County's direction during the transition, and to order the City to pay for its attorneys from the City's general fund when those attorneys are pursuing matters at odds with the County's directions or interest. On May 12, 2020, the Mediating Court issued an Order denying the County's motion, stating that the Court could not order "dysfunction" to stop, that it was reluctant, at this time, to assert more control, and that it urged the County and City to resume mediation to further address the transition of MSD operations from the City to the County. The Mediating Court further indicated that the City is not an independent contractor and, that while the County should rely on the advice it is provided by the City, it is the County that is ultimately responsible for the operation of MSD. The County did not appeal, and this matter is resolved.

Ohio EPA and OWDA Express Concerns Regarding Repayment of Existing Water Pollution Control Loan Fund Debt

The County and the City received letters from the Executive Director of the Ohio Water Development Authority (dated October 26, 2018) and the Director of the Ohio Environmental Protection Agency (dated November 1, 2018) (the "OEPA/OWDA Letters"), expressing concerns with respect to the on-going "disputes" between the County and the City in connection with MSD, as well as the expiration of the MSD Operating Agreement. The OEPA/OWDA Letters state that the Water Pollution Control Loan Fund (the "WPCLF"), which is administered by the OEPA and OWDA, has provided loans to the County (for the benefit of MSD), which loans are outstanding

in a principal amount of over $400 million as of the date of the OEPA/OWDA Letters, and further provide that these organizations have concerns with the County's ability to repay these loans in light of the aforesaid disputes and the expiration of the MSD Operating Agreement despite the Mediating Court's decision that the MSD Operating Agreement will remain in effect. While OEPA and OWDA acknowledge that mediation efforts are on-going, the OEPA/OWDA Letters specifically request that the County and the City provide OEPA and OWDA with a written assurance that the existing WPCLF loans will be paid in a timely manner. While there were (and are) no known defaults or expectation of default on the WPCLF loans, the County and the City agreed to provide OEPA and OWDA with semi-annual updates with respect to certain "material information" by virtue of an Addendum to Water Pollution Control Loan Fund Agreements dated August 27, 2021. Semi-annual updates are being provided and normal loan processing has resumed.

Risk Factors and Investment Considerations

In light of the Transition Agreement not taking effect, the Mediating Court's order to temporarily extend the MSD Operating Agreement until further order of the Mediating Court, the Court's suggestion that the County and City continue to work towards transition of MSD operations from the City to the County, the pending motion regarding transition matters, and other matters (some of which are listed below), consideration should be given to certain risk factors and investment considerations associated with MSD and its operations.

In sum, any one or more of the aforesaid matters may have a positive or negative impact on MSD, and as a consequence, the risk factors and investment considerations listed below, as well as the short-term and long-term effects of such factors/considerations, should be considered as part of any investment decision, some or all of which may or may not occur, and some or all of which may positively or negatively impact sewer rates, revenues, coverage ratios, capital adequacy, and/or reserves. The list of risk factors and investment considerations listed below appear in no particular order and do not represent all possible risk factors or investment risks associated with revenue obligations issued for the benefit of MSD and potentially other debt or payment obligations of the County. The risk factors and investment considerations are as follows:

- County and City disagreements in connection with ownership and control of various Sewer System assets used as part of MSD operations and valuation considerations in conjunction with Sewer System assets; the County and the City have each asserted ownership and control of certain essential assets of the Sewer System and, as part of the mediation process, have each made a point to reserve (and not to waive) existing claims, defenses, and positions regarding the assets of the Sewer System;

- Uncertainty with respect to the temporary extension of the MSD Operating Agreement in light of the inability of the County and the City to execute the Transition Agreement;

- The potential for dispute resolution, mediation, and/or prolonged litigation in connection with unsettled legal issues such as ownership and control of certain essential assets of the Sewer System;

- The effects of transitioning MSD personnel from City employees to County employees and related administrative and workforce issues such as leadership, staffing adequacy, and training considerations;

- The potential for higher operational costs due to new, replacement, or transitional administrative and operational personnel;

- The effects of transitioning of billing and collection systems from the City to the County;

- Challenges in connection with adjustments to accounting treatment or methodology in connection with assets or operations, financial forecasting, and/or the accuracy of pro-forma financial information in light of transitioning MSD operations;

- Management and operational challenges in connection with the potential for any new leadership and/or management personnel;

- The impact of any changes to MSD's five-year capital improvement plan;

- The potential for delays in connection with MSD projects in light of transitioning MSD operations;

- Pension issues for MSD employees whether related to the applicable pension system, changes in system benefits, changes in state law, or other related matters; and

- Litigation in connection with provisions of the MSD Operating Agreement and or the Trust Agreement, and/or related rights and responsibilities.

In addition, it is important to note that while the terms of the Commitment Letter and the Transition Agreement have expired, there were express conditions precedent in order for the Transition Agreement to take effect, which conditions may constitute one or more risk factors or investment considerations to the extent that these conditions continue to be discussed. These conditions precedent included: potential changes in state law in connection with the Citizens Board and the Cincinnati Retirement System; the City's removal as a Consent Decree defendant; and the Court's approval and Order taking continuing jurisdiction over, and enforcement of, the Transition Agreement. Because not all of the conditions precedent were met by April 30, 2018, the County and the City agreed that a judicial mediation process could be started or they could seek other remedies (see "THE METROPOLITAN SEWER DISTRICT (MSD) OF GREATER CINCINNATI - Status of the MSD Operating Agreement - Temporary Extension of MSD Operating Agreement" above).

It is also important to note that the County and the City covenanted in the Trust Agreement securing the revenue obligations benefitting MSD not to sell, lease, or otherwise dispose of the Sewer System until such revenue obligations are paid or defeased except as otherwise permitted in the Trust Agreement or the MSD Operating Agreement.

Management/Organization and County Oversight

MSD is a County Sewer District, and is not a City Department; however, the City's Department of Sewers, subject to the direction and control of the Board of County Commissioners, is responsible for the planning and operation of MSD. The head of the City's Department of Sewers is the Executive Director of MSD and is primarily responsible for the administration of the entire Sewer System, including overall leadership and utility management. The Department of Sewers administers MSD through seven operating divisions: Office of the Director, Wastewater Engineering, Wastewater Administration, Information Technology, Wastewater Treatment, Wastewater Collection, and Compliance Services. A separate utility, the Stormwater Management Utility ("SMU"), is funded separately by a storm drainage service charge based on each individual property's contribution within the City of Cincinnati of stormwater runoff to the system. This drainage service charge provides for effective management, operation, maintenance, and capital needs for the existing stormwater system within the City. It also provides for administration, operation, maintenance, and capital needs for the existing flood control system that protects portions of the City. SMU is not co-managed within MSD.

The Office of the Director is primarily responsible for: legislation, communications, policy and government affairs, and real property acquisition and management. The Wastewater Engineering Division is primarily responsible for planning, design, and construction of wet weather, asset management and assessment sewer projects, project controls, and QA/QC for MSD's Capital Improvement Program. The Wastewater Administration Division is responsible for finance and accounting, human relations, the Small Business Enterprise program, and training. The Information Technology Division is responsible for computer operations and network infrastructure, business system technologies, and the MSD Help Desk. The Wastewater Treatment Division is responsible for operating and maintaining all wastewater treatment plants, pump stations, and high-rate treatment facilities. The Wastewater Collection Division is responsible for operating and maintaining MSD's sewer collection system and is responsible for the Sewer Backup (SBU) Program and 24/7 customer call center. This Division also maintains the budget for the federally mandated Sewer Backup Program. The Compliance Services Division is responsible for monitoring and regulating industrial and commercial customers, ensuring compliance with state and federal regulations, providing analytical laboratory services, and ensuring the safety and security of MSD employees and facilities. It is also responsible for remote monitoring, modeling, and the optimization of conveyance and treatment of wastewater during wet weather ("smart sewers").

Because the City operates MSD and the Sewer System for the County, the Executive Director of MSD is appointed by the City Manager of the City of Cincinnati. All other supervisory personnel are either appointed by the City Manager or selected pursuant to the civil service rules applicable to City employees. MSD believes that there is adequate management available in the event of the unanticipated loss of principal supervisory personnel.

In 2018, MSD contracted with Stantec to provide program management support, in cooperation with Hamilton County to update Capital Delivery and Program Management. MSD's Project Management Team ("PMT") system has incorporated a Hamilton County monitor within a new PMT that performs regular review sessions (called "stage-gates") to review project advancement criteria before proceeding onto next phases of project delivery.

In 2010, the County contracted with Plante & Moran, PLLC ("Plante & Moran") to perform an oversight function on the County's behalf. Plante & Moran is paid approximately $1.5 million per year and its role is to assist in planning the transition of MSD operations from the City to the County, monitor program costs and schedule, assess and report on organizational risk and risk management alternatives, and review project management and implementation mechanisms for all MSD operations, including Consent Decree activities. Plante & Moran subcontracts with Hatch Mott MacDonald to fill the engineering role in the oversight process.

Operations

MSD's service area covers approximately 290 square miles and encompasses all or part of four counties in southwestern Ohio. It provides wastewater removal and treatment through over 225,000 residential, commercial, and industrial sewer connections and operates and maintains over 3,000 miles of sanitary and combined sewers, seven major wastewater treatment plants, two package treatment plants, 98 pump stations and 10 major pumping stations.

Since the 1968 consolidations into the Hamilton County Sewer District, now named MSD, various small portions of Butler, Clermont and Warren Counties have also been included within the Sewer System, as well as the municipalities of Cleves, Indian Hill, Lockland, Loveland, Norwood, Reading and Wyoming.

Treatment Plants

The major treatment plants currently have an aggregate design, dry weather capacity through both primary and secondary treatment of 208 million gallons per day and during 2021 treated an average of 167 million gallons per day. Over 60 billion gallons of wastewater were treated in 2021. The largest plant operated by MSD is the Mill Creek Wastewater Treatment Plant. MSD operates six other major treatment plants -- Indian Creek, Little Miami, Muddy Creek, Sycamore, Polk Run, and Taylor Creek; in addition, there are two package plants (Mayflower and Ft. Scott).

Sewage treatment facilities are maintained and operated by state certified operators. A detailed training program is in effect to assist plant operators in preparation for the state certification examinations. Separate programs are also in effect for maintenance and safety. Generally, contracts for the purchase of major equipment require the manufacturer to provide training to operations and maintenance supervisors who operate and maintain the equipment.

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MSD Major Treatment Plants

Plant	Year First Placed in Service	Design Capacity (mgd) through both Primary and Secondary Treatment[(1)]
Mill Creek	1959	130.0
Little Miami	1953	38.0
Muddy Creek	1961	15.0
Sycamore	1958	10.0
Polk Run	1970	8.0
Taylor Creek	1997	5.5
Indian Creek (as a major plant)	1995	1.5

(1) Reflects plants designed capacity to treat wastewater in dry weather.

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MSD Treatment Plants
2021 Flow and Removal Report

Plant	Total Flow MG	Daily Average Flow MGD	Total Tons BOD/CBOD[a] Removed	Avg. Tons BOD/CBOD[a] Removed Per Day	Total Suspended Solids Removed	Avg. Tons Suspended Solids Removed Per Day	Total Tons Total Phosphorus Removed	Avg. Tons Total Phosphorus Removed	Total Tons NH3[b] Removed	Average Tons NH3[b] Removed
Mill Creek	38,570	105.67	21,356	58.51	31,683	87	390	1.07	--	--
Little Miami	12,074	33.08	4,037	11.06	7,693	21	--	--	507	1.39
Muddy Creek	4,350	11.92	2,301	6.30	3,470	10	--	--	--	--
Sycamore	2,803	7.68	1,034	2.83	1,283	4	22	0.06	154	0.42
Polk Run	1,708	4.68	932	2.55	1,350	4	29	0.08	136	0.37
Taylor Creek	1,009	2.77	1,066	2.92	1,220	3	--	--	--	--
Indian Creek	298	0.82	271	0.74	302	1	--	--	--	--
Mayflower	16	0.05	12	0.03	11	0	--	--	--	--
Fort Scott	16	0.04	27	0.07	18	0	--	--	--	--
All Plants	60,845	167	31,037	85	47,029	129	441	1	797	2

Note: Amounts have been rounded.
[a] Refers to Biological Oxygen Demand (BOD) and Carbonaceous Biochemical Oxygen Demand (CBOD).
[b] Refers to ammoniacal nitrogen.

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Brief descriptions of the seven major treatment plants are set forth below:

1. The Mill Creek Wastewater Treatment Plant serves an extremely large drainage basin of approximately 139 square miles including the industrialized Mill Creek Valley and the City's downtown business district. In addition to servicing the major industrial areas, it serves a population somewhat less than 400,000. Many of the sewers within this drainage basin are combined sewers conveying both sanitary waste and stormwater. The Mill Creek Wastewater Treatment Plant treats approximately 68% of total treated flow of the Sewer System.

2. The Little Miami Wastewater Treatment Plant serves a large drainage basin of approximately 56 square miles in the eastern part of the City and the County with an estimated population of 154,000. The Little Miami Wastewater Treatment Plant treats approximately 15% of total treated flow of the Sewer System.

3. The Muddy Creek Wastewater Treatment Plant serves a drainage basin in the western part of the City and the County of approximately 25 square miles with an estimated population of 85,000. The Muddy Creek Plant treats approximately 6% of total treated flow of the Sewer System.

4. The Sycamore Wastewater Treatment Plant serves a drainage basin in the northeast part of the County of approximately 19 square miles with an estimated population of 28,000. The Sycamore Wastewater Treatment Plant treats approximately 6% of total treated flow of the Sewer System.

5. The Polk Run Wastewater Treatment Plant serves a drainage basin in the northeast part of the County and small parts of Warren and Clermont Counties of approximately 14 square miles with an estimated population of 28,000. The Polk Run Wastewater Treatment Plant treats approximately 3% of total treated flow of the Sewer System.

6. The Taylor Creek Wastewater Treatment Plant serves a drainage basin in western Hamilton County of approximately 32 square miles with an estimated population of 26,000. The Taylor Creek Wastewater Treatment Plant treats approximately 1.4% of the total treated flow the Sewer System.

7. The Indian Creek Wastewater Treatment Plant serves a drainage basin in western Hamilton County of approximately 3.6 square miles with an estimated population of 12,000. The Indian Creek Wastewater Treatment Plant treats approximately 0.7% of the total treated flow the Sewer System.

MSD operates a number of smaller extended aeration wastewater treatment plants, 90 pump stations and 8 major pumping stations located throughout the County. The smaller wastewater treatment plants serve residential subdivisions with a minor amount of flow from commercial establishments and process an average of 50,000 to 65,000 gallons per day.

Plant Performance

Most of the flow to the Mill Creek, Little Miami and Muddy Creek wastewater treatment plants (which treat approximately 84% of the total treated flow of the MSD Sewer System) comes through the combined sewer system and thus is subject to wide variations during wet weather when storm water enters the sewer system. The amount of wet weather flow has a major effect on the quality of effluent being discharged into the Ohio River. In wet weather, not only are there more combined sewer overflows directly to the receiving streams which do not receive treatment, but the performance of the plants also tends to be reduced, thus lowering effluent quality.

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Each major treatment plant's average performance during 2021 as reported by MSD and filed with applicable regulatory authorities is summarized as follows:

Pollutant Concentrations Compared to Permit Limits[1]
(2021)

	Suspended Solids Data[1]		BOD/CBOD[1]		Total Kjeldahl [1]		Fecal/E. Coliform[3,4]		
Plant	NPDES Permit Limits[2]	Monthly Average Results	NPDES Permit Limits[2]	Monthly Average Results	NPDES Permit Limits[2]	Monthly Average Result	NPDES Permit Limits[2]		Monthly Geomean Results
Mill Creek	30	7	25	3	None	--	126(S)	1,000(W)	49/49
Little Miami	30	9	25	3	None	1	126(S)	1,000(W)	27/26
Muddy Creek	23	4	16	3	None	1	126(S)	1,000(W)	21/19
Sycamore	13	3	10	2	None	1	126(S)	--	5
Polk Run	12(S)30(W)	3	8(S)25(W)	2	None	1	126(S)	--	30
Taylor Creek	20	8	16	4	None	3	126(S)	--	17
Indian Creek	17	4	14	3	None	3	200(S)	1,000(W)	17/5
Mayflower	12	4	10	3	None	1	161(S)	--	17
Fort Scott	12	14	10	3	None	2	126(S)	--	2

[1] Values are in milligrams per liter or tons per 100 milliliters.
[2] NPDES permit limitations are the 30 day average limits. Limits designated by (S) are applicable only in summer months (May through October) and limits designated by (W) are applicable only in winter months (November through April).
[3] Applicable at the Sycamore, Polk Run, and Taylor Creek plants only during warm weather.
[4] All fecal coliform and E Coli data is stated in geometric means.

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MSD Recognition

MSD is recognized locally and nationally for its commitment to protect public health and the environment, and its efforts to implement sustainable water reclamation and watershed management practices. MSD is a member of the National Association of Clean Water Agencies (NACWA), the Ohio Water Environment Association (OWEA), the Water Environment Federation (WEF), the American Water Works Association (AWWA) and the Government Finance Officers Association (GFOA), among other organizations. The following is a list of awards MSD has received in the last five years:

- ***2022***
  - MSD's Sycamore Creek Wastewater Treatment Plant was awarded the 2022 Ohio Water Environment Association's George W. Burke Award for safety.
  - MSD's Mill Creek, Muddy Creek, Sycamore Creek, Polk Run, Taylor Creek, Indian Creek, and Mayflower plants earned a Gold Peak Performance award from NACWA for 100% compliance (no permit violations) during 2021.
  - MSD's Wastewater Collection Facility was awarded the Safety Certificate – Collections by the OWEA Safety Committee.
  - MSD's Lick Run Greenway project received numerous engineering awards.
- ***2021***
  - MSD's Lick Run Greenway project was selected as the 1st place winner in the GSI Trailblazers Campaign for green stormwater infrastructure (GSI) work that centers on equity and inclusion. The award was sponsored by the Green Infrastructure Leadership Exchange.
  - MSD's Polk Run treatment plant was the winner of the George W. Burke Award from OWEA for establishing and maintaining an active and effective safety program during 2020.
  - MSD's Sycamore Creek and Indian Creek plants earned a Gold Peak Performance award from NACWA for 100% compliance (no permit violations) during 2020.
  - MSD's Indian Creek treatment plant won the Engineering Excellence award at the One Water Technical Conference in Cincinnati in August 2021.

- ***2020***

  - MSD's Polk Run treatment plant was the winner of the 2020 George W. Burke Award from OWEA for establishing and maintaining an active and effective safety program.

  - MSD employee Achal Garg, a Ph.D. research scientist, was awarded a Fulbright scholarship to study water quality in Lake Titicaca in Peru, South America. This is Achal's second Fulbright scholarship in less than 10 years.

  - MSD's Environmental Lab was reaccredited from the NELAC institute.

  - Entered into a longterm agreement through City of Cincinnati to obtain 25% of energy usage through solar power purchase agreement.

- ***2019***

  - MSD's Muddy Creek plant earned a 2019 "Platinum 8" Peak Performance award from the National Association of Clean Water Agencies (NACWA) for 100% compliance (no permit violations) over an 8-year period from 2011-2018.

  - MSD's Mill Creek and Polk Run plants earned a 2019 Gold Peak Performance award from NACWA for 100% compliance (no permit violations) during 2018.

  - MSD's Indian Creek, Little Miami, Mayflower, Sycamore, and Taylor Creek plants all carried a 2019 Silver Peak Performance award from NACWA for 100% compliance (no more than five permit violations) during 2018.

  - MSD employees received the following awards:

    - 2019 Collection System Award from the Ohio Water Environment Association (OWEA) for advancing state-of-the art wastewater collection.
    - 2019 Professional Manager of the Year in Public Fleet from the American Public Works Association (APWA).
    - 2019 W.D. Sheets Award from OWEA for being active in the education and training of students.

- ***2018***

  - MSD was awarded the Top Prize for its "Smart Sewers" Technology from Engaging Local Government Leaders (ELGL) and The Atlas Marketplace in a national Best Water Projects contest, which featured cutting-edge public works projects related to water and wastewater infrastructure.

  - MSD received the Award for Green Infrastructure from the National Association of Flood and Stormwater Management Agencies (NAFSMA) for the Rapid Run Park Bioswale, part of the Lick Run Project.

- The Muddy Creek plant earned a "Platinum 7" Peak Performance award from NACWA for 100% compliance over a 7-year period (2011-2017) with its NPDES permit.

- The Mill Creek, Little Miami, Muddy Creek, Sycamore Creek and Taylor Creek plants earned a Gold Peak Performance award, and the Polk Run and Indian Creek plants earned a Silver Peak Performance award from NACWA in both 2018 and 2017.

Collection System

MSD considers the overall condition of the sewer lines to be satisfactory. Although the City is a relatively old municipality, sewer lines serving a majority of the population, particularly sewer lines existing outside the older areas of the City, have a median age of approximately 45-60 years. Based on its own experience and industry experience, MSD believes that factors such as the initial quality of construction and installation and external factors such as location, depth and traffic impact, rather than age, are the largest determinants of long term sewer condition. Accordingly, MSD repairs, rehabilitates and replaces existing sewer lines based on known data such as standardized closed-circuit television and visual inspection reports, evidence of excess inflow or infiltration and other factors rather than on the basis of age alone.

MSD conducts an extensive risk-based inspection, maintenance and rehabilitation program. Since 1987, MSD has operated an aggressive program of "trenchless" sewer rehabilitation utilizing cured-in-place lining and other trenchless technology methods. During 2021, approximately 132 miles of sewers (including 15 miles of building sewer laterals) were inspected and 34 miles were cleaned. Approximately 28,776 linear feet of sewer lines were rehabilitated using trenchless technology, including point liners, at an approximate cost of $5,484,670. Manhole rehabilitation and repair costs in 2021 were $2,087,750 with 210 manholes repaired. MSD intends to spend approximately $6,150,000 on trenchless technology annually. In addition to the awards relating to plant performance, the North American Society for Trenchless Technology has recognized MSD for its significant contributions to the industry technology.

Environmental Compliance and Quality

Overview

The County, and the City in its role as the County's agent, have entered into several consent decrees with U.S. EPA, Ohio EPA and other parties over the course of several decades. The requirements of the older consent decrees have been met and those consent decrees have been terminated. The City, the County, U.S. EPA, Ohio EPA and ORSANCO (U.S. EPA, Ohio EPA and ORSANCO are collectively referred to herein as the "Regulators") have negotiated and executed an Interim Partial Consent Decree (see "THE METROPOLITAN SEWER DISTRICT (MSD) OF GREATER CINCINNATI – Environmental Compliance and Quality – History of the Consent Decrees - Interim Partial Consent Decree on SSOs") that addresses SSO issues and a Global Decree (see "THE METROPOLITAN SEWER DISTRICT (MSD) OF GREATER CINCINNATI – History of the Consent Decrees") addressing CSOs, wastewater treatment plants,

and basement backups caused by inadequate capacity in the collection system. Both decrees ("Consent Decrees") were approved and entered by the Court on June 9, 2004.

A final wet weather improvement program ("Final WWIP") that implements the Consent Decrees was conditionally approved by the Regulators in January 2010, and final approval occurred in August 2010.

Consent Decrees Summary

Name	Date Approved	Primary Focus	Status
Interim Partial Consent Decree	June 2004	SSOs	Being implemented through Final WWIP pursuant to First Amendment to Consent Decrees
Global Consent Decree	June 2004	CSOs, Treatment Plants, SSOs	Being implemented through Final WWIP Pursuant to First Amendment to Consent Decrees
Final WWIP Phase 1 2008 – 2018	August 2010	Implement requirements of Consent Decrees for wet weather improvement projects with scheduled milestones	MSD is obligated to complete Phase 1 projects by December 31, 2018, except as allowed by Final WWIP
Bridge Projects 2019 – present	September 2018	Series of sewer infrastructure projects to reduce overflows	Bridges gap between Phase 1 completion in 2019 and start of Phase 2
Final WWIP Phase 2 2020 - TBD	TBD	Will focus on wet weather improvement projects and MSD asset management	To be implemented in phases based on a variety of factors and is currently under negotiation.

The following summary is set forth in three sections: (a) a summary of the history of the development of the Consent Decrees, (b) the current status of the Consent Decrees, and (c) concepts applicable to all phases of the Final WWIP.

History of the Consent Decrees

Background on SSO Issues. MSD operates a number of separate sanitary sewer systems that are subject to infiltration and inflow of storm water, which cause the affected sewers to discharge untreated sewage or other wastes directly into streams. In 1992, MSD established the Storm Water Removal Program (originally the Rainfall Derived Infiltration/Inflow Program), to identify and remove storm water inflows from private property into sanitary sewers. The reduction in storm water inflow substantially helps eliminate SSOs. Private property owners are reimbursed for 100% of their costs, up to $3,000, incurred in the removal of unauthorized connections to the sanitary sewer system.

Perhaps the most difficult issue with the elimination of SSOs is how to define, from an engineering standpoint, when an SSO is eliminated. Since SSOs in MSD's system are primarily the result of line blockages, collapses, or storm water infiltration and inflow, including in some cases overland flooding during storm events, the total elimination of all SSOs under all circumstances is practically impossible. Since these issues have been

recognized as common to many sewer systems across the country, U.S. EPA had stated its intention to propose new SSO standards and regulations. Although draft SSO regulations were developed by in 2001, they were subsequently withdrawn by the Agency and no final regulations have been promulgated.

Plans for remedying SSO issues are addressed in the Interim Partial Consent Decree and Global Decree discussed below.

Interim Partial Consent Decree on SSOs. In 2002, because MSD is not a legal entity, the City, the County, the United States (on behalf of U.S. EPA), the State (on behalf of Ohio EPA) and ORSANCO executed and agreed to enter into an Interim Partial Consent Decree on SSOs ("Interim Decree"). The Interim Decree was first lodged in February, 2002 with the Court in connection with a lawsuit brought under the Clean Water Act ("CWA") by the United States and the State against the County and the City as the owner and operator, respectively, of MSD. In August, 2002, a revised version of the Interim Decree adding ORSANCO as a party and making other technical revisions to the February, 2002 version of the Interim Decree was lodged with the Court. Pending final Court approval, MSD began implementation of the Interim Decree when it was lodged. The Interim Decree was approved by the Court on June 9, 2004.

Terms of the Interim Decree. The Interim Decree is focused on SSOs and sets forth various requirements and milestones with which the City and the County must comply. The costs associated with implementing the requirements contained in the Interim Decree will be included in MSD's annual Capital Improvement Program document. The scheduling of past, current, and future SSO related projects and work is addressed in MSD's Final WWIP, dated November 9, 2009, which was conditionally approved by the U.S. EPA, Ohio EPA and ORSANCO on January 6, 2010, and approved by the Court in August 2010. The major topics covered by the Interim Decree are briefly described below.

Capital Improvement Projects. Under the Interim Decree, the County and the City are required to address certain of MSD's "Most Highly Active" SSOs. "Most Highly Active SSOs" are locations where SSO discharges occur more frequently and with greater volume than at other locations. An appendix to the Interim Decree set out specific CIP projects to address 16 of MSD's Most Highly Active SSOs and individual schedules by which each project must be accomplished. All of these 16, except SSO 700 (see "SSO 700 Remedial Measures" below), were completed prior to the development and finalization of the Final WWIP.

SSO 700 Remedial Measures. SSO 700 is located approximately 13 miles upstream from the Mill Creek Wastewater Treatment Plant, in the Mill Creek drainage basin. The Interim Decree requires implementation of a series of remedial measures to address SSO 700 - MSD's largest SSO. The Interim Decree requires MSD to design and build a Chemically Enhanced High Rate Settling and Storage Facility ("CEHRS&S") to reduce contaminant loading from SSO 700. This facility was constructed and began operating in December 2006.

The Interim Decree, as amended by the First Amendment to the Consent Decrees, approved on August 10, 2010 (see prior table titled "Consent Decree Summary - Status"), calls for a plan ("SSO 700 Final Remedial Plan") that identifies final remedial measures at SSO 700 to be submitted by MSD by December 31, 2012 and that plan was timely submitted (see prior table titled "Consent Decree Summary - Status – Phase 1 of Final WWIP"). The SSO 700 Final Remedial Plan must be approved by U.S. EPA, Ohio EPA, and ORSANCO. The deadline for completing construction of the final remedy will be scheduled as part of the Final WWIP Phase 2 work.

Comprehensive SSO Remediation Program. In addition to requiring specific remedial measures to address SSO 700, the Interim Decree also requires implementation of a Comprehensive SSO Remediation Program. Under terms of the Interim Decree, MSD is required to undertake a comprehensive program to evaluate and propose measures to rehabilitate the Sanitary Sewer System in order to meet the objectives of the Interim Decree. The program will build upon the capital improvements mentioned above. It will be implemented in phases, including data collection and modeling, data analysis, remedial design and remedial implementation.

Short-term Adequate Capacity. The Interim Decree requires MSD to implement a Short-Term Adequate Capacity Program Plan ("STAC Plan"). The objective of the STAC Plan is to prevent wastewater flows from new development sites from contributing to the volume of wastewater discharged from downstream SSOs. The plan is designed to ensure that more flow is removed from the system than is added from proposed new sewers, sewer extensions, or other increases associated with new development. Compliance with this plan will be required for sub-basins until such time as the sub-basin remedial measures set forth in the Sewer System Capacity Assurance Program Plan ("CAPP") are met.

Stipulated Penalties. The Interim Decree sets forth stipulated penalties for failure to comply with its provisions, but no civil penalties for asserted violations occurring prior to the lodging of the order were assessed. Penalties of $1,500 to $5,000 per day may be imposed for failure to comply with critical path submittals and critical remedial milestones as identified in the Interim Decree. Civil penalties for failure to comply with reporting requirements range from $500 to $1,500 per day. Stipulated penalties for Sanitary Sewer Discharges ("SSD") and improper Sewer Connections range from $3,000 to $5,000 per day depending on the timing and cause of the violation. MSD will not owe stipulated penalties for any SSDs caused by a ten-year storm or greater. Stipulated penalties associated with the failure to meet report submittal deadlines and to comply with other requirements are $2,000 per day. MSD has not been required to pay any stipulated penalties under the Interim Decree.

Background on CSO Issues. MSD has a sewer system that contains both sanitary and combined sewers. Approximately 37% of the MSD collection system is combined sewers. Combined sewers convey sanitary waste and surface drainage or rain water. During wet weather, because of the large inflow of storm water, the combined wastewater and storm water flow may exceed the capacity of the treatment plants, and the remainder discharges directly into creeks, channels or rivers.

In April, 1994, the U.S. EPA issued a Combined Sewer Overflow Policy ("CSO Policy"), which requires communities that experience CSOs to take certain steps to control the impact of these discharges. The CSO Policy requires two general types of remedial measures: (1) implementation of interim adjustments to system operation and maintenance practices (known as the "Nine Minimum Controls") to reduce and mitigate the impact of CSOs; and (2) development and implementation of a CSO Long Term Control Plan ("LTCP") setting out a series of long term remedial measures designed to bring receiving streams into compliance with water quality standards.

On December 21, 2000, Congress added Section 402(q)(1) to the CWA, which requires all permits, orders and decrees addressing CSOs issued after that date to conform with U.S. EPA's CSO Policy.

The "Global" Consent Decree. In September, 2003, the City, the County, the United States (on behalf of U.S. EPA), the State (on behalf of Ohio EPA) and ORSANCO executed and agreed to enter into a settlement agreement entitled "Consent Decree on Combined Sewer Overflows, Wastewater Treatment Plants and Implementation of Capacity Assurance Plan for Sanitary Sewer Overflows" (the "Global Decree"). The Global Decree was lodged in December, 2003 with the Court. Simultaneous with lodging of this document, the United States, the State and ORSANCO filed a complaint under the CWA against the City and the County detailing the alleged violations being settled by the Global Decree. The Global Decree was approved and entered by the Court on June 9, 2004. Because MSD is not a separate legal entity, MSD could not be a party to the Global Decree (see "THE METROPOLITAN SEWER DISTRICT (MSD) OF GREATER CINCINNATI – Formation and MSD Operating Agreement"). The City and the County were each parties to the Global Decree.

CSO Long Term Control Plan. The Global Decree requires the County and the City, acting through MSD, to design and implement, in accordance with U.S. EPA's CSO Policy, the update to MSD's 1996 CSO Long Term Control Plan ("Update"). The Update, which was approved as part of the Final WWIP, contains strategies for addressing each area of MSD's system that experiences CSOs.

As part of the LTCP, MSD monitors accomplishments. The results of this monitoring will guide the extent to which longer term controls must be implemented. The Lower Mill Creek System Wide Model (the "Model") serves as a tool for MSD CSO remediation efforts. The Model is currently being updated by MSD and is under review by the County (see prior table titled "Consent Decree Summary - Status – Phase 1 of Final WWIP").

Implementation of SSO Capacity Assurance Program Plan. The Global Decree requires MSD to implement the CAPP developed pursuant to the Interim Decree. The resulting CAPP is expected to alleviate capacity-related basement flooding and SSO's during a typical year, subject to continued aggressive pursuit of limiting extraneous flows.

Water In Basement Provisions. The Global Decree requires MSD to implement three programs designed to mitigate the impact of the backup of wastewater into customers' homes and businesses as a result of inadequate capacity in the collection system. All three programs required by the Global Decree have been implemented and are ongoing. They are described below: First, MSD implemented a "Customer Service" Plan pursuant to which MSD provides immediate cleanup services to the victims of sewer backups resulting from inadequate capacity in the collection system. Second, the City and County implemented a program to pay the valid claims of residents who have suffered damages as a result of sewer backups resulting from inadequate capacity in the collection system. In entering the Global Decree, the Court determined that the water in basement claims program extended to claims for diminution in value of real property arising from water in basement problems. Third, MSD implemented what is now named the "Sewer Backup Response Program," which is intended to prevent basement backups from occurring by installing backflow prevention devices, pumps and other measures at properties that have experienced multiple backups as a result of inadequate capacity in the collection system

Penalties. In June, 2004, the City and County paid a $1.2 million civil penalty in settlement of all alleged CWA violations relating to the matters covered by the Global Decree. In addition, MSD has implemented at least $5.7 million in Supplemental Environmental Projects ("SEP") that are identified in a SEP Plan attached to the Global Decree. A SEP is implemented in lieu of a penalty or penalties. The Global Decree also requires the City and County to pay stipulated penalties ranging from $500 per day to $3,000 per day for failure to meet deadlines or comply with other requirements set out in the Global Decree. The City and County must also pay a stipulated penalty of $3,000 for unpermitted CSOs that occur after completion of the Update. The City and County will not be liable for stipulated penalties, however, in connection with unpermitted overflows caused by a ten-year storm or greater. Additionally, the Global Decree imposes stipulated penalties of between $1,000 and $8,000 per violation for failure to comply with effluent limits established by the NPDES permits for MSD's major wastewater treatment plants. Since the initial fine in June 2004, the City and the County have not been required to pay any stipulated penalties under the Global Decree.

Wet Weather Implementation Plan/LTCP/CAPP Requirements of Global Consent Decree. MSD has implemented the Nine Minimum Controls and developed a Wet Weather Improvement Plan (WWIP) that addressed the Consent Decrees' requirements for the CAPP and the LTCP Update. The WWIP is the plan used to fulfill the core requirements of the Consent Decrees. The Final WWIP was conditionally approved on January 6, 2010. Approval of the Final WWIP required an amendment to the Consent Decrees ("First Amendment to Consent Decrees"). The First Amendment to Consent Decrees was approved by the Court on August 10, 2010, and its Order has not been not appealed. Changes in certain project and study schedules and creation of stipulated penalties for certain Final WWIP required submittals by MSD were part of the First Amendment to Consent Decrees.

Current Status of the Consent Decrees

Final WWIP Implementation. The Final WWIP includes the Long-Term CSO Control Plan Update and the CAPP through projects and project bundles to be constructed. It also includes so-called "allowance" work activities ("Allowances") which are subject matter programs that complement the construction of individual WWIP projects and project bundles.

The Final WWIP is to be implemented in phases, with each Phase including construction of projects and project bundles and work performed through the Allowance programs. Some of this work has already been completed or was undertaken as "early action" work required by the Consent Decrees prior to approval of the Final WWIP. The Final WWIP includes detailed exhibits identifying the past and future individual projects and project bundles, costs expended and expected to be expended, and details of specific projects and project bundles.

The following is a summary of Phase 1 and Phase 2 of the Final WWIP, including certain estimated cost projections and revenue requirements. As discussed below, these are engineering estimates that are the result of work at only a conceptual planning stage, and are based on various assumptions and expectations. As with any financial projections, these estimates include contingencies to address uncertainty and unanticipated changes. The actual costs and revenue requirements may vary from those forecasted due to factors generally outside of the control of MSD, such as inflation, interest rates, and future regulatory requirements. The County passed a resolution in 2012 requiring MSD to notify the County immediately upon learning that estimated costs may or will be exceeded for any WWIP project, and provide a corrective action plan. The cost estimates for the Final WWIP when approved were stated in 2006 U.S. Dollars. The costs reported or estimated below are in actual dollars spent or in expected dollars to be spent (including expected inflation), except when specifically stated as 2006 U.S. Dollars.

Phase 1 of Final WWIP. Phase 1 required MSD to substantially complete construction of a specific list of projects and project bundles by December 31, 2018. As of December 31, 2020 all Phase 1 projects are substantially complete. Through 2021, MSD has expended $1.124 billion dollars on this work, including individual projects, project bundles and Allowances. The remaining cost of Final WWIP projects for Phase 1 includes approximately $25 million in program expenditures, through the year 2030, which will total $1.150 billion in current year U.S. dollars ($1.019 billion in 2006 U.S. dollars) (see "THE METROPOLITAN SEWER DISTRICT (MSD) OF GREATER CINCINNATI – Environmental Compliance and Quality - Concepts Applicable to All Phases of the Final WWIP – Allowances").

Most of the individual projects and project bundles include work in the Mill Creek, Little Miami River, and Muddy Creek watersheds, including work at treatment plants and in multiple collection areas to address CSOs and SSOs. Additional treatment plant improvement projects were identified for the Polk Run and Sycamore watersheds.

The largest project bundle in the Final WWIP Phase 1 is the Revised Original Lower Mill Creek Partial Remedy ("LMCPR") project, which strategically separated stormwater, constructed new stormwater sewers, detention basins/storage tanks, stream restoration, and stream daylighting in the Lick Run, Kings Run and West Fork watersheds of Mill Creek. Five Real Time Control facilities were also constructed. MSD's previous studies (2012) indicated that the LMCPR will achieve the CSO control and cost approximately $244 million in 2006 U.S. Dollars ($284 million over the course of its construction). The LMCPR plan was submitted to the Regulators in late December of 2012 and, following a public hearing and comment period, on May 30, 2013, the Regulators approved the LMCPR.

A System-wide Model ("Model") is used to estimate incoming flows to the sewer system and CSO volume overflows that are used to plan, design and construct control facilities. Updating the Model, including sub-models for specific watersheds, is ordinary and customary in the industry due to increased data, technical improvements and advances in computer technology. MSD is conducting updates on models it has used in other LMCPR watersheds and in other watersheds across the District. Depending on the Model results, the scope and cost of the Final WWIP Phase I (including the LMCPR) may change, subject to approval by the Regulators.

While final review of the Model updates is underway, MSD now projects that the total overflow volume estimate for parts of the Lower Mill Creek watershed, including Lick Run where the LMCPR project is located, have decreased since the approval of the Final WWIP. With less stormwater entering the combined sewer system, there is less overflow volume to be controlled. Decreased overflow volume may eventually result in revisions to Final WWIP projects or equitable adjustments to performance criteria based on the Model updates. The County and City have had discussions with the Regulators over the implications of reduced overflow volumes and discussions are likely to continue beyond completion of the LMCPR in the context of post-construction evaluation of the project. MSD is conducting similar update work on Models it has used in other watersheds.

To address required SSO 700 planning (see "THE METROPOLITAN SEWER DISTRICT (MSD) OF GREATER CINCINNATI – Environmental Compliance and Quality - History of the Consent Decrees" above), MSD submitted a proposed SSO 700 Final Remedial Plan ("FRP") to the Regulators on December 30, 2012 and a Supplemental Addendum to the FRP in September 2016, November 2017, and May 2018. The FRP includes (i) providing storage upstream of SSO 700 to eliminate SSOs from SSO 700, (ii) an additional storage tank at the existing SSO 700 Storage and Treatment Facility ("STF") and certain reliability improvements at the STF. Some of the reliability-related improvements have been completed to address instrumentation shortcomings at the STF. The remaining reliability improvements and fourth on-site storage tank was constructed and achieved substantial completion on December 31, 2019 in accordance with the "WWIP Project Bridge Schedule." Construction began in late 2018 with substantial completion achieved by December 2019. MSD has engaged in extensive discussions with the Regulators over the last several year about SSO 700 and the long-term plan includes re-evaluating the need for the SSO 700 storage facility when the Lower Mill Creek Final Remedy (LMCPR) is developed in Phase 2 of the WWIP. In addition, results of the SSO

700 Integrated Watershed Action Planning in the SSO 700 tributary area are expected to provide useful information.

The overflow in a 2-year, 24-hour storm event at SSO 700 has been reduced from 18.7 million gallons to 13.3 million gallons in Phase 1. Some other Phase I accomplishments from 2009-2018 include approximately 3 billion gallons of sewer overflows eliminated. 94 SSO's and 108 CSO's have been eliminated or reduced. The overall cost of Phase 1 was originally estimated to be approximately $1.14 billion (in 2006 U.S. Dollars), including an estimated $244 million (in 2006 Dollars) for the LMCPR. However, as design and construction during Phase 1 continue to occur, certain projects may cost more than originally estimated. MSD is allocating its WWIP Phase 1 program management fees to specific WWIP projects. The implications of Model-related changes, noted above, are being evaluated. Reevaluation processes are currently underway and additional project cost increases may result. At the same time, the County and MSD are undertaking efforts to mitigate potential cost increases and potential schedule delays in the completion of a few components of the LMCPR project.

The County and MSD have also started the process of evaluating the potential impact on future sewer rate increases.

Projections of anticipated Phase 1 expenditures are listed below by year.

Projected Final WWIP Phase 1 Expenditures[1]
(Current Dollars)

Year	Amount[2]	Cumulative Program Expenditures	Percentage of Completion
Pre-2021	$1,107,471,535	$1,107,471,535	96%
2021	4,925,263	1,112,396,798	97%
2022	17,006,632	1,129,403,430	98%
2023-2030	20,243,431	1,149,646,862	100%

[1] Includes Projects, Project Bundles and Allowances. Represents December 2021 cash flow forecast through 2030. Includes 50% of total assessment costs and 6% contingency of construction.
[2] MSD uses the escalation factor as described in the MSD Project Costing Manual.

Phase 2 of the Final WWIP. The Consent Decree provides the County and the City with the ability to implement Phase 2 via a phased approach, primarily to address affordability concerns.

On April 3, 2018, the U.S. EPA conditionally approved a series of sewer infrastructure projects known as "Bridge Projects", to be completed between Phase 1 and Phase 2. As Phase 1 ended in 2018 and Phase 2A was not to start up until after 2020, these projects were designed to bridge the gap between the two phases and allow more time to further develop the Phase 2A program.

On June 29, 2018, the U.S. EPA filed a Motion for Entry of Amendment to the Consent Decree on Combined Sewer Overflows, Wastewater Treatment Plants and Implementation of Capacity Assurance Program Plan for Sanitary Sewer Overflows

("Motion to Amend"). On August 2, 2018, the County and City filed a Notice of Joinder in support of the U.S. EPA's Motion to Amend. The Court issued an Order granting the Motion to Amend on September 18, 2018, thus amending the Consent Decree and Final WWIP to include the "Bridge" projects between Phase 1 and Phase 2 and adjusting corresponding Phase 2-related deadlines.

The bridge includes approximately 25 WWIP indexed projects that originally totaled approximately $61 million (in 2006 Dollars). In some cases these indexed projects were grouped into bundles to be planned, designed and constructed together. After the bundling of multiple indexes into single projects there are a total of 20 Bridge Projects which include 26 milestone date requirements. These milestones vary by project and may be "planning completion", "submit PTI" or "construction substantial completion." As of July 31, 2022, 14 of the milestone requirements were completed on time, 7 were completed after the required deadline, and 5 milestone dates have not yet been met.

On June 28, 2018 and June 29, 2018, the City and County, respectfully, each submitted a proposed Phase 2A schedule to U.S. EPA. On July 17, 2018, the U.S. EPA indicated that it did not view the submission of two plans as meeting the requirement that a single plan be submitted. U.S. EPA was hopeful that the County and City would submit a single Phase 2A Plan. On November 15, 2018, the County filed a Dispute Resolution Petition with the Court, seeking a judicial order requiring the U.S. EPA to accept the Phase 2A schedule submitted by the County and to reject the Phase 2A schedule submitted by the City. The United States and Sierra Club responded on December 21, 2018, and the City responded on December 26, 2018. By letter dated July 11, 2019, U.S. EPA provided a Phase 2A schedule which it claimed the County and City were required to implement unless or until the County and City submit a jointly supported Phase 2A schedule and obtained U.S. EPA's approval of that schedule, or that schedule is determined through dispute resolution, or U.S. EPA agrees to adjust its Phase 2A schedule pending approval of the jointly submitted schedule. On July 22, 2019, the County filed a Notice of Regulators' Violation of Pending Consent Decree Dispute Resolution Process, noting that the issue of whether U.S. EPA had to accept the Phase 2A schedule submitted by the County was already pending in dispute resolution with the Court and stating that U.S. EPA could not impose a Phase 2A schedule while that dispute resolution process was ongoing. On May 12, 2020, the Mediating Court issued an Order granting the County's Petition, holding that the County's Phase 2A Plan is the proper Consent Decree submission and that the Regulators were not to consider the plan submitted by the City. In addition, the Court clarified that Phase 2A must be a two-party negotiation between the County and the Regulators, with the County being fully supported by the MSD executives and its key consultants. And, while the County should place strong reliance on the advice it is given by the City, the County is the entity that is responsible for the operation of MSD. The Regulators did not appeal, and this matter is final. The Regulators are currently evaluating the County's Phase 2A Plan.

Phase 2 will focus on both wet weather and asset management projects. Asset management projects are necessary to keep MSD's collection and treatment systems in good, working condition. Phase 2, which does not presently have a specific time limit, has

previously been estimated to cost more than $2 billion (2006 Dollars), which estimated cost cannot be determined with greater specificity at this time.

The Phase 1 Program which ended on December 31, 2018 and Phase 2A (and subsequent phases) are programmed based on a schedule that is as *"expeditious as practicable"* per the considerations in the Global Consent Decree and Final WWIP, including the ability of the community to afford to pay for the projects.

Ratepayer "affordability" takes into account local residential household income (see the discussion of the Residential Indicator below), impacts of the cost and length of the schedule on financing in the tax-exempt bond market, local and national experience with the time, cost, economics and practicality of CSO/SSO program implementation, technical feasibility, and other relevant factors. While the approved WWIP includes a list of all Phase 2 projects in priority order, their scheduling will be determined following submission of a Phase 2 schedule and with follow up discussions with the Regulators. It is anticipated that adaptive management review of the scope of some projects will be part of Phase 2 scheduling discussions. The eventual determination of this scheduling could affect the amount and timing of future borrowings in the latter part of this decade and the subsequent decade.

In the event that a subpart of Phase 2 (i.e. a Phase 2A) is implemented, the remainder of the Final WWIP projects and project bundles would be required to be scheduled as part of a Phase 2B. The schedule for Phase 2B work would be required to be submitted at a later specified date during Phase 2A. If the City and County demonstrate that the additional subparts beyond Phase 2B are required to avoid severe financial hardship, the remaining Final WWIP projects and project bundles may be scheduled accordingly, provided the schedule is as expeditious as practicable. Thus, as a multi-phase program approved by the court in connection with the First Amendment to the Consent Decrees, no ultimate completion date for the last Final WWIP project is established in the Final WWIP.

Additionally, in no case can MSD be required to propose, continue or implement a Phase 2 schedule or Final WWIP work that would cause or contribute to the costs of such work exceeding a cap of 2.8% of the "Residential Indicator" as that term is determined in the Final WWIP and referenced in U.S. EPA's Financial Capability Assessment and Schedule Development Guidance and Framework documents ("CWA Affordability Guidance"). The CWA Affordability Guidance uses the calculation of the Residential Indicator to evaluate relative impacts of sewer costs. Residential Indicator is a percentage of median household income spent on sewer costs. The calculation uses many factors, including capital, operating, and debt service costs of the sewer utility, number of residential users, interest rates, and median household income. The Final WWIP includes details on how this Residential Indicator is to be calculated.

The Regulators are currently evaluating the County's Phase 2A Plan submission. The County is engaged in meaningful discussions with policy makers and Regulators on the potential projects for Phase 2A. As planning or design work for early Phase 2 projects continues to occur, project costs and scopes become more fully understood and can inform

Phase 2A planning. The scope and cost of the Phase 2 projects are being continuously monitored by MSD and the County.

The Lower Mill Creek Final Remedy ("LMCFR") is the final project to be constructed in Phase 2 of the Final WWIP and is presently described as a default tunnel/conveyance to address multiple CSOs. In 2013, the Regulators agreed that one part of the LMCFR (the so-called "Mill Creek Lower 11 CSOs") could be addressed on a watershed basis using integrated watershed planning approaches separate from the existing provisions governing the LMCFR. The County and MSD anticipate discussions with the Regulators regarding use of the integrated watershed approach in Phase 2 to develop alternative projects to the LMCFR. In addition, the multi-year Interstate 75 ("I-75") reconstruction by the Ohio and U.S. Departments of Transportation has commenced which will affect the LMCFR. I-75 runs parallel to the Mill Creek and significant storm water runs off of I-75 and drains to the Mill Creek. In many instances, the I-75 storm water is currently routed to MSD's combined sewer system in the lower Mill Creek. Alternatives to this arrangement are being investigated that could lead to modification of the LMCFR, and certain projects proposed by MSD if approved by the County, may occur in the LMCFR tributary area before the LMCFR or alternatives are planned.

Concepts Applicable to All Phases of the Final WWIP

The Final WWIP has terms which apply to all phases. Some of these concepts are described below.

Bond Covenants. If facts or circumstances arise that suggest implementation of the Final WWIP may result in a violation of MSD bond covenants, a request may be submitted to modify the Final WWIP to avoid those violations, provided the request meets certain demonstrations set forth in the Final WWIP.

Allowances. The eight enumerated Allowances programs that can be implemented as part of the Final WWIP are: (i) water in basement (i.e. Sewer Back-up), (ii) sewer relining, (iii) manhole rehabilitation, (iv) infiltration and inflow, (v) elimination of home sewage treatment systems, (vi) urgent response, (vii) Final WWIP progress studies, and (viii) green projects. These Allowances and the associated work have varied over the execution of the Bridge while negotiations of Phase 2 are underway.

Green Projects. MSD may identify and propose changes to the Final WWIP projects by adding or substituting "green infrastructure" (i.e., rain gardens, permeable pavement, etc.) for "gray infrastructure" (i.e., traditional pipes and treatment systems), subject to approval by U.S. EPA, Ohio EPA and ORSANCO.

Adaptive Plan Alterations. MSD may identify and propose significant changes to the Final WWIP projects, project bundles, watershed approaches, priorities and other matters through "adaptive management" reviews and proposals to U.S. EPA, Ohio EPA and ORSANCO provided that such proposals are to be made no more frequently than every five years, and they provide comparable or better aggregate control of annual volumes as the original project(s) in the Final WWIP.

Dispute Resolution. Disputes that arise regarding the Final WWIP are, with a few limited exceptions, subject to the Dispute Resolution provisions of the Consent Decrees, which would ultimately have such disputes resolved by the Court if the parties could not resolve them.

Project Management, Required Staffing and Contractor Availability. In January 2019, MSD contracted for an integrated Capital Program Management Team (PMT) to support the delivery of the annual CIP and the Phase 2A WWIP, when finalized and approved. The PMT has been working with MSD to design, implement, and adopt the necessary platforms and processes to successfully deliver the CIP projects. This includes the implementation of a project management information system (PMIS) developed using e-Builder software. Currently all active projects are managed within this system. A Project Delivery System (PDS) has also been developed which provides for the management of projects through the lifecycle stages with a stage gate meeting held at key intervals. Overall program and project controls have also been enhanced with new dashboarding and reporting functionality introduced. The PMT continues to work with MSD and the County to identify and implement additional efficiencies and improvements to the overall project delivery process.

The project requirements of the Final WWIP will require MSD to add personnel or contract out certain work. MSD uses a mix of employee staff and supplemental outside professional consultants to manage the multiple projects in planning, design, and construction phases. As nearly 19% of its work force becomes eligible for retirement over the next five years, MSD is implementing a succession plan and is working with the City to maintain competitiveness. MSD will need to evaluate its engineering division structure and resources to address the implementation needs of the Final WWIP once the overall requirements have been defined.

MSD has also reorganized its wet weather management functions to integrate them within various operational divisions to facilitate better use of data and technology. As MSD embarks upon implementation of the Final WWIP (while the Final WWIP was approved by the Court in 2010, MSD began implementing some of the projects in 2008), it has begun to integrate some supplemental staff positions with MSD personnel. Professional program and project management staffing provided by external consultants will likely continue to be utilized for the next several years, to handle a significant portion of peak project load and project planning to ensure all Final WWIP milestones are fully satisfied.

MSD also evaluated the local market capacity of contractors in the region to undertake the volume of work required by the Final WWIP and, if necessary, possible programs to increase that capacity. A capacity study was completed in June 2009. MSD has implemented recommendations of the study to address any projected shortages. In 2011, MSD reassessed the capacity of contractors in the region with a focus on identifying forecasted and projected shortfalls that could have an have an impact on MSD's ability to complete all Phase I projects by December 31, 2018. That study, conducted by FMI Corporation, predicted no shortage of engineering resources through 2020 with shortages in three trades (masonry and concrete finishing, operating engineers and laborers) during

peak season through 2020. With the procurement issue potentially impacting some projects, the timing of some of the tight aspects of the contracting industry could be delayed. MSD is working collaboratively with the County and City to optimize the utilization of small businesses throughout the region. As the Phase 2A WWIP Schedule is under development MSD plans to conduct an updated analysis, which may not be initiated until the requirements and scope of the Phase 2A Plan are approved and fully understood.

Reporting and Implementation. The Consent Decrees require MSD to submit quarterly and annual reports to the United States, the State and ORSANCO summarizing actions undertaken by MSD in implementing the Consent Decrees. MSD satisfies these requirements by submitting a single consolidated report each quarter, which report is posted on MSD's website.

MSD management has indicated to the County that MSD believes it is in material compliance with the Decrees and is current on its reporting requirements.

Other Environmental Regulatory Actions. From time to time, U.S. EPA or Ohio EPA will discuss potential violations of NPDES permits or other environment requirements. There is on-going communication with the U.S. EPA and the Ohio EPA concerning compliance with environmental requirements of these agencies. MSD is in substantial compliance with these consent order requirements, including NPDES and air permits, and intends to remain so in the future. MSD does not anticipate any material financial cost through fines or other expenditures. The County is engaged in monitoring compliance with the Consent Decree and will continue to spend time and effort focusing on WWIP compliance.

National Leadership by Hamilton County on Integrated Planning Issues

Today, there are over 700 localities and sewer districts across the country that are under a consent decree, in litigation or under threatened litigation for CWA compliance issues. The litigation and/or the cost of implementing a consent decree is extremely expensive and ratepayers are often forced to shoulder the cost, as there are limited federal funds to help sewer districts achieve compliance.

The County has taken the national lead in advocating for changes to the CWA and relevant U.S. EPA policies to foster the use of "Integrated Planning" and other modern tools to address affordability and implementation problems facing over 780 CSO/SSO communities. The County's leadership dates back to 2012, with the formation of a national "Perfect Storm Communities Coalition" of localities dealing with a "perfect storm" combination of high unemployment and home foreclosure rates, stagnant economic growth, and an exodus of business and industry, while being mandated to meet expensive CSO/SSO wet weather consent decrees and stormwater regulations. Former Commission President Todd Portune initiated the Coalition, organized its early efforts, and has made numerous visits to Washington, D.C. in the past 6 years to push for legislative and administrative change. This work has borne fruit.

The County, facing a multi-billion dollar CSO/SSO consent decree obligation, has advocated that legislative and policy change is needed to help communities to more readily apply green infrastructure technology to storm water management. Unlike traditional gray build projects which are removed from the public eye and serve a limited function, green infrastructure projects provide the public additional social, economic and environmental benefits as a return on their investment. Not only does this technology potentially offer a more cost effective investment, but also offers reductions in the overall amount of water that enters the system and that must be processed.

In 2012, EPA issued its Integrated Municipal Stormwater and Wastewater Planning Approach Framework, which was intended to help local governments seek more efficient and affordable solutions to wastewater and stormwater management issues, and meet the requirements of the CWA in a more flexible, affordable and cost-effective manner. Unfortunately, EPA has not fully implemented the policy and has instead continued to enforce costly mandates and consent decrees without regard to these integrated planning approaches.

Dating back to 2013, the County and the Coalition worked with Congressional leaders to draft H.R. 2707, the *Clean Water Compliance and Ratepayer Affordability Act of 2013*, which was introduced by a bipartisan group of sponsors and co-sponsors. Commissioner testified before the lead House Subcommittee overseeing U.S. EPA on the bill and related issues and the bill had the support of the current and past Commissions. H.R. 2707 would have required the Administrator of the Environmental Protection Agency (EPA) to carry out a program to work cooperatively with, and facilitate the efforts of, specifically identified pilot showcase communities to develop and implement integrated plans to meet their wastewater and stormwater obligations under the Federal Water Pollution Control Act, also known as the CWA. These pilot programs are to be focused on cost-effective and flexible compliance methods consistent with the EPA's Integrated Municipal Stormwater and Wastewater Approach Framework issued by the agency in May 2012. The bill directed the EPA Administrator, in consultation with state regulators, to select at least 15 pilot showcase communities to participate in the program each year for five years. Communities who wished to revise their existing Long Term Control Plan to include a more cost effective and innovative approach to compliance would be eligible for relief under this pilot program. In addition, H.R. 2707 included financial capability criteria, prioritization of obligations under the CWA, and the use of innovative and flexible approaches to meet obligations. The bill also allowed priority to be given to municipalities seeking to develop and implement approaches that adapt to changed or uncertain future circumstances. Finally, the bill provided additional authorities regarding time periods for compliance with CSO/SSO obligations under NPDES permits and consent decrees and providing additional regulatory flexibility in approving and implementing an integrated plan that includes adaptive approaches.

In 2015, the *Clean Water Compliance and Ratepayer Affordability Act* was reintroduced as H.R. 1093, the *Clean Water Compliance and Ratepayer Affordability Act of 2015*, by an even larger and bipartisan group of co-sponsors. While H.R. 1093 retained most of the provisions of H.R. 2707, H.R. 1093 altered the selection process for the program. Under H.R. 1093, a municipality would have been eligible to participate in the pilot program if the municipality is: (1) a NPDES permit holder or designee; or (2) operating under an administrative order, administrative consent agreement, or judicial consent decree to comply with the requirements of the CWA. Similarly, on December 3, 2015, the *Clean Water Compliance and Affordability Act* was

introduced in the U.S. Senate as S. 2358 by Senators Sherrod Brown and Rob Portman of Ohio and Senator Roy Blunt of Missouri. As with H.R. 1093, S. 2358 required the EPA to carry out a pilot program to facilitate the efforts of eligible municipalities to develop and implement integrated plans to meet their wastewater and stormwater obligations under the CWA and retains the selection process as provided for in H.R. 1093.

In 2016, the Senate passed legislation (S. 2848) providing major relief to CSO communities as part of the reauthorization of the *Water Resources Development Act* (WRDA). Hamilton County worked closely with Ohio's two Senators on the relevant CSO provisions. The legislation codified EPA's Integrated Municipal Stormwater and Wastewater Planning Approach Framework, provided communities more time to meet CSO/SSO regulatory obligations, and established an Office of Municipal Ombudsman to provide a voice for municipalities struggling to afford the cost of federal regulatory requirements. In addition, S. 2848 required EPA to revise its 1997 Combined Sewer Overflows Affordability guidelines to take into account a broader set of relevant socio-economic criteria in determining community capabilities. While a revised WRDA eventually passed the U.S. House of Representatives, the key text regarding CSO regulations and policies was not part of the final bill enacted by Congress and signed into law. The County's work then continued into the next Congress.

In 2017, the Senate unanimously passed the *Water Infrastructure Flexibility Act* (S. 692), which mirrored the provisions in S. 2848 from the previous Congress. The bill then became part of the *America's Water Infrastructure Act of 2018* (S. 2800, the Senate's 2018 WRDA legislation), introduced in May 2018 and pending in the Senate. In the House, there are multiple CSO reform related bills, notably the *Water Infrastructure Flexibility Act* (H.R. 2355/H.R. 1971, the House companion to S. 692), and the *Water Quality Improvement Act* (H.R. 465). H.R. 465 contains many of the provisions of the former H.R. 2707, reference in 2013 above. Multiple hearings have been held over the past several years by the relevant House subcommittee and additional work is anticipated in 2018 to advance a House bill which, if passed, would be the conferenced with any Senate-passed WRDA legislation. Reform legislation is supported by several major national groups, including the U.S. Conference of Mayors, National Association of Counties, National Association of Clean Water Agencies, and National League of Cities.

In both 2017 and 2018 the National Association of Counties passed a resolution proposed by Commissioner Portune supporting the expeditious passage of federal legislation which includes codification of EPA's Integrated Municipal Stormwater and Wastewater Planning Approach Framework, and new policy approaches to spur innovative and flexible approaches, as well as improved affordability criteria, to assist Hamilton County and other communities facing enormous CSO/SSO compliance burdens.

On January 14, 2019, President Trump signed into law the Integrated Planning amendments to the Clean Water Act (HR 7279 – Water Infrastructure Improvement Act of 2018). This amended section 402 of the CWA (governing the National Pollutant Discharge Elimination System ("NPDES") program and discharge permits) in multiple ways. This legislation codifies U.S. EPA's June 5, 2012 Integrated Planning Framework into law, providing opportunity for local governments to develop a plan to integrate wastewater and storm water management to assist in complying with CWA obligations. The Integrated Plan may address all CWA requirements, including combined sewer overflows, sanitary sewer overflows, separate sanitary collection

systems, storm water systems, wastewater treatment plants, capacity, management, operation and maintenance programs, NPDES permits, and total maximum daily loads. The Integrated Plan may also be incorporated into a permit, administrative order, consent decree or settlement agreement. And, local governments may request modification of an order or consent decree based on the Integrated Plan. Finally, the law requires U.S. EPA to promote the use of Green Infrastructure into CWA permitting, enforcement, and planning, establishes an Office of Municipal Ombudsman within U.S. EPA to provide technical assistance and information to local governments in complying with the CWA and ensuring that agency policies are implemented by all U.S. EPA offices, and requires U.S. EPA to prepare a report for Congress within 2 years on each Integrated Plan developed and implemented through a permit, order or judicial consent decree since June 5, 2012.

Capital Improvement Program

Procedure to Establish Program

The Capital Improvement Program of MSD ("CIP") is developed annually for both a one-year and five-year timetable during the mid-August through early December and is submitted as the CIP document to the Board of County Commissioners for its review prior to the end of the year. CIP incorporates planning, design and construction of projects. It includes estimated costs, methods of financing such costs and year of proposed construction. The Board of County Commissioners holds public hearings on the CIP and after the hearings adopts or modifies and adopts the one-year CIP and approves the five-year CIP. Phase 1 Final WWIP projects have been set up in a master schedule to ensure that the Consent Decrees' milestones are met. All projects expected to be commenced within the five year timetable are prioritized by MSD. The priority system is based on relative needs and importance of each improvement, the time required for planning, design and easement acquisition, and the position of regulatory authorities.

For the 2021 CIP, the County passed a CIP valued at $123.4 million which included the required WWIP spending, asset management needs and the allowances that provide funding for the support staff for the CIP. The target was transmitted to MSD management in order to provide guidance and facilitate the prioritization of the CIP projects.

Approval of the CIP does not represent approval of construction of any specific project included in the CIP. As a general matter, the determination of which projects will be financed is made during the annual capital improvement program evaluation process. The CIP identifies an aggregate level of anticipated spending, so that certain financing strategies, such as cash flow needs, are not necessarily correlated to each specific project, but rather the capital improvement program as a whole. Generally speaking, MSD submits a draft CIP with its recommendations as to the scope, schedule and costs of anticipated projects for the succeeding fiscal year. Thereafter, the Board of County Commissioners makes a decision on whether to proceed with specific projects, and if so, how those projects will be financed.

Individual Projects

Pursuant to applicable Ohio law, prior to the issuance of public obligations for non-special assessment Sewer System projects, which are the type of projects on which proceeds of the County's Sewer Revenue Bonds are spent, the County must undertake certain preliminary steps that include preparation of a general plan of sewerage and a declaration of its necessity, as well as the preparation and approval of detailed plans, specifications and an estimate of cost. Subsequently, the County may, by resolution, including a resolution authorizing the issuance or incurrence of public obligations for a particular improvement, authorize an improvement and the appropriation and expenditure of funds required for its acquisition or construction, and may proceed with the improvement.

Historical Expenditures

MSD reports that its actual CIP capital expenditures for the past five years were as follows:

Year	Amount Spent[1]
2017	$103,873,513
2018	151,535,250
2019	142,459,204
2020	146,045,020
2021	98,537,413
Total	$642,450,400

[1] This column represents the capital expenditures MSD reports it has actually spent on all capital work, including those projects budgeted, appropriated and encumbered in prior years.

The CIP as approved by the Board of County Commissioners presents total engineering and construction budgets in one year, even though the project will be designed and constructed over several years. As such, expenditures occur over multiple years.

Capital Improvement Program 2022-2026

The CIP for the years 2022-2026, adopted by the Board of County Commissioners in December 2021, anticipates a total capital plan of $136 million including the planning phase of certain projects, the design phase of certain projects, the construction phase of certain projects of which may occur beyond the five year planning horizon of the CIP. The Board of County Commissioners must pass resolutions authorizing actual spending.

The CIP for the years 2022-2026 includes work required under the final WWIP Phase 2 mandated by the Consent Decree, as well as MSD's ongoing efforts to maintain existing assets through its Capital Asset Management program. TThe 2022 asset management portion of the CIP budget is approximately $58 million. Of the total CIP budget, approximately $56 million relates to improvements mandated by the Consent Decree.

MSD Projected CIP Expenditures 2022-2026*

MSD's projected capital expenditures during the years 2022-2026 (the Final WWIP Phase 1 time frame) are shown below by key categories.

Year	WWIP[1] Projects	Asset Management	Other	Total[2]
2022	$56,098,000	$58,166,000	$22,024,000	$136,288,000
2023	31,721,000	94,058,000	22,358,000	148,137,000
2024	191,182,000	67,073,000	22,701,000	280,956,000
2025	57,775,000	75,911,000	23,055,000	156,741,000
2026	139,346,000	67,636,000	23,419,000	230,401,000
TOTAL	$476,122,000	$362,844,000	$113,557,280	$952,523,000

* Preliminary; subject to change. The final capital expenditure amounts are subject to financing and affordability considerations, as well as final approval, and represent projections only at this time.

[1] Includes projects, project bundles and Allowances.

[2] Projections do not include contingencies or capitalized interest, and are subject to change due to any number of factors, including without limitation, changes in capital needs, new information and unexpected circumstances. Further, certain of these projections are subject to approval under the terms of the Consent Decree.

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Future Financings

Compliance with terms of the requirements of the Consent Decrees and the necessary asset management investments needed for an aging infrastructure system is causing substantial increases in the level of capital expenditures. The timing and amount of such required expenditures, and what portions will be paid from funds generated from operations, funds generated from future financing and/or other potential funding sources cannot be predicted at this time. In conjunction with reviewing MSD's annual Capital Improvement Program, the County projects its financing needs based upon estimated rates, account balances, cash flows, timing and costs of anticipated capital improvements and other factors, including amounts previously spent or encumbered on long term construction contracts. As part of its 2022-2026 Capital Improvement Program, MSD contemplates that during the period from 2022-2026 it will need to allocate approximately $952 million for capital projects.

Capital Improvement Program Funding Sources
(Current Dollars)[1]

Year	Revenue Bonds	Other Obligations[2]	Total
2022	$ -0-	$-0-	$ -0-
2023	-0-	-0-	-0-
2024	-0-	-0-	-0-
2025	-0-	-0-	-0-
2026	-0-	-0-	-0-
Total	$-0-	$-0-	$-0-

[1] Once Phase 2 projects are finalized, the CIP and the amount of funding and corresponding funding sources could be impacted. The ultimate funding sources for projected CIP expenditures cannot be determined with certainty at this time; consequently, the table above is preliminary and subject to change.
[2] Expected to consist primarily of loans from the Ohio Water Development Authority and the Ohio Water Pollution Control Loan Fund.

In view of the anticipated need for increased capital expenditures, the County approved a rate increase in 2015 and sewer rates have not been increased since that time (see "THE METROPOLITAN SEWER DISTRICT (MSD) OF GREATER CINCINNATI – Sewer Rates"). Additionally, in connection with the Bonds, the County has covenanted to charge such rates and charges for the services and facilities of the Sewer System as shall at all times produce revenues sufficient to meet the covenant requirements set forth in the Trust Agreement. Pursuant to the Trust Agreement, the Sewer System rates and charges must be sufficient to produce Net Income Available for Debt Service adequate to meet the reasonable expenses of operation and maintenance, the debt service requirements of the Bond Legislation, including certain reserves, sufficient earnings coverage to permit the issuance of Additional Bonds for construction of necessary improvements to the Sewer System and to assure the normal growth and sound operation of the Sewer System. Failure to do so can be an event of default if remedial action is not taken.

Customers and Billing

Effective January 2018, MSD began billing its residential and business customers on a monthly cycle. Most bills sent to MSD customers are for both water and sewer service and are sent by the water provider for that customer. Greater Cincinnati Water Works ("GCWW"), as billing agent, receives the payment and forwards the appropriate portion to MSD. GCWW provides water service to residences and businesses in essentially the same service area as MSD. Consequently, the GCWW bills approximately 90% of the MSD's wastewater customers with the remaining 10% billed by some nine different political subdivisions, including eight municipalities in the County and an adjoining county.

The bills processed by GCWW are collected by the City. Pursuant to procedures established by MSD, if payment is not received from the customer within 26 days, past due notices are sent with penalties assessed. If payment has not been received within the appropriate period (starting on day 39), GCWW may shut off the water service. However, as part of the initial response to the COVID-19 Pandemic, turnoffs were suspended. As of May 2022, turn offs for non-payment have been reinstated on a time frame schedule based on outstanding customer balance, but more flexible payment plans are still available to customers. Additionally, pursuant to Ohio statute, it is possible for a delinquent sewer service bill to be certified as a lien on the real estate. The lien takes effect only on the date that it is certified and is only certified if the current owner of the real estate is obligated on the bill. In excess of 98% of billed revenue is collected, with less than two percent of MSD receivables written-off as bad debt annually.

Billing and Collection History

	2017	2018	2019	2020	2021
Billed Sewer Charges					
Sewer Service	$269,243	$252,474	$251,239	$231,510	$243,605
Effluent	18,351	16,800	17,212	22,331	17,856
Other Charges	3,806	3,611	3,822	3,643	4,565
SUBTOTAL	$291,400	$272,885	$272,273	$257,484	$266,026
Sewer Credit Adjustments -Bad Debt					
Sewer Service	$329	$316	$909	$600	$1,000
Effluent	---	---	---	---	
Other Charges	---	---	---	---	
SUBTOTAL	$329	$316	$909	$600	$1,000
Bad Debt as a % of Billed Charges	0.11%	0.12%	0.33%	0.23%	5.25%†

†Increase in Bad Debts Audit allowance due to suspension of turnoffs and no collection efforts as part of the initial response to the COVID-19 Pandemic. Turn offs and collection efforts were reinstated by GCWW in May 2022.

The eight municipalities and one adjoining county that process their own bills are responsible for all collection of such amounts. With the exception of Warren County, municipalities receive collection expense of 7% of the total amount billed and remit the net amount (93% of the amount billed) to MSD on a monthly basis.

GCWW classifies all customers as residential or non-residential and further classifies the non-residential customers by Standard Industrial Classification Codes. This data correlates well with meter size, with the smallest meters being generally residential customers and larger meters being commercial and industrial customers. The remaining 10% of the customers who have their water service and bills provided by municipalities other than GCWW are not directly classified. However, MSD estimates their classification based on meter size.

The number of residential, commercial, and industrial customer classes served, billable wastewater flow and average usage per account for the years 2017 through 2021, inclusive, is indicated in the table below.

Number of Accounts and Wastewater Flow

Year	Residential Accounts	Commercial &Industrial Accounts	Total Accounts	Billable Wastewater Flow in Ccf	Average Usage Per Account Ccf/Acct.
2017	210,633	17,672	228,305	31,991,357	140.13
2018	205,474	19,303	224,777	33,935,826	150.98
2019	204,938	19,285	224,223	32,907,536	146.76
2020	205,391	19,326	224,717	26,883,947	119.63
2021	205,798	19,358	225,156	31,072,765	138.01

NOTE: The above information has been estimated by MSD based upon data obtained from the GCWW. Data does not include rate-payers that are direct-billed customers within contracted Municipalities not serviced by GCWW.

The ten largest sewer users in the area serviced by MSD for 2021 are listed below:

	Customer	Product or Services	Percent of Sewer Revenues (Not Including Surcharges)
1	Emery Oleochemicals	Chemicals: Plant Based	0.75%
2	General Electric	Aircraft Engines	0.67%
3	Procter & Gamble, Center	Consumer Products	0.51%
4	University of Cincinnati	Education	0.42%
5	VVF Cincinnati LLC	Consumer Products	0.37%
6	John Morrell and Co.	Consumer Products	0.30%
7	Givaudan Flavors Corp	Consumer Products	0.21%
8	Samuel Adams Brewery	Consumer Products	0.17%
9	Kroger Store	Consumer Products	0.12%
10	Kroger Co #014-00-353	Consumer Products	0.09%
	TOTAL		3.60%

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Sewer Rates

The Revised Code generally requires counties to establish reasonable rates that must be at least sufficient to pay all the costs of operation and maintenance and debt service for all revenue bonds of sewer systems. Additionally, pursuant to numerous Cooperative Agreements for Construction, Maintenance and Operation of Wastewater Facilities between the County and the Ohio Water Development Authority ("OWDA"), the County is required to establish and maintain rates resulting in revenues at least adequate to meet operation and maintenance and amortize all long-term debt. The debt has included at least $22,360,000 in City issued bonds which the County began paying from the County Sewer District Revenues in 1968. Pursuant to its statutory role under the Revised Code, the County has established rates sufficient to cover MSD's operation and maintenance costs and pay all debt service on its obligations.

Sewer charges consist of a minimum charge based on water meter size and a commodity usage charge. All MSD customers are billed monthly. Sewer rates are the same for residential and commercial users based on usage and the current rate has been in effect since January 9, 2015 (see "THE METROPOLITAN SEWER DISTRICT (MSD) OF GREATER CINCINNATI - Customers and Billing" herein).

Sewer Rates (Monthly)

Meter Size (Inches)	Minimum Rate
⅝	$ 39.12
¾	50.44
1	69.15
1½	117.50
2	166.40
3	427.16
4	707.43
6	1,379.72
8	2,085.59
10	2,786.92
12	3,217.75

The commodity charge is based on the quantity of water used and is as follows:

For each 300 cubic feet consumed per month in excess of 300 cubic feet, but not in excess of 5,000 cubic feet, the commodity charge is $5.879 per 100 cubic feet. For each 100 cubic feet consumed per month in excess of 5,000 cubic feet, the commodity charge is $4.701 per 100 cubic feet.

MSD estimates that the average monthly sewer bill for a residential household is approximately $56.76 based on average sewer usage of 6 ccfs. The average monthly water bill based on the same consumption is approximately $53.76 in the City and $64.56 in the County, resulting in a combined sewer and water bill of approximately $110.56 or $121.32, respectively.

On April 23, 2019 the County approved a Customer Assistance Program (CAP) to help low-income senior citizens. The CAP program provides a 25% discount to eligible low-income seniors who apply for the program and became effective July 31, 2019.

The minimum monthly sewer rate and associated CAP rates are as follows:

Sewer Rates for Customer Assistance Program (CAP)

Meter Size (Inches)	Minimum Rate	CAP* Rate
⅝	$ 39.12	$ 29.34
¾	50.44	37.83
1	69.15	51.86
1½	117.50	88.13
2	166.44	124.83
3	427.16	320.37
4	707.43	530.57
6	1,397.72	1,048.29
8	2,085.59	1,564.19
10	2,786.92	2,090.19
12	3,217.75	2,413.31

For monthly bills, for each 300 cubic feet consumed per month in excess of 300 cubic feet, but not in excess of 5,000 cubic feet, the commodity charge is $4.409 per 100 cubic feet. For each 100 cubic feet consumed per month in excess of 5,000 cubic feet, the commodity charge is $3.526 per 100 cubic feet.

MSD estimates that the average total monthly charge for a residential household enrolled in the Customer Assistance Program (CAP) is approximately $57.24 based on billed consumption of 3 ccfs. The average monthly discount if $14.31, with an annual eligible senior ratepayer savings of $171.74.

Sewer rates are designed to meet average conditions for groups of customers having similar service requirements. MSD periodically reviews the adequacy of its rate structure to generate sufficient revenues for its operating and capital requirements and engages the services of an independent consultant to advise it. Adjustments to sewer rates are based upon the cost of service from the customer classes served and MSD's overall level of revenue requirements. Since 1985, the County has increased sewer rates 23 times as indicated in the table below. The rate increases do not translate directly to an increase in revenues due to a variety of factors, including that certain of the rate increases were by usage category versus across the board, variances in consumption by user type, rate increases being implemented mid-year and lags in billing and collection.

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Sewer Rate % Increases over the last 35 years:

Year	Approximate Composite Rate Increase Over Previous Effective Rates	Year	Approximate Composite Rate Increase Over Previous Effective Rates
1985	21.0%	2008	12.0
1987	17.0	2009	12.0
1989	11.0	2010	11.0
1991	18.0	2011	8.0
1993	20.0	2012	8.0
1995	6.0	2013	5.0
1996	4.0	2014	6.0
2000	9.5	2015	5.5
2001	7.0	2016	0.0*
2002	6.0	2017	0.0*
2003	7.0	2018	0.0*
2004	14.0	2019	0.0*
2005	12.0	2020	0.0*
2006	4.0	2021	0.0*
2007	8.6		

* No increase. In 2014, the Board of County Commissioners froze surcharge rates billed to significant industrial users.

The implementation of these increases through detailed allocation across rate categories requires further implementation routinely done by MSD which relies, in part, on the recommendation of an independent rate consultant based on a study completed at the end of every year. Future rates will be impacted by the Consent Decrees. Prior to the implementation of the rate increase for 2015, the application of the rate increases across each rate category were presented to the County for review and approval.

On August 12, 2015, the County approved a resolution appointing 15 members, representing local governments, business and environmental interest groups, senior citizens, low-income residents, and homeowners and renters, to the MSD Rate Affordability Task Force (the "Task Force"). The Task Force was created to evaluate the rate structure of MSD and recommend preferred alternatives to the Board of County Commissioners for improving the affordability and equity of said rate structure. The Task Force met on several occasions from September 2015 through May 2016, resulting in a list of nine recommendations in three separate categories: billing and rates; inflow/infiltration; and customer assistance programs. The recommendations included implementation of a monthly billing program for all customers (then only available for large industrial or commercial users and certain residential users); replace or reduce the base monthly volumetric allocation charge; certain equitable changes to align billing practices more closely with actual usage; implement a surcharge and/or assessment based on impervious surface area; and provide discounts and credits for eligible residents or those with a verifiable hardship. The Task Force also attempted to ensure, to the extent possible, that each recommendation would be revenue neutral.

As of January 4, 2017, the recommendations have been reviewed by the Board of County Commissioners and the applicable County officials, several of which are currently being implemented. On September 7, 2016, the Board of County Commissioners passed resolutions in support of the move to monthly billing for all customers. GCWW, which bills most of MSD's wastewater customers, implemented the change in January of 2018. Also, on September 7, 2016, the Board of County Commissioners passed a resolution in support of a plan to correct minimal occurrences of billing based on a larger meter size than the meter size at the property. Certain properties served by MSD require a larger connection on the system side to provide adequate pressure than the connection on the property side, and MSD currently bills these customers based on the larger connection. This change would result in those customers being billed instead based on the smaller connection to their property, resulting in relatively small savings to approximately 2,500 to 3,000 affected customers.

The Board of County Commissioners passed a resolution on October 12, 2016, in support of reducing the current basis for the minimum monthly volumetric charge from 5 ccf to 3 ccf. The current volumetric charge is applied to all customers who use more than 3 ccf of water per month. Thus, in connection with the move to monthly billing for all customers, the reduction of the minimum monthly volumetric charge is necessary to align billing practices with the current volumetric charge for quarterly customers. The Board of County Commissioners passed another resolution on the same date which will change MSD's multi-family billing practices.

The Board of County Commissioners has not yet determined to implement the remaining recommendations, including an impervious surface charge or the removal of a minimum monthly volumetric allocation, due to potentially significant revenue shortfalls resulting from implementation of other recommendations. Other initiatives identified by the Task Force but not part of its formal recommendations include establishing a billing appeals process and informing MSD customers about lateral line insurance, which helps offset the cost of repairing lateral lines. The Board of County Commissioners has passed resolutions in support of both of these initiatives and is actively pursuing their implementation.

Operating Budget

For budgetary purposes, MSD operates on a cash basis encumbrance accounting system. MSD is organized into eight operating divisions (see "THE METROPOLITAN SEWER DISTRICT (MSD) OF GREATER CINCINNATI – Management/Organization and County Oversight"); each division is comprised of various sections which represent operating units. The operating and capital budgets are products of total management involvement down to the section level of the organization. The Cincinnati Stormwater Management Utility is funded separately by a stormwater drainage service charge and its budget is developed separately from MSD.

The operating budget for each division is prepared by the section heads, reviewed by the respective division head and consolidated into a division budget request, which is reviewed by the Executive Director of MSD. The presentation of the budget compares, on a division level, the previous year's budget to the previous year's actual experience and compares the previous year's actual experience to the requested budget. Any significant increases or decreases in either analysis are noted and explained. Once the budget is satisfactory to MSD, it is reviewed by the City Manager who forwards it, along with his recommendation to City Council. Pursuant to the 1997

MSD Supplemental Agreement, the City and County agreed that not later than August 15 of each year a tentative annual operating budget prepared by the City would be submitted to the County, followed by an annual operating budget approved by City Council no later than September 15 of each year. Under the current process, given the change in City fiscal year to July to June, the Council approves the MSD budget along with the rest of the City departments in June. The County has the authority to amend, modify or supplement the proposed operating budget submitted by the City, but not so as to impair the ability of either the City or County to perform their obligations pursuant to the MSD Operating Agreement or the Trust Agreement. The County has the responsibility to pass the appropriation resolution and final operating budget, which the City follows in operating MSD pursuant to the MSD Operating Agreement.

In 1997, the City and County entered into the 1997 MSD Supplemental Agreement, which clarifies the respective roles of the City and County regarding the operating budget. The 1997 MSD Supplemental Agreement established a procedure (including advice of an outside consultant) to reach agreement on a new formula for the charging of indirect costs by the City and County with respect to budgeting and allocation of indirect costs. The new formula was used in 1998 and subsequent years. The City and the County also agreed in the 1997 MSD Supplemental Agreement that any disagreement over indirect costs will not justify termination of the MSD Operating Agreement. The County has sought support for the indirect costs paid by MSD to the City for recent years. The County has not yet reconciled the information sought and discussions between the County and City will continue.

The approved 2021 operating budget authorizes cash expenditures of approximately $231 million compared to the approved budget for 2020 of approximately $222.8 million. Because the operating budget is a cash budget, it includes certain expenditures, which will be capitalized on a generally accepted accounting principle basis and does not include depreciation.

Summary of Historical Financial Information

The historical portion of the following summary was prepared by MSD from its records for the years January 1, 2017 through December 31, 2021, including for the years 2017-2021 inclusive, its audited financial reports for such time. It reflects the operations of the Sewer System on an accrual accounting basis. The management of MSD states that there have been no material adverse changes in the financial condition of MSD from that stated in the audited financial statements for the year ending December 31, 2021. These summaries should be read in conjunction with the related financial statements included as ***Appendix A-3*** hereto.

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Selected Historical Financial Information
(In Thousands)

Operations
For Years Ended December 31

	2017	2018	2019	2020	2021
Operating Revenue:					
Sewerage Service Charges	$269,243	$252,474	$251,239	$231,510	$243,605
Sewerage Surcharges	18,351	16,800	17,212	22,331	17,856
Other Revenue	3,806	3,611	3,822	3,643	4,565
Total Operating Revenue	$291,400	$272,885	$272,273	$257,484	$266,026
Operating Expenses:					
Personnel services – Salary Wages	$52,299	$52,190	$57,314	$57,703	$54,812
Personnel services – Pension Expense	(40,401)	6,861	74,942	114,027	(59,287)
Utilities, fuel & supplies	18,910	18,820	20,983	20,219	20,477
Depreciation & amortization	59,073	65,132	66,628	66,437	67,813
Purchased services	32,744	34,912	32,386	35,998	33,882
Other expenses	15,079	12,433	14,660	11,332	10,335
Total Operating Expenses	$137,704	$190,348	$266,913	$305,716	$128,032
Income from Operations	$153,696	$82,537	$5,360	$(48,232)	$137,994
Other Income (Expenses):					
Interest income	$10,695	$14,386	$13,316	$9,323	$4,463
Net change in fair value of Investments	(1,822)	109	4,805	4,607	(4,642)
Property disposals (gain/loss)	0	0	0	0	0
Total Other Income (Expenses)	$8,873	$14,495	$18,121	$13,930	(179)
Interest Expense	(39,121)	(36,492)	(35,810)	(29,934)	(27,078)
Net Income from Operations	$123,448	$60,540	$(12,329)	$(64,236)	$(27,257)

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Selected Historical Financial Information
(In Thousands)

Cash and Investments
As of December 31

	2017	2018	2019	2020	2021
Current Assets:					
Cash, cash equivalents and pooled investments	$10,566	$21,073	$20,975	$20,876	$19,918
Restricted Assets					
Held by City of Cincinnati:					
Construction account	$102,575	$156,891	$67,394	$25,610	57,193
Amount to be transferred to Surplus Account	50,697	82,711	64,881	61,485	66,352
Held by Trustee:					
Reserve account	63,568	54,391	54,870	$50,163	$44,890
Replacement and improvement account	0	0	0	0	
Bond account	6,973	7,824	7,172	4,573	4,573
Surplus Account	299,852	227,463	320,953[(a)]	317,457[(b)]	256,443
Total restricted assets	$523,665	$529,280	$515,270	$459,288	$429,451
Cash available for operations and capital improvements:					
Cash and investments	$10,566	$21,073	$20,975	$20,876	$19,918
Amount to be transferred to Surplus Account	50,697	82,711	64,881	61,485	66,352
Replacement and improvement account	0	0	0	0	
Surplus Account	299,852	227,463	320,953	317,457	256,443
Total available assets	$361,115	$331,247	$406,809	$399,818	$342,713

[(a)] Approximately $82 million of this amount was transferred to the Construction Account in early 2020.
[(b)] Approximately $65 million of this amount was transferred to the Construction Account in early 2021.

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Selected Historical Financial Information
(In Thousands)

Debt Service Coverage
For Years Ended December 31

	2017	2018	2019	2020	2021
Revenues					
Total Operating Revenues	$291,400	$272,885	$272,273	$257,484	$266,026
Interest Income	10,695	14,386	13,316	9,323	4,463
Capitalized Interest	0	0	0	0	0
Tap-in/Connection fees	2,726	2,945	4,050	3,457	2,607
Total Pledged Revenues	$304,821	$290,216	$289,639	$270,264	$273,096
Expenses [(a)]					
Salary and Wages	$52,299	$52,190	$57,314	$57,703	$54,812
Purchased Services	32,744	34,912	32,386	35,998	33,882
Utilities, Fuel and Supplies	18,910	18,820	20,983	20,219	20,477
Other Expenses	15,079	12,433	14,660	11,332	10,335
Total Operating & Maintenance Expenses[(a)(b)]	$119,032	$118,355	$125,343	$125,252	$119,506[2]
Net Income Available for Debt Service	$185,789	$171,861	$164,296	$145,012	$153,590
Principal and Interest Requirements on Revenue Bonds	$60,735	$60,735	$57,453	$57,453	$53,528
Principal and Interest Requirements on all Obligations	$89,397	$90,081	$83,611	$87,594	$82,130
Debt Service Coverage					
Revenue Bonds[(a)]	3.06x	2.83x	2.86x	2.52x	2.87x
All Obligations[(a)]	2.08x	1.91x	1.97x	1.66x	1.87x

[(a)] Excludes non-cash, pension expense (credit) of ($106,278) in 2016, ($40,401) in 2017, $6,861 in 2018, $74,942 in 2019, $114,027 in 2020 and ($59,287) in 2021 derived from GASB 68 pension calculations. Including these amounts results in a Debt Service Coverage ratio of 3.58x in 2016, 3.72x in 2017, 2.72x in 2018, 1.56x in 2019, 0.54x in 2020 and 3.98x in 2021 on Revenue Bonds and 2.63x in 2016, 2.53x in 2017, 1.83x in 2018, 1.07x in 2019, 0.35x in 2020 and 2.59x in 2021 on all Obligations.

[(b)] Operating & Maintenance Expenses excluding depreciation and amortization and non-cash pension expense (credit).

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Management Discussion of Results of Operations

MSD maintains its financial records on a cash basis encumbrance accounting system. Annual operating and capital improvement program budgets are developed, which serve as the basis of financial operations during the ensuing year. The audited financial statements are prepared on an accrual basis in accordance with generally accepted accounting principles. The amounts used in this discussion are taken directly from or were prepared by MSD using the audited statements.

In setting policy for MSD, the Board of County Commissioners has adopted a philosophy that directs that all major capital improvements should be debt financed; and that rates should be set at a level that provides sufficient funds for operations, maintenance, routine capital improvements, debt service and repairs and improvements and that complies with all covenants set forth in the respective Trust Agreement.

Overview 2017-2021

While individual revenue and expense items fluctuate on a year-to-year basis, MSD's operating results for the five years 2017-2021 reflect the overall financial stability of the system.

Sewer service rates were increased 5.5% in 2015 and have not been increased for the years 2016-2021. During the five-year timespan, industrial surcharge revenue has remained consistent and relatively flat.

Operating expenses net of depreciation have remained consistent during this five-year period. Personnel costs increased 4.8% during the time span, reflecting modest salary increases along with increasing employee benefit costs, which includes pension and other post-employment benefit obligations. These personnel cost increases are offset by increased capitalization of personnel activity directly related to the capital program. Active expense management helped to restrain growth in other operating costs.

Interest income has historically provided a consistent source of Other Income. The results vary based on the invested balances and fluctuations in interest rates. Pursuant to MSD's cash basis encumbrance system, funds for construction costs are encumbered in their entirety upon execution of the contract. Interest income generated on funds held in construction accounts are transferred from these restricted assets and are available for MSD operations. In addition to interest income on construction accounts, there are also significant balances in the Reserve and Surplus Accounts, which also generate investment income available for operations.

Overall, periodic rate increases, capital project management and administrative expense efforts have enabled MSD to maintain stable debt service coverage. The County last increased MSD sewer rates 5.5% effective January 9, 2015.

Summaries by Year

2017. Operating revenue increased 4.2% over 2016. This was primarily attributable to accelerated billing at the end of the year as MSD prepared to move to monthly billing, effective January 1, 2018. MSD's operating expense net of pension and depreciation expense saw a small increase of 1.2% compared to 2016.

2018. MSD's net position increased by $65.4 million in 2018, or 6.1%. Operating revenue decreased 6% from the prior year which was attributable to accelerated billing at the end of fiscal 2017 as MSD moved to monthly billing. When compared to 2016, operating revenue has been flat which reflects the lack of a rate increase over the three years. Operating expense net of pension and depreciation expense saw a small decrease of .6% compared to 2017.

2019. MSD's net position decreased by $6.1 million in 2019, or -0.5%. Both operating revenues and expenses were consistent with the prior year. The decrease was attributable to a $74.9 million charge to pension expense from application of GASB 68 provisions. Operating revenues continue to remain flat from 2016-2019, reflecting the lack of a rate increase for the last four years. Operating expenses net of depreciation and pension expense increased 5.9% from 2018.

2020. Operating revenue decreased by $14.8 million, or -5.4% from the prior year. Meanwhile, total expenses increased $33 million, or 10.9% over 2019. The increase in total expenses was due to fluctuations attributable to accounting for pensions.

2021. MSD's net position increased by $114.8 million in 2021, or 10.7%. The increase was attributable to a $52.9 million credit to pension expense from application of GASB 68 provisions. Operating revenues increased by $8.5 million or 3.3% from the prior year. Operating expenses net of depreciation and pension expense decreased by 4.5% from 2020.

Summary of Projected Financial Information

The following table provides a summary of the financial forecast for the period from Fiscal Year 2022 through 2026. The information in the table is based on a number of assumptions described below. Readers are cautioned that the projections in the following table are not guarantees of future performance. Actual results may vary materially from those projections as a result of various risks and uncertainties that include, among others, estimated rate increases, the amounts and timing of future borrowing, changes in personnel and other operating costs, additional regulatory requirements, and adverse developments in general economic conditions.

Revenues

In forecasting revenues for the Projected Financial Information table below, in some years' volumetric increases or decreases are used, as appropriate; however, for purposes of the most recent forecasted revenues, volume was assumed to be steady. Approximately 60% of Operating Revenues generated by MSD is volume based, with 40% of the revenue generated by the minimum charges per meter size as identified in "Sewer Rates" above.

The Operating Revenues projection further assumes that there will be no annual increases in the rates charged for sewer service through 2026.

Interest earnings assume a 1% earnings rate on the beginning balances of the Reserve Account and the Surplus Account. Additionally, the 1% rate is applied to the required monthly deposits to the Bond Account.

Expenses

Operating and Maintenance Expenses are projected to increase during each year of the forecast. For the last ten years of available information (2011-2020), Operating and Maintenance Expenses have increased on average by 1.2% each year. The 1.2% annual increases are assumed to continue going forward through the forecast period, which forecast was made at the end of 2021. Given current economic circumstances, this model may change for future forecasting.

Debt Service

Projected Principal and Interest Requirements on Revenue Bonds consist of two components: (a) existing debt service on Prior Bonds and other obligations (such as OPWC and WPCLF obligations/loans) and (b) Additional Bonds debt service. Existing debt service is the debt service on all Prior Bonds and other obligations. Additional Bonds debt service is based-on assumed 25-year amortizations on a level debt service basis with an average interest rate of 3.00%, issued at the times and in the amounts shown on the projected Capital Improvement Program Funding Sources table above in *"Capital Improvement Program – Future Financings.*"

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Projected Financial Information
(In Thousands)

Projected Debt Service Coverage
For Years Ended December 31[1]

	2022	2023	2024	2025	2026
Revenues					
Total Operating Revenues	$274,284	$274,000	$274,000	$274,000	$274,000
Interest Income	7,972	10,100	10,000	10,100	11,000
Capitalized Interest	-	-	-		
Tap-in/Connection fees	2,674	2,950	4,000	3,960	4,000
Total Pledged Revenues	$284,930	$287,050	$288,000	$288,060	$289,000
Total Operating & Maintenance Expenses[2]	(134,519)	(137,019)	(139,519)	(138,288)	(142,437)
Net Income Available for Debt Service	$150,411	$150,031	$148,481	$149,772	$146,563
Principal and Interest Requirements on Revenue Bonds	$52,104	$52,078	$52,068	$52,058	$52,831
Principal and Interest Requirements on all Obligations	$82,831	$82,835	$82,792	$82,118	82,500
Principal and Interest Requirements for Projected Revenue Bonds	-	-	-	-	-
Debt Service Coverage					
Revenue Bonds	2.89	2.88	2.85	2.88	2.77
All Obligations	1.82	1.81	1.79	1.82	1.78

[1] Principal and Interest Requirements in this table reflect zero debt service requirements for future new money revenue bonds and other obligations, as provided in the table in the subsection titled, "Capital Improvement Program – Future Financings – Capital Improvement Program Funding Sources" herein.
[2] Operating & Maintenance Expenses exclude depreciation, amortization and non-cash net pension expense (credit).

Employees

MSD has approximately 672 employees (a small portion of which number includes funded vacancies) with payroll and payroll related benefits costs of $54.8 million in 2021. A portion of labor expense is related to capital engineering projects and is capitalized. Approximately 52% of MSD employees are members of the American Federation of State, County and Municipal Employees ("AFSCME") and 36% of MSD employees are members of the Cincinnati Organized and Dedicated Employees ("CODE)", the middle management employees. The current CODE contract expires in March 2022 and the AFSME contract expires in August 2022. The Building Trades union represents 3 employees at MSD and that contract also expires in August 2022. MSD offers healthcare coverage through the Anthem Blue Cross BlueShield Traditional 80/20 Plan and considers its labor relations to be good.

Cincinnati Retirement System

With the exception of a very small number of employees who were formerly employed by the County or other agencies of the State, all employees of MSD are participants in the City of Cincinnati Retirement System (the "City Retirement Plan"). Both the employee and the City contribute to the funding of these plans. Employees who participate in the City's Retirement Plan contributed 9.0% of their gross pay to the system in 2021. Other MSD employees contribute 10% of their gross pay to the Ohio Public Employees Retirement System.

The City Retirement Plan is comprised of employees of the City. As of December 31, 2021 there were an estimated 2,580 covered employees and 4,390 covered retirees in the City Retirement Plan. This represents a 1.9% decrease in active membership and a 1.5% decrease in the number of retired members receiving a pension benefit. The current ratio of actives to retirees is 1:1.7. The City Retirement Plan is financed through contributions from the employees and the employer as well as income earned on investments of the City Retirement Plan. By the terms of a cooperation agreement entered into May 2015, the City of Cincinnati will contribute no less than 16.25% of covered employee payroll for 30 years.

On July 15, 2022, the City Retirement Plan's actuary presented the December 31, 2021 Annual Valuation of the Retirement System Pension Report and Retiree Health Benefits Report to the City Retirement Plan's Board of Trustees. Each report takes into account audited investment results, actual experience of the City Retirement Plan, and actuarial assumptions consistent with accepted actuarial principles.

The respective reports note that the market value of assets for the City Retirement Plan for the year ended December 31, 2021, net of other receivables and liabilities, increased from the previous year at $2.0 billion. The actuarial value of assets was $1.831 billion as of December 31, 2021 compared to $1.786 billion as of December 31, 2020, an increase of 2.5%. The Annual Valuation reports suggest that employer contributions to the City Retirement Plan be set at a rate of 32.86% of payroll for pension and 0.00% of payroll for retiree health benefits for the City's fiscal year ending June 30, 2023.

Setting the contribution rates as suggested may result in significant reprogramming of budgetary priorities of the City for fiscal year 2021 and beyond. The City's biennial budget is approved by City Council, historically before June 30 of each fiscal year. The System is 71.6% funded for pension as of December 31, 20201 compared to 70.5% funded as of December 31, 2020, an increase of 1.1%. The System is 145.10% funded for healthcare as of December 31, 2021 compared to 126.27% funded as of December 31, 2020, an increase of 18.83%.

In 2011, City Council approved changes to pension benefits for active employees. In recent years the active employees filed multiple suits against the City in response to the pension changes. The retirees joined the litigation in anticipation of adjustment to future cost-of-living adjustments (COLA's). The City and the adverse parties in the pension litigation agreed to a collaborative mediation in Federal District Court to attempt to reach an agreed resolution of the City's pension issues. Pursuant to Ordinance No. 38-2014, adopted by the City Council on March 19, 2014 (the "Mediation Ordinance"), the City Manager was authorized to negotiate and enter into a global consent decree with respect to the pension litigation. Pursuant to the Mediation Ordinance, the

City Manager was directed to negotiate the following, (i) a stabilized employer contribution rate, (ii) the elimination of the current compound COLA to be replaced with a simple COLA not to exceed 3%, and (iii) a prospective suspension of COLAs for a period of time not to exceed 5 years. The City Manager was also authorized to take all necessary steps to make available a portion of the CRS Health Care Trust to stabilize the CRS Pension Trust.

A proposed settlement agreement with a term of 30 years was approved by the parties in April 2015. The agreement successfully includes all of the City's priorities listed above. Specifically these changes include an employer contribution rate of 16.25%, a change in the COLA from a 3% compound to a fixed 3% simple COLA, a three year suspension of COLA payments for current retirees and future retirees upon their retirement date, and approval to transfer at least $200 million from the Retiree Health Care Trust to the Pension Trust. Following notification to covered class members and a court held Fairness Hearing in late September of 2015, the court approved the settlement agreement on October 5, 2015. As a result of the approved settlement agreement, pending pension lawsuits were terminated.

City Retirement Plan
Schedule of Funding Progress[1]
(Dollar Amounts in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b – a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b – a) / c)
12/31/2017	$1,772,494	$2,346,906	$574,412	75.5%	$191,806[2]	299.5%
12/31/2018	1,775,861	2,417,515	661,654	72.6	206,122[3]	321.0
12/31/2019	1,756,533	2,466,349	709,816	71.2	215,460[4]	329.4
12/31/2020	1,786,650	2,533,247	746,597	70.5	205,439[5]	363.4
12/31/2021	1,831,955	2,560,259	728,304	71.6	204,223[6]	356.6

[1] Source: Cheiron, Inc. All figures prior to December 31, 2018 were reported by Cavanaugh McDonald Consulting, LLC.
[2] Includes part-time active employee compensation.
[3] Includes part-time active employee compensation.
[4] Includes part-time active employee compensation.
[5] Includes part-time active employee compensation.
[6] Includes part-time active employee compensation.

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Healthcare Plan
Schedule of Funding Progress[1]
(Dollar Amounts in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b – a)	Funded Ratio (a / b)	Covered Payroll (c)*	UAAL as a Percentage of Covered Payroll ((b – a) / c)
12/31/2017	$497,233	$496,188	$(1,045)	100.2%	$172,156	(1.0)%
12/31/2018	490,887	504,757	13,870	97.3	168,420	8.0
12/31/2019	488,000	376,561	(111,439)	129.6	164,684	(68.0)
12/31/2020	502,358	397,836	(104,522)	126.3	140,671	(74.0)
12/31/2021	525,774	362,353	(163,420)	145.1	139,124	(117.5)

[1] Source: Cheiron, Inc. All figures prior to December 31, 2018 were reported by Cavanaugh McDonald Consulting, LLC.
[2] The mounts listed in this column exclude compensation for full-time and part-time employees hired after December 31, 2015 as the healthcare plan was closed December 31, 2015.

Schedule of Employers' Contributions
(Dollar Amounts in Thousands)

Pension Plan

Year	Annual Required Contribution	Percentage Contributed
2009	$54,875	33.90%
2010	49,952	30.88
2011	66,999	42.45
2012	78,101	48.79
2013	75,566	48.45
2014	69,939	44.31
2015	46,689	27.92
2016	48,046	27.95
2017	52,709	28.51
2018	63,405	30.20
2019	67,309	30.67
2020	70,017	33.46
2021	68,354	32.86

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Healthcare Plan

Year	Annual Required Contribution	Percentage Contributed
2009	$19,943	12.32%
2010	453	0.28
2011	5,697	3.61
2012	7,363	4.60
2013	1,404	0.90
2014	3,346	(2.12)
2015	6,188	3.70
2016	1,152	0.71
2017	4,442	2.58
2018	5,651	3.36
2019	-0-	0.00
2020	-0-	0.00
2021	-0-	0.00

COUNTY DEBT AND OTHER LONG TERM OBLIGATIONS

The following describes statutory and constitutional debt and ad valorem property tax limitations applying to the County, and presently outstanding and projected bond and note indebtedness and certain other long-term financial obligations of the County.

In recent years the County has issued a number of industrial revenue bond issues and hospital revenue bond issues. No schedule for these bonds is provided because such bonds do not represent an obligation of the County. These bonds are payable solely from rentals and other revenues derived from the lease, sale or other disposition of the projects financed thereby.

The County is not and has never been in default on any of its debt obligations.

Please note: The outstanding debt of the County is listed as of September 2, 2022 (instead of August 15, 2022) in order to include the anticipated issuance of its Sewer System Limited Tax Special Assessment General Obligation Bonds, Series 2022 (the "Series 2022 Special Assessment Bonds") on such date in a principal amount not to exceed $1,375,000. See "COUNTY DEBT AND OTHER LONG TERM OBLIGATIONS - Debt Currently Outstanding - Special Assessment Bonds."

Statutory Direct Debt Limitations

Section 133.07 of the Revised Code provides that the aggregate principal amount of unvoted "net indebtedness" of a county, such as the County, may not exceed one percent of the total value of all property in such county as listed and assessed for taxation. The Revised Code further provides that the aggregate principal amount of voted and unvoted "net indebtedness" of a county, such as the County, may not exceed an amount equal to one of the following limitations that applies to the county: (1) a county with a valuation not exceeding one hundred million dollars, three per cent of that tax valuation; (2) a county with a tax valuation exceeding one hundred million dollars but not exceeding three hundred million dollars, three million dollars plus one and one-half

per cent of that tax valuation in excess of one hundred million dollars; or (3) a county with a tax valuation exceeding three hundred million dollars, six million dollars plus two and one-half per cent of that tax valuation in excess of three hundred million dollars.

In calculating "net indebtedness," the Revised Code provides that certain obligations of a county are not to be considered in the calculation, including self-supporting obligations, revenue bonds, and special assessment debt. (For a complete list of exempt debt see the Financial Statement attached as ***Appendix C*** hereto, as further described below.)

Other infrequently issued types of obligations are also excluded from the calculation of net indebtedness; the County has no such obligations outstanding. Notes issued in anticipation of bonds excluded from the calculation of net indebtedness are also excluded from such calculation. In calculating net indebtedness, amounts in a county's bond retirement fund allocable to the principal amount of bonds otherwise included in the amount of net indebtedness are deducted from the total net indebtedness of such county.

As referenced above, ***Appendix C*** of this Annual Statement is a Financial Statement for the County, dated August 1, 2022[7], certified by the County Auditor, calculating the amount of the outstanding obligations of the County which are subject to the total direct debt limit (3%, 1½%, 2½% limit) and the unvoted direct debt limit (1% limit). Based on the County's Tax Year 2021 assessed valuation of $22,501,640,980, the total principal amount of voted and unvoted general obligation debt that could be issued by the County, subject to the total direct debt limitation is $561,041,025 and the County's net debt subject to such limitation presently outstanding is $136,975,000, less the balance in the bond retirement fund of $4,757,148, leaving a balance of approximately $428,823,173 in borrowing capacity issuable within such limitation on combined voted and unvoted non-exempt debt. The County has no voted debt outstanding which is subject to such limitation as indicated in Debt Table B under "COUNTY DEBT AND OTHER LONG TERM OBLIGATIONS - Debt Currently Outstanding" herein.

The total unvoted County general obligation debt that could be issued subject to the one percent (1%) unvoted direct debt limitation is $225,016,410. The net County debt subject to such limitation presently outstanding is $136,975,000, less the balance in the bond retirement fund of $4,757,148, leaving a balance of approximately $92,798,558 of additional unvoted non-exempt debt that could be issued by the County under such one percent limitation.

However, as described below, the County's ability to incur debt in these amounts is restricted by the indirect debt limitation. In the case of unvoted general obligation debt, both the direct and the indirect debt limitations must be met.

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[7] Such Financial Statement does account for the anticipated issuance of the Series 2022 Special Assessment Bonds on September 2, 2022. See "COUNTY DEBT AND OTHER LONG TERM OBLIGATIONS - Debt Currently Outstanding - Special Assessment Bonds."

Indirect Debt Limitations

Pursuant to Ohio law, a maximum tax levy of ten mills per dollar of assessed valuation (tax list) can be levied on any property without a vote of the people. The first charge against these ten mills is the debt service requirements on all limited tax general obligation bond and note issues of all overlapping political subdivisions. These ten mills are available for the debt service requirements of both limited tax bonds and notes for which tax levies are actually made to pay principal and interest, and limited tax bonds and notes supported by revenues or municipal income taxes and not actually levied for unless such other sources become insufficient. Calculations with respect to compliance with the ten-mill limitation are made for the year in which pledged millage for unvoted general obligation bonds (or notes) of all overlapping political subdivisions is the highest. When notes are involved, theoretical debt service requirements for the bonds in anticipation of which such notes are issued are used in calculating aggregate pledged millage within the ten-mill limitation, and an assumed rate of interest for the bonds whose issuance is so anticipated is employed. A ten-mill certificate dated August 1, 2022 is attached as ***Appendix D***.[8]

Because bonded indebtedness in Ohio cannot be incurred or renewed unless provision is made for levying taxes to pay debt service on the indebtedness (except in the case of indebtedness payable solely from revenues or special restricted-purpose tax levies), the ten-mill tax limitation represents an indirect limitation on a political subdivision's capacity to incur debt within applicable direct debt limitations. Capacity within the ten-mill limitation is available to be pledged for debt service by overlapping political subdivisions having unvoted debt capacity on a first-come, first-served basis, and because of the disparity in the sizes of the tax lists or duplicates, a political subdivision with a relatively small tax list whose territory overlaps that of a political subdivision with a relatively large tax list can use up indirect debt capacity available to both through the issuance of a given principal amount of debt much more quickly than could the latter subdivisions issuing the same amount of debt.

A constitutional amendment designed to remove this indirect debt limitation was defeated by the electors of the State at the primary election on June 8, 1976.

At the present time, the City of Wyoming, Ohio is the taxing subdivision in the County with the highest potential millage requirements for debt service on its own unvoted general obligation debt, with the amount theoretically required for a given tax payer in the overlapping subdivisions of the Cincinnati City School District and the County being approximately 6.266 mills, 0.774 mills of which are attributable to the County. The total amount leaves 3.734 mills free to be used by the County and its overlapping subdivisions for additional unvoted general obligation bonds. The ten-mill limitation is such that a relatively small issue by some other overlapping taxing subdivision with a small tax duplicate can encumber a significant amount of millage, thereby dramatically reducing the amount of unvoted general obligation debt that the County could issue.

[8] Such Ten Mill Certificate does account for the anticipated issuance of the Series 2022 Special Assessment Bonds on September 2, 2022. See "COUNTY DEBT AND OTHER LONG TERM OBLIGATIONS - Debt Currently Outstanding - Special Assessment Bonds."

Overlapping Debt

The net overall debt for Hamilton County and all overlapping political subdivisions is set forth in ***Debt Table A***.

The boundary of the County includes 23 school districts, 19 cities, 19 villages, 12 townships, one public library district, seven special districts, two park districts, and two joint vocational school districts, all of which are separate political subdivisions with operating and debt service funding independent from that of the County. Various contractual and other arrangements not material except as may be noted elsewhere herein are in effect among or between the County and certain of the other political subdivisions.

Under Revised Code Section 133.06, Boards of Education of the school districts cannot incur more than one-tenth of one percent of their respective tax lists as general obligation debt without majority approval by the voters of the respective school districts. Such Boards of Education may request voter approval of general obligation debt not in excess of nine percent of the tax list of the school district. Under State law, before seeking voter approval, a Board of Education is required where applicable to receive the consent of the Ohio Department of Taxation and the State Superintendent of Public Instruction in accordance with policies adopted by the State Board of Education.

Cities and villages within the County are subject to the direct debt limitation imposed by Section 133.05 of the Revised Code, which provides that a municipal corporation's voted and unvoted debt may not exceed ten and one-half per cent of its tax list, and that its unvoted debt may not exceed five and one-half per cent of its tax list. By virtue of its City Charter and special court proceedings, the unvoted debt of the City of Cincinnati is not subject to the ten-mill limitation and so need not be considered by the County in computing its ten-mill limitations on overlapping debt.

Under Revised Code Section 133.09, the net indebtedness of a township, shall never exceed five per cent of the township's tax valuation, and, with the exceptions noted, no such indebtedness shall be incurred unless authorized by vote of the electors of the township.

Certain classes of debt are exempt from these limitations, chief among which are special assessment debt, notes issued in anticipation of current revenues or taxes or for certain emergency purposes, revenue bonds for various purposes, self-supporting debt for utility and quasi-utility purposes, voted urban redevelopment bonds not exceeding two per cent of the issuer's tax list, self-supporting debt for recreational facilities, and debt covenanted to be paid from lawfully available municipal income taxes.

The net city debt in the County is $592,908,400; net village debt is $5,425,500; net township debt is $51,283,000; net city school district debt is $853,759,938; net local school district debt is $490,018,000; joint vocational school debt is $0; and miscellaneous district debt is $5,505,000.

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Source: Ohio Municipal Advisory Council, as of September 2, 2022 (*Net Overlapping Debt – Excluding Special Assessment and Self-Supporting Debt*). (OMAC date of record is approximately three weeks ahead of actual date).

Debt Table A
Overall Debt Statistics
(as of September 2, 2022)

Net Debt of the County	$140,675,000
Per Capita Net Debt	$172
Net Debt as a Percentage of Assessed Valuation	0.63%
Net Overall Debt	$2,008,111,491
Per Capita Net Overall Debt	$2,462
Net Overall Debt as a Percentage of Assessed Valuation	8.92%

Source: Ohio Municipal Advisory Council as of September 2, 2022 (OMAC date of record is approximately three weeks ahead of actual date).

Bond Anticipation Notes and Certificates of Indebtedness

Under Ohio law applicable to the County, notes and certificates of indebtedness, including renewal notes, issued in anticipation of the issuance of general obligation bonds may be issued from time to time up to a maximum maturity of 20 years from the date of issuance of the original notes (except for notes and certificates issued in anticipation of special assessments, for which the maximum maturity is five years). Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of such notes or certificates must be retired in amounts at least equal to and payable not later than principal maturities that would have been required if the bonds had been issued at the expiration of the initial five-year period.

As of September 2, 2022, the County has $-0- of outstanding debt in the form of bond anticipation notes or certificates of indebtedness.

The ability of the County to retire any bond anticipation notes or certificates of indebtedness it may issue in the future will be dependent upon the marketability of renewal notes or certificates or bonds under market conditions then prevailing.

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Debt Currently Outstanding

Debt Table B lists the current outstanding indebtedness of the County in the form of bonds, notes, and certificates of indebtedness:

Debt Table B
Principal Amount of Debt Outstanding as of September 2, 2022

Voted General Obligation Bonds

None

Unvoted General Obligation Bonds

Date of Issue	Purpose	Original Amount of Issue	Interest Rate(s) (Remaining Bonds)	Coupon Maturity	Final Bond	Amount Outstanding
11/01/01	Various Purpose Refunding	$12,165,000	N/A	J1-D1	12/21	$ 0
08/15/06	Emer. Mgmt. & Op. Ctr. 2006	725,000	4.500	J1-D1	12/25	205,000
01/04/07	Various Purpose Refunding	25,465,000	4.100-4.150	J1-D1	12/24	1,385,000
12/20/11	Energy Conservation 2011A	3,448,675	2.400	J1-D1	12/22	420,063
12/20/11	Energy Conservation 2011B[1]	2,063,750	5.250	J1-D1	12/26	2,063,750
05/23/12	Energy Conservation 2012	9,400,000	2.375-3.125	J1-D1	12/27	4,135,000
01/15/14	Riverfront Infrastructure Improvement	19,030,000	N/A	J1-D1	12/21	0
04/15/15	Various Purpose Impr & Ref.[2]	25,230,000	3.000-5.000	J1-D1	12/30	13,165,000
07/23/15	The Banks Dev. Project	21,880,000	3.119-4.913	J1-D1	12/44	18,895,000
09/27/17	Various Purpose Impr. & Ref. Series 2017A	88,750,000	5.000	J1-D1	12/37	78,825,000
09/27/17	Urban Redevelopment Series 2017B	8,625,000	5.000	J1-D1	12/39	7,755,000
03/04/21	Parking Facilities, Series 2021A	36,920,000	5.000	J1-D1	12/40	35,205,000
02/04/22	Building Improvement, Series 2022	445,000	2.200	J1-D1	12/31	445,000
TOTAL						$162,498,813

[1] These bonds constitute Qualified Energy Conservation Bonds. Principal amortization begins December 1, 2022.
[2] The Series 2015 Bonds are comprised of (i) a new money portion in the amount of $19,745,000 and (ii) a refunding portion in the amount of $5,485,000. A portion of the new money portion of the Series 2015 Bonds in the principal amount of $4,235,000 of the remaining outstanding principal amount of the Series 2015 Bonds were advance refunded and defeased with a portion of the proceeds of the Series 2017A Bonds.

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Sewer Revenue Bonds 133.08

Date of Issue	Purpose	Original Amount of Issue	Interest Rate(s) (Remaining Bonds)	Coupon Maturity	Final Bond	Amount Outstanding
07/31/13	Sewer System Imp. & Ref. (Series A)	$178,760,000	5.000%	J1-D1	12/23	$ 16,715,000
11/19/14	Sewer System Ref. (Series A)	162,650,000	5.000	J1-D1	12/32	115,470,000
03/03/15	Sewer System Ref. (Series A)	52,520,000	5.000	J1-D1	12/25	7,790,000
11/26/19	Sewer System Ref. (Series A)	107,970,000	5.000	J1-D1	12/34	102,320,000
11/17/20	Sewer System Ref. (Series A)	74,525,000	5.000	J1-D1	12/35	70,505,000
04/20/22	Sewer System Ref. (Series A)	134,605,000	3.23[1]	J1-D1	12/38	134,605,000
TOTAL						$447,405,000

1 Refers to the Hamilton County, Ohio, Taxable Convertible Sewer System Refunding Revenue Bonds, 2022 Series A (The Metropolitan Sewer District of Greater Cincinnati) (the "2022A Sewer Revenue Bonds"), evidencing and securing a loan from CN Financing, Inc. to the County pursuant to the Loan and Refinancing Agreement, dated April 20, 2022 (the "2022 MSD Loan"). The interest rate on the 2022 MSD Loan shall be 3.23% per annum from April 20, 2022 through November 30, 2023, which represents a taxable rate of interest, and subject to successful conversion to a tax-exempt bond on December 1, 2023 (the "Conversion Date"), the interest rate on the 2022A Sewer Revenue Bonds shall be 2.73% per annum, which represents a tax-exempt rate of interest. In the event a conversion to a tax-exempt loan does not occur, the interest rate on the 2022 MSD Loan shall remain at 3.23% per annum.

Special Assessment Bonds

Date of Issue	Purpose	Original Amount of Issue	Interest Rate(s) (Remaining Bonds)	Coupon Maturity	Final Bond	Amount Outstanding
08/15/01	Sewer District	$150,000	5.100	J1-D1	12/21	$ 0.00
08/15/02	Sewer District	295,000	5.050	J1-D1	12/22	20,000.00
09/01/03	Sewer District	460,000	5.750	J1-D1	12/23	65,000.00
09/01/04	Sewer District	625,000	4.750-4.900	J1-D1	12/24	120,000.00
09/01/05	Sewer District	110,000	4.400	J1-D1	12/25	30,000.00
08/01/06	Sewer District	76,000	4.750	J1-D1	12/26	19,000.00
09/01/07	Sewer District	750,000	4.600-4.650	J1-D1	12/27	290,000.00
09/03/08	Sewer District	262,000	5.500	J1-D1	12/28	115,000.00
09/16/09	Sewer District	710,000	4.000-4.500	J1-D1	12/29	335,000.00
08/25/10	Sewer District	387,000	4.000-4.350	J1-D1	12/30	200,000.00
08/24/11	Sewer District	275,000	4.750	J1-D1	12/31	155,000.00
09/05/12	Sewer District*	373,000	3.500	J1-D1	12/32	236,200.00
08/20/13	Sewer District*	182,000	4.210	J1-D1	12/33	126,486.00
08/25/14	Sewer District*	326,000	4.750	J1-D1	12/34	244,207.26
09/08/15	Sewer District*	169,100	4.830	J1-D1	12/35	133,836.00
09/07/17	Sewer District*	734,000	3.250	J1-D1	12/37	622,179.00
09/04/18	Sewer District*	145,000	3.750	J1-D1	12/38	129,440.00
09/04/19	Sewer District*	193,000	1.840	J1-D1	12/39	176,710.00
09/02/22†	Sewer District*	1,375,000	4.75	J1-D1	12/42	1,375,000.00
TOTAL						$4,393,058.26

* Manuscript debt purchased by the Treasurer, Hamilton County, Ohio.
†Anticipated issuance

Sales Tax Bonds

Date of Issue	Purpose	Original Amount of Issue	Interest Rate(s) (Remaining Bonds)	Coupon Maturity	Final Bond	Amount Outstanding
11/01/00	Baseball Project	$349,992,512	N/A[1]	J1-D1	12/28	$ 33,951,679.10
10/13/11	Refunding[2]	72,665,000	4.00-5.00	J1-D1	12/32	0.00
09/07/16	Refunding	324,035,000	4.00-5.00	J1-D1	12/32	228,660,000.00
10/28/21	Refunding	46,290,000	5.00	J1-D1	12/32	46,290,000.00
TOTAL						$308,901,679.10

[1] Issue includes Capital Appreciation Bonds.
[2] A portion of the remaining outstanding principal amount of the Series 2011A Sales Tax Bonds was refunded with a portion of the proceeds of the Series 2021A Sales Tax Bonds. The unrefunded Series 2011A Bond matured on December 1, 2021.

Ohio Public Works Commission*

Date of Issue	Purpose	Original Amount of Issue	Interest Rate	Coupon Maturity	Final Bond	Amount Outstanding
07/01	Sewer Improvement (CB13A)	$1,066,695.98	3.00%	J1-J1	07/21	$ 0.00
07/04	Sewer Improvement (CB29E)	453,634.42	3.00	J1-J1	07/24	59,456.43
07/08	Sewer Improvement (CB01J)	1,552,500.00	0.00	J1-J1	07/28	465,750.00
01/12	Sewer Improvement (CB21N)	312,440.00	0.00	J1-J1	01/42	203,086.06
01/15	Sewer Improvement (CB38R)	555,000.00	0.00	J1-J1	01/35	346,875.00
01/16	Sewer Improvement (CB36R)	300,666.35	0.00	J1-J1	01/36	202,949.77
01/16	Sewer Improvement (CB39R)	540,000.00	0.00	J1-J1	01/36	364,500.00
01/19	Sewer Improvement (CB25U)	340,590.32	0.00	J1-J1	01/39	280,987.00
07/20	Sewer Improvement (CB20U)	1,460,005.61	0.00	J1-J1	01/41	1,317,566.05
TOTAL						$3,241,170.31

* Debt service on the OPWC Loans is computed as if the debt service was paid in level payments based on the remaining outstanding principal as of July 1, 2022 for each individual loan. The remaining outstanding principal of each OPWC Loan reflects the amount listed on www.pwc.ohio.gov as of July 11, 2022. In light of the COVID-19 Pandemic, OPWC provided for a deferral of all July 2020 payments. The County paid these deferred payments and the regularly scheduled payments on January 1, 2021.

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Water Pollution Control Loan Fund – Loans[a]

Date of Issue	Loan Number	Project (Sewer Improvements)	Original Encumbered Amount of Issue[b]	Interest Rate	Coupon Maturity	Final Bond	Amount Outstanding
01/02	3241	Springdale-Sharonville Sewer Replacement	$4,362,481.91	4.66%	J1 - J1	01/22	$ 0.00
07/04	3927	Springdale/Sharonville Sewer, Contract 3	1,975,164.35	3.50	J1 - J1	07/24	264,624.73
07/05	3928	Wooster Pike Sewer Phases 2 and 4	7,762,092.32	3.50	J1 - J1	07/25	1,533,457.62
01/05	4067	Miamitown Interceptor Sewer	4,988,091.23	3.41	J1 - J1	01/25	822,659.14
01/06	4204	Ludlow Run Relief Sewer	2,050,342.28	3.35	J1 - J1	01/26	463,642.36
01/08	4645	Sycamore WWTP Expansion Phases 1 and 2	22,205,503.37	3.25	J1 - J1	01/28	7,592,295.54
01/11	4786	Mill Creek WWTP Incinerator Phase 2 and Sept. Rec. Station	25,247,574.40	2.80	J1 - J1	01/31	12,458,720.73
07/10	4960	Wesselman Road Interceptor Phase 1-A-3, 1-B	8,455,235.65	3.30	J1 - J1	07/30	4,054,968.27
07/09	5025	Mill Creek WWTP Aeration Tank Diffusers Replacement	3,340,494.69	3.42	J1 - J1	07/29	1,433,288.36
01/12	5343	Little Miami WWTP Improvements	10,013,836.75[c]	3.25	J1 - J1	01/32	2,783,355.14
01/13	5585	Mill Creek WWTP Primary Treatment	40,235,948.66	3.25	J1 - J1	01/33	24,313,826.56
01/13	5586	Mill Creek WWTP Secondary Improvements	34,622,354.81	3.25	J1 - J1	01/33	20,921,637.45
01/12	5773	Dry Run Area Sewers Phases 1 and 2	6,328,640.22	2.52	J1 - J1	01/32	3,400,917.11
07/12	5775	Little Miami Sludge Handling	4,439,713.25	2.66	J1 - J1	07/32	2,511,456.65
01/13	5957	Dry Run Area Sewers Phases 1 and 2 Contract B	3,709,955.82	3.08	J1 - J1	01/33	2,226,906.59
01/14	5964	Little Miami and Muddy Creek WWTPs Blower Upgrade	10,911,032.99	3.01	J1 - J1	01/34	7,052,926.99
01/13	6005	Mill Creek WWTP Raw Sewage Pump Station	9,430,380.49	3.08	J1 - J1	01/33	5,660,600.32
07/17	6134	Upper Duck All Wet Weather Improvement Plan	3,064,266.47	2.80	J1 - J1	07/37	2,449,847.06
07/12	6135	Flow Monitoring and Modeling	4,258,122.02	2.80	J1 - J1	07/32	2,423,169.85
07/14	6136	Westwood Northern Sewer Separation	2,358,132.53	2.80	J1 - J1	07/34	1,568,389.51
01/12	6137	Wesselman Road Sewer Phase 2A Contract 1	2,054,845.29	2.80	J1 - J1	01/32	1,118,281.70
01/12	6138	Sagebrush Lane, et al. Local Sewer	3,100,281.61	2.80	J1 - J1	01/32	1,687,225.91
07/12	6139	Wet Weather Program Management and Support Services	16,480,952.19	2.80	J1 - J1	07/32	9,378,816.75
01/14	6377	Muddy Creek WWTP Primary Skimming/Sludge Removal	2,982,812.38	2.44	J1 - J1	01/34	1,888,927.26
01/14	6378	Muddy Creek WWTP Electrical Upgrades	5,210,932.91	2.44	J1 - J1	01/34	3,299,930.44
07/13	6398	CSO 525 Mt. Airy Grating Sewer Sep. Contract 1	2,131,163.68	2.21	J1 - J1	07/33	1,286,765.57
01/14	6399	Little Miami WWTP Planning	6,340,296.55	2.15	J1 - J1	01/34	3,972,262.76
07/14	6646	Queen City Avenue Sewer Separation Phase 1	7,336,183.81	3.27	J1 - J1	07/34	4,955,839.09
07/15	6650	Mill Creek WWTP Blower Energy Efficiency Upgrade	11,385,249.03	3.27	J1 - J1	07/35	8,206,972.65
07/14	6653	Sewer Relining Trenchless Technology	8,530,818.17	3.27	J1 - J1	07/34	5,762,854.82
01/16	7059	SCADA System Installs and Upgrades	12,650,229.92	2.20	J1 - J1	01/36	9,128,569.42
01/16	7200	Muddy Creek WWTP Grit Replacement	4,668,780.47	2.09	J1 - J1	01/36	3,358,565.44
01/16	7202	Eastern and Delta Sewer Separation Phase 3	4,477,967.83	2.04	J1 - J1	01/36	3,120,213.81
01/16	7204	Daly Road Sewer Replacement	5,450,903.64	2.04	J1 - J1	01/36	3,915,616.44
01/17	7311	Indian Creek WWTP Service Upgrades	7,073,179.28	1.68	J1 - J1	01/37	5,357,641.00
01/17	7350	Sunset and Rapid Run Area Sewer Separation	7,354,352.91	1.67	J1 - J1	01/37	5,569,244.64
07/17	7459	Muddy Creek WWTP Dewatering, Skimming Removal	7,759,332.69	1.31	J1 - J1	07/37	6,005,137.79
07/17	7463	White Street Avenue Separation	4,471,909.41*	1.31	J1 - J1	07/37	3,460,920.32

Date of Issue	Loan Number	Project (Sewer Improvements)	Original Encumbered Amount of Issue[(b)]	Interest Rate	Coupon Maturity	Final Bond	Amount Outstanding
07/18	7537	Werk & Westbourne EHRT	39,263,080.33*	1.47	J1 - J1	07/38	32,302,609.24
01/18	7539	Mt. Airy Forest Sewer Replacement	6,506,204.26	1.55	J1 - J1	01/38	5,212,292.00
01/18	7726	Wyoming & Minion Avenues Sewer Separation CSO	2,728,594.08	0.00	J1 - J1	01/38	2,114,660.43
07/18	7778	Lick Run Valley Conveyance System NRD CSO	126,137,064.90*	1.39	J1 - J1	07/51	122,722,186.48
07/18	7899	Mill Creek WWTP Dewatering Polymer System Replacement	5,779,666.30*	1.74	J1 - J1	07/39	4,110,848.27
07/18	7900	CSO 181	3,886,075.95	1.74	J1 - J1	07/39	3,385,434.61
01/19	8189	Glenview Pump Station Upgrade	889,805.28[(d)]	2.15	J1 - J1	01/40	766,734.15
TOTAL							$356,025,240.97

Note to Table: WPCLF Loans are listed by account number, as presented on the OWDA website.

[(a)] Debt service on the WPCLF Loans is computed as if the debt service was paid in level payments based on the remaining outstanding principal as of July 1, 2022 for each individual loan. The remaining outstanding principal of each WPCLF Loan reflects the amount accessed via the website of the Ohio Water Development Authority (https://loans.owda.org/LGALoans.asp?LGAID=592) (the "OWDA website") as of July 11, 2022 (the "OWDA Reference Date").

[(b)] Amounts represent the "Amount Financed" provided on the OWDA website as of the OWDA Reference Date. Some amounts have been adjusted from preliminary amounts previously provided by the County for construction loans, prior to the final draws thereon.

[(c)] A portion of the Amount Financed for Loan 5343 was eligible for principal forgiveness in the amount of $5,000,000.00. The remaining Amount Financed was $5,013,836.75.

[(d)] A portion of the Amount Financed for Loan 8189 was eligible for principal forgiveness in the amount of $35,130.00. The remaining Amount Financed was $854,675.28.

* These loans are construction loans that have not yet been fully drawn on (and may not be fully drawn on). Principal and interest payments by MSD have already commenced. When the final amounts of each of such construction loans are determined, adjustments will be made to reflect the respective final loan amounts (as noted in Footnote (b) above).

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Urban Redevelopment Loan Fund – Loans

Date of Issue	Purpose	Original Amount of Issue	Interest Rate	Coupon Maturity	Final Bond	Amount Outstanding
10/30/09	Banks Development*	$5,475,000	3.00	Monthly**	12/24	$1,378,634.71
TOTAL						$1,378,634.71

* This loan is secured by parking revenues, sales tax receipts, and, on a contingent basis, by other non-tax revenues of the County. It is expected that TIF revenues of the County and the City will be available to make debt service payments.

** Balance as of September 1, 2022.

Capital Leases

Date of Issue	Purpose	Original Amount of Issue	Interest Rate	Coupon Maturity	Final Bond	Amount Outstanding
07/22/09	Waste Water Eng Bld	$15,000,000	4.00-5.00%	J1-D1	12/29	$7,395,000
TOTAL						$7,395,000

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Debt Table C(1)
Summary of Debt Service Due on Outstanding County Obligations
By Principal Only as of September 2, 2022
(Schedule continues on the following page)

DATE	UNVOTED GO BONDS	SALES TAX BONDS	URBAN REDEVELOPMENT LOAN	SPECIAL ASSESSMENT BONDS	SEWER REVENUE BONDS	CAPITAL LEASES
12/31/22	$8,907,977.00	$20,922,130.20	$148,632.22	$315,346.61	$33,795,000.00	$795,000.00
12/31/23	9,348,579.00	22,103,828.65	605,788.56	356,437.96	33,735,000.00	830,000.00
12/31/24	9,842,005.00	22,665,485.60	624,213.93	325,967.94	36,050,000.00	865,000.00
12/31/25	8,766,290.00	23,653,173.20	0.00	312,603.01	37,600,000.00	900,000.00
12/31/26	9,146,462.00	23,326,526.65	0.00	303,652.75	40,005,000.00	940,000.00
12/31/27	8,964,500.00	24,283,372.00	0.00	310,725.84	37,920,000.00	980,000.00
12/31/28	9,404,500.00	8,627,162.80	0.00	272,233.96	39,415,000.00	1,020,000.00
12/31/29	9,284,500.00	38,015,000.00	0.00	268,987.94	30,685,000.00	1,065,000.00
12/31/30	9,379,500.00	39,875,000.00	0.00	220,894.69	32,070,000.00	0.00
12/31/31	7,744,500.00	41,860,000.00	0.00	208,268.15	27,670,000.00	0.00
12/31/32	8,070,000.00	43,570,000.00	0.00	195,921.44	23,070,000.00	0.00
12/31/33	8,425,000.00	0.00	0.00	177,561.71	20,700,000.00	0.00
12/31/34	8,850,000.00	0.00	0.00	171,267.26	21,590,000.00	0.00
12/31/35	9,285,000.00	0.00	0.00	152,749.00	11,695,000.00	0.00
12/31/36	9,745,000.00	0.00	0.00	145,552.00	6,940,000.00	0.00
12/31/37	10,245,000.00	0.00	0.00	151,350.00	7,135,000.00	0.00
12/31/38	4,095,000.00	0.00	0.00	106,904.00	7,330,000.00	0.00
12/31/39	4,300,000.00	0.00	0.00	101,121.00	0.00	0.00
12/31/40	3,850,000.00	0.00	0.00	93,970.00	0.00	0.00
12/31/41	1,125,000.00	0.00	0.00	98,434.00	0.00	0.00
12/31/42	1,180,000.00	0.00	0.00	103,109.00	0.00	0.00
12/31/43	1,240,000.00	0.00	0.00	0.00	0.00	0.00
12/31/44	1,300,000.00	0.00	0.00	0.00	0.00	0.00
12/31/45	0.00	0.00	0.00	0.00	0.00	0.00
12/31/46	0.00	0.00	0.00	0.00	0.00	0.00
12/31/47	0.00	0.00	0.00	0.00	0.00	0.00
12/31/48	0.00	0.00	0.00	0.00	0.00	0.00
12/31/49	0.00	0.00	0.00	0.00	0.00	0.00
12/31/50	0.00	0.00	0.00	0.00	0.00	0.00
12/31/51	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	$162,498,813.00	$308,901,679.10	$1,378,634.71	$4,393,058.26	$447,405,000.00	$7,395,000.00

Debt Table C(1) *(continued)*
Summary of Debt Service Due on Outstanding County Obligations
By Principal Only as of September 2, 2022
(Schedule continued from the preceding page)

DATE	OWDA	OPWC*†	WPCLF*	TOTAL	% OF PRINCIPAL REMAINING
12/31/22	$0.00	$ 0.00	$ 0.00	$64,884,086.03	94.98%
12/31/23		275,357.92	22,196,218.20	89,451,210.29	88.05%
12/31/24		276,243.09	22,749,576.91	93,398,492.47	80.81%
12/31/25		246,072.28	23,005,837.10	94,483,975.59	73.50%
12/31/26		246,072.29	22,784,981.20	96,752,694.89	66.00%
12/31/27		246,072.28	23,274,660.76	95,979,330.88	58.57%
12/31/28		246,072.30	23,089,867.14	82,074,836.20	52.21%
12/31/29		168,447.28	22,883,558.06	102,370,493.28	44.29%
12/31/30		168,447.29	23,204,997.25	104,918,839.23	36.16%
12/31/31		168,447.30	22,353,004.42	100,004,219.87	28.42%
12/31/32		168,447.28	21,504,295.76	96,578,664.48	20.94%
12/31/33		168,447.29	16,800,479.57	46,271,488.57	17.35%
12/31/34		168,447.29	13,159,052.89	43,938,767.44	13.95%
12/31/35		154,572.29	11,323,935.52	32,611,256.81	11.42%
12/31/36		119,680.62	9,893,431.41	26,843,664.03	9.35%
12/31/37		98,663.98	8,774,330.28	26,404,344.26	7.30%
12/31/38		98,663.96	7,313,235.17	18,943,803.13	5.83%
12/31/39		90,149.22	4,877,698.46	9,368,968.68	5.11%
12/31/40		81,634.46	4,407,994.93	8,433,599.39	4.46%
12/31/41		46,024.56	4,442,993.56	5,712,452.12	4.01%
12/31/42		5,207.33	4,504,965.78	5,793,282.11	3.56%
12/31/43		0.00	4,567,802.40	5,807,802.40	3.11%
12/31/44		0.00	4,631,515.49	5,931,515.49	2.65%
12/31/45		0.00	4,696,117.27	4,696,117.27	2.29%
12/31/46		0.00	4,761,620.13	4,761,620.13	1.92%
12/31/47		0.00	4,828,036.66	4,828,036.66	1.55%
12/31/48		0.00	4,895,379.56	4,895,379.56	1.17%
12/31/49		0.00	4,963,661.81	4,963,661.81	0.78%
12/31/50		0.00	5,032,896.46	5,032,896.46	0.40%
12/31/51		0.00	5,103,096.82	5,103,096.82	0.00%
TOTALS	$0.00	$3,241,170.31	$356,025,240.97	$1,291,238,596.35	

* THE OPWC AND WPCLF DEBT SERVICE REPRESENT LINES OF CREDIT. AMORTIZATION OF THESE LINES (AND DEBT TABLE C) IS BASED ON THE ASSUMPTION THAT ALL OF THE PRINCIPAL HAS BEEN DRAWN ON. HOWEVER NOT ALL OF THE LINES OF CREDIT HAVE BEEN ORIGINATED. DEBT TABLE B NOTES THE PRINCIPAL AMOUNT THAT HAS BEEN ORIGINATED TO DATE. WHEN CONSTRUCTION IS COMPLETE, THE DEBT SERVICE SCHEDULE WILL BE ADJUSTED TO REFLECT ACTUAL PRINCIPAL ORIGINATED (GIVING CREDIT FOR PRIOR OVERPAYMENT OR UNDERPAYMENT). DEBT SERVICE ON THE OPWC AND WPCLF LOANS IS COMPUTED AS IF THE DEBT SERVICE WAS PAID IN LEVEL PAYMENTS BASED ON THE REMAINING OUTSTANDING PRINCIPAL AS JULY 1, 2022 FOR EACH LOAN.

†THE JULY 1, 2020 OPWC LOAN PAYMENTS WERE DEFERRED. HOWEVER, THE COUNTY ELECTED TO PAY OFF THE DEFERRED PAYMENTS ON JANUARY 1, 2021. AS A RESULT, THE MATURITY DATES OF THE OPWC LOANS WERE NOT EXTENDED.

Debt Table C(2)
Summary of Debt Service Due on Outstanding County Obligations
By Total Debt Service as of September 2, 2022
(Schedule continues on the following page)

DATE	UNVOTED GO BONDS	SALES TAX BONDS	URBAN REDEVELOPMENT LOAN	SPECIAL ASSESSMENT BONDS	SEWER REVENUE BONDS	CAPITAL LEASES
12/31/22	$12,839,904.23	$37,761,775.00	$ 158,601.03	$ 376,612.84	$44,284,030.20	$ 955,612.50
12/31/23	16,842,965.30	45,882,050.00	634,404.12	546,484.64	52,078,392.00	1,111,475.00
12/31/24	16,898,921.92	46,852,800.00	634,403.83	483,970.24	52,068,461.00	1,113,275.00
12/31/25	15,375,318.30	47,591,050.00	0.00	456,478.63	52,057,716.00	1,113,675.00
12/31/26	15,339,300.92	48,028,800.00	0.00	434,233.43	52,831,054.00	1,115,425.00
12/31/27	14,720,752.22	48,102,050.00	0.00	428,180.64	49,063,263.50	1,115,475.00
12/31/28	14,733,741.46	50,962,050.00	0.00	376,305.28	49,002,423.00	1,113,825.00
12/31/29	14,150,585.96	45,467,050.00	0.00	361,458.38	38,651,480.00	1,112,925.00
12/31/30	13,787,691.96	45,476,300.00	0.00	302,093.53	38,632,755.00	0.00
12/31/31	11,689,606.76	45,467,550.00	0.00	280,366.95	32,763,412.00	0.00
12/31/32	11,631,431.46	45,410,250.00	0.00	259,460.54	26,917,814.50	0.00
12/31/33	11,585,425.26	0.00	0.00	233,168.95	23,535,735.50	0.00
12/31/34	11,591,787.00	0.00	0.00	219,528.36	23,536,015.50	0.00
12/31/35	11,587,016.70	0.00	0.00	193,921.46	12,710,768.00	0.00
12/31/36	11,585,631.20	0.00	0.00	180,545.42	7,524,356.50	0.00
12/31/37	11,600,045.50	0.00	0.00	180,547.86	7,529,894.50	0.00
12/31/38	4,939,534.60	0.00	0.00	130,063.34	7,530,109.00	0.00
12/31/39	4,941,607.86	0.00	0.00	119,629.02	0.00	0.00
12/31/40	4,278,524.60	0.00	0.00	108,006.86	0.00	0.00
12/31/41	1,363,034.86	0.00	0.00	108,007.30	0.00	0.00
12/31/42	1,362,763.60	0.00	0.00	108,006.68	0.00	0.00
12/31/43	1,364,790.20	0.00	0.00	0.00	0.00	0.00
12/31/44	1,363,869.00	0.00	0.00	0.00	0.00	0.00
12/31/45	0.00	0.00	0.00	0.00	0.00	0.00
12/31/46	0.00	0.00	0.00	0.00	0.00	0.00
12/31/47	0.00	0.00	0.00	0.00	0.00	0.00
12/31/48	0.00	0.00	0.00	0.00	0.00	0.00
12/31/49	0.00	0.00	0.00	0.00	0.00	0.00
12/31/50	0.00	0.00	0.00	0.00	0.00	0.00
12/31/51	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	$235,574,250.87	$507,001,725.00	$1,427,408.98	$5,887,070.35	$570,717,680.20	$8,751,687.50

Debt Table C(2) *(continued)*
Summary of Debt Service Due on Outstanding County Obligations
By Total Debt Service as of September 2, 2022
(Schedule continued from the following page)

DATE	OWDA	OPWC*†	WPCLF*	TOTAL	% OF DEBT SERVICE REMAINING
12/31/22	$0.00	$ 0.00	$ 0.00	$ 96,376,535.80	94.50%
12/31/23		276,923.61	29,623,858.57	146,996,553.24	86.11%
12/31/24		276,923.62	29,623,858.61	147,952,614.22	77.66%
12/31/25		246,072.28	29,312,664.91	146,152,975.12	69.32%
12/31/26		246,072.29	28,525,963.12	146,520,848.76	60.95%
12/31/27		246,072.28	28,455,217.16	142,131,010.80	52.84%
12/31/28		246,072.30	27,695,906.07	144,130,323.11	44.61%
12/31/29		168,447.28	26,936,595.17	126,848,541.79	37.37%
12/31/30		168,447.29	26,704,615.93	125,071,903.71	30.23%
12/31/31		168,447.30	25,295,123.76	115,664,506.77	23.63%
12/31/32		168,447.28	23,923,462.58	108,310,866.36	17.44%
12/31/33		168,447.29	18,729,212.76	54,251,989.76	14.35%
12/31/34		168,447.29	14,773,568.44	50,289,346.59	11.48%
12/31/35		154,572.29	12,710,669.22	37,356,947.67	9.34%
12/31/36		119,680.62	11,095,163.02	30,505,376.76	7.60%
12/31/37		98,663.98	9,833,734.72	29,242,886.56	5.93%
12/31/38		98,663.96	8,251,468.06	20,949,838.96	4.74%
12/31/39		90,149.22	5,720,449.37	10,871,835.47	4.12%
12/31/40		81,634.46	5,182,759.89	9,650,925.81	3.56%
12/31/41		46,024.56	5,156,358.02	6,673,424.74	3.18%
12/31/42		5,207.33	5,156,358.02	6,632,335.63	2.81%
12/31/43		0.00	5,156,358.01	6,521,148.21	2.43%
12/31/44		0.00	5,156,358.01	6,520,227.01	2.06%
12/31/45		0.00	5,156,358.02	5,156,358.02	1.77%
12/31/46		0.00	5,156,358.02	5,156,358.02	1.47%
12/31/47		0.00	5,156,358.03	5,156,358.03	1.18%
12/31/48		0.00	5,156,358.01	5,156,358.01	0.88%
12/31/49		0.00	5,156,358.02	5,156,358.02	0.59%
12/31/50		0.00	5,156,358.01	5,156,358.01	0.29%
12/31/51		0.00	5,156,358.01	5,156,358.01	0.00%
TOTALS	$0.00	$3,243,416.53	$419,114,229.54	$1,751,717,468.97	

* THE OPWC AND WPCLF DEBT SERVICE REPRESENT LINES OF CREDIT. AMORTIZATION OF THESE LINES (AND DEBT TABLE C) IS BASED ON THE ASSUMPTION THAT ALL OF THE PRINCIPAL HAS BEEN DRAWN ON. HOWEVER NOT ALL OF THE LINES OF CREDIT HAVE BEEN ORIGINATED. DEBT TABLE B NOTES THE PRINCIPAL AMOUNT THAT HAS BEEN ORIGINATED TO DATE. WHEN CONSTRUCTION IS COMPLETE, THE DEBT SERVICE SCHEDULE WILL BE ADJUSTED TO REFLECT ACTUAL PRINCIPAL ORIGINATED (GIVING CREDIT FOR PRIOR OVERPAYMENT OR UNDERPAYMENT). DEBT SERVICE ON THE OPWC AND WPCLF LOANS IS COMPUTED AS IF THE DEBT SERVICE WAS PAID IN LEVEL PAYMENTS BASED ON THE REMAINING OUTSTANDING PRINCIPAL AS OF JULY 1, 2022 FOR EACH LOAN.

†THE JULY 1, 2020 OPWC LOAN PAYMENTS WERE DEFERRED. HOWEVER, THE COUNTY ELECTED TO PAY OFF THE DEFERRED PAYMENTS ON JANUARY 1, 2021. AS A RESULT, THE MATURITY DATES OF THE OPWC LOANS WERE NOT EXTENDED.

FUTURE FINANCINGS

The County is continuing to proceed with a facility master planning effort that will entail annual cash or debt investment in deferred maintenance, with an eye toward debt capacity made available as existing bonds are retired. In addition, the County is considering the issuance of general obligation and/or revenue supported obligations for a variety of infrastructure improvements. At this time, there have been no final determinations as to which projects or the amount of any such project(s) to be financed.

LEASES AND CONTRACTS

The County has entered into various contracts and leases for the rental of property and office space throughout the County. The following data represents the approximate rental liabilities involved as of December 31 for the years indicated.

Year	Operating Lease Payment	Capital Lease Payment*	Total Lease Payment
2017	$1,525,000	$2,796,000	$4,321,000
2018	1,567,000	2,797,000	4,364,000
2019	1,602,000	1,115,000	2,717,000
2020	1,648,000	1,114,000	2,762,000
2021	1,532,000	1,096,000	2,628,000

Source: Hamilton County Auditor

*This capital lease payment represents the MSD Engineering Building payment reflected in a table above identified as "Capital Leases."

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OHIO EMPLOYER'S CONTRIBUTIONS TO OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM AND THE STATE TEACHERS RETIREMENT SYSTEM

General

Approximately 4,003 current full and part-time employees of the County are covered by the Ohio Public Employees Retirement System (OPERS), which retirement programs includes both employee and employer payments. 24 County employees are covered by the State Teachers Retirement System of Ohio (STRS), which retirement program includes both employee and employer payments. The County's contributions are current and fully met as required by law. Annual contributions include provision for reserves to properly fund pension and other benefits payable on account for creditable service. OPERS and STRS are evaluated annually by nationally recognized consultants.

Employee and Employer Contribution Rates

The employee and employer contribution rates for OPERS and STRS were the maximum contribution rates permitted under current State law.

(a) ***OPERS.*** In 2021, employees covered by OPERS contributed at a statutory rate of 10% of earnable salary. The County's statutory contribution rate for those employees was 14% (18.10% for law enforcement and public safety officers) of the same base, the rate actuarially established by OPERS.

Historical County employer contributions to OPERS are set forth below.

Employer's Contribution Rate (OPERS)

Year	Public Employees	Law Enforcement and Public Safety Officers	Total Contribution
2017	14.00%	18.10%	$31,861,324
2018	14.00	18.10	32,403,402
2019	14.00	18.10	34,035,558
2020	14.00	18.10	33,618,649
2021	14.00	18.10	34,631,687

Source: Hamilton County Auditor

The County's annual OPERS employer contribution of $34,631,687 for 2021 was treated as a current expenditure and is included in the County's operating expenditures. The County's annual OPERS contributions for employee and employer contributions combined totaled $59,371,293 in 2021 which included both employee contributions.

(b) ***STRS.*** In 2021, employees covered by STRS contributed at a statutory rate of 14% of earnable salary. The County's statutory contribution rate for those employees was 14% of the same base.

Net Pension Liability

With the implementation of GASB Statement No. 68 and GASB Statement No. 71, as of January 1, 2015, the County has been reporting a substantial net pension liability in its Basic Financial Statements for Fiscal Year 2017 due to the allocation of the State's pension systems' unfunded pension liabilities to be reflected therein. The pension systems will allocate the unfunded liability by total employer contributions made by the County as a percentage of the respective system's total employer contributions received.

Compliance with ERISA Provisions

Neither OPERS nor STRS is subject to the funding and vesting requirement of the Employees Retirement Income Security Act of 1974. From time to time the Internal Revenue Service reviews that Act to determine its position on whether pension funds for public bodies must meet certain provisions of that Act.

OTHER OBLIGATIONS

Sales Tax and Economic Development

The electorate approved a ½% additional sales tax at the primary election held March 19, 1996, and the additional ½% sales tax is currently being collected. For information regarding the current sales tax (see "OTHER MAJOR COUNTY REVENUE SOURCES, Total Sales Tax Collections."

The County has executed leases with the Cincinnati Bengals and the Cincinnati Reds for each respective sports stadium. The Cincinnati Bengals are finalizing the terms of a stadium naming rights transaction with Paycor, the proceeds of which are largely expected to benefit the Cincinnati Bengals, although the final details have not been released.

The County has financed construction with the issuance of significant levels of sales tax supported obligations secured by the increased sales tax and has issued $623.1 million to fund the football project and the baseball project. Such sales tax supported obligations are not general obligation debt of the County and are not subject to either the direct debt limit or the constitutional Ten-Mill unvoted tax rate limit (see "COUNTY DEBT AND OTHER LONG TERM OBLIGATIONS - Direct Debt Limitations" and "- Indirect Debt Limitations" herein).

Further, the Board of County Commissioners has pledged 30% of the additional one-half cent sales tax to reduce annual ad valorem property taxes for owner-occupied residential properties and has agreed to make payments in lieu of taxes on the new stadium facilities to the Board of Education of the Cincinnati City School District from sales tax receipts in an amount estimated to be approximately $10.5 million per year. The payment stream was restructured during 2006 deferring annual payments until 2010. Payments began again in 2010 at $10.9 million annually until 2027 when they increase to $11.7 million per year until 2032.

The County and the City of Cincinnati are cooperating in the redevelopment of the Central Riverfront Area in downtown Cincinnati known as "The Banks," including the development of the Central Riverfront Park (collectively referred to as "The Banks Project") and have entered into a

Master Development Agreement, Infrastructure Development Management Agreement and a Cooperation Agreement for the purpose of implementing The Banks Project.

The development documents related to The Banks Project contemplate the commitment and expenditure of funding by the County and the City relating to the completion of certain public improvements, including, but not limited to, the intermodal transit facility, utility relocations, street grid completion, as well as certain additional expenditures relating to The Banks Project. Funding for the County and City commitments consists of federal and state grants and loans as well as debt issued by the County and the City.

In 2009 the County issued general obligation debt supported by the dedicated sales tax and entered into two loans from the State of Ohio to providing funding for a portion of its obligations on The Banks Project. The loans are a $5.475 million Urban Redevelopment Loan through the Ohio Department of Development and a now-retired $11.685 million State Infrastructure Bank loan through the Ohio Department of Transportation. The Urban Redevelopment Loan is identified in ***Debt Table B*** above.

In April 2015, the County started collecting the Union Terminal Sales Tax in order to restore the Union Terminal at the Cincinnati Museum Center. Such collections ended on April 1, 2020 (see "OTHER MAJOR COUNTY REVENUE SOURCES – Sales Tax – Sales Tax Levied under Section 5739.021" herein). The total cost of the project was $228 million and it was completed in 2018. Of the total costs, $182.7 million was paid from the proceeds of the one-fourth percent (¼%) sales tax increase. A remaining balance of $18.7 million in the sales tax collection fund (due to performance above budget) was granted to the Union Terminal Restoration Fund for future Union Terminal preservation, repairs, maintenance and improvements.

LEGAL MATTERS

General

The County is a party to various legal proceedings seeking damages or injunctive relief and generally incidental to its operations but unrelated to any outstanding County debt or the security therefore. The ultimate disposition of these various proceedings is not presently determinable but will not, in the opinion of the Office of the Prosecuting Attorney of Hamilton County (the legal adviser to the Board of County Commissioners), have a material adverse effect on any outstanding County debt or the security therefore.

Bond Counsel

The County retains the services of Dinsmore & Shohl LLP as Bond Counsel and disclosure counsel in connection with the issuance of the bonds and notes of the County. Dinsmore & Shohl LLP also represents one or more of the political subdivisions that territorially overlap the County.

RATINGS

General

The County has a rating from Moody's Investors Service, Inc. for its outstanding general obligation bonds and for its outstanding uninsured revenue bonds, as well as ratings from S&P Global Ratings and Fitch Ratings, Inc. for the County's Sales Tax Revenue Bonds. Those ratings reflect only the views of such rating agency. Any explanation of the significance of the rating may only be obtained from the applicable rating agency. The County furnished to the rating agencies certain information and materials, some of which may not have been included in this Annual Statement, relating to the outstanding general obligation bond issues, the sales tax bond issues and the County. Generally, rating agencies base their ratings on such information and materials and investigation, studies and assumptions by the rating agency. There can be no assurance that a rating when assigned will continue for any given period of time or that it will not be lowered or withdrawn entirely by the rating agency if in its judgment circumstances so warrant. Any such downward change in or withdrawal of a rating may have an adverse effect on the marketability and/or market price of the County's outstanding obligations.

The County presently expects to furnish such rating agencies with information and material that it may request on future general obligation bond and sales tax revenue bond issues. However, the County assumes no obligation to furnish requested information and materials, and may issue debt for which a rating is not requested. Failure to furnish requested information and materials, or the issuance of debt for which a rating is not requested, may result in the suspension or withdrawal of a rating agency's ratings on outstanding general obligation bonds or sales tax revenue bonds.

Current Credit Ratings

The County currently obtains credit ratings on all of its debt and maintains ratings as follows:

	Current Bond Rating*			
County Debt	**Moody's**	**Standard & Poor's(S&P)**	**Fitch**	**Insurer**
General Obligation Bonds	Aa2	-	-	-
MSD Revenue	Aa2	AA+	-	-
Sales Tax - Riverfront (2000B)	Aa3**	-	A+	AMBAC
Sales Tax – Riverfront (2016) †	Aa3**	AA-	A+	-
Sales Tax – Riverfront (2021)	Aa3	AA-	-	-

* All current bond ratings listed reflect the respective underlying ratings.

**On September 24, 2021, Moody's upgraded the County's outstanding sales tax bonds from A1 to Aa3.

† The County issued its $324,035,000 Sales Tax Refunding Bonds, Series 2016A on September 7, 2016, the proceeds of which were used to refund all but the December 1, 2016 maturity of the Series 2006A Bonds and to pay certain issuance costs. In connection with the refunding, the County obtained a credit support instrument from Build America Mutual Assurance Company in an amount equal to the Reserve Requirement.

CONTINUING DISCLOSURE

The County plans to meet all of the continuing disclosure requirements to be in compliance with Securities and Exchange Commission Rule 15c2-12, as amended (the "Rule"). As a general matter, for purposes of complying with the requirements of the Rule, the County enters into continuing disclosure certificates in connection with each issuance of obligations; however, the County maintains a master continuing certificate in connection with its sewer revenue bonds issued for the benefit of The Metropolitan Sewer District of Greater Cincinnati. Currently most annual financial information will be available on or about August 15 following the end of the fiscal year under the terms of that agreement. See each Official Statement circulated for a specific issue for the exact continuing disclosure covenants of each issue. The County contracts with Dinsmore & Shohl LLP as its disclosure counsel.

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CONCLUDING STATEMENT

To the extent that any statements made in this Annual Statement involve matters of opinion or estimates, whether or not expressly stated, these statements are made as such and not as representations of fact or certainty, and no representation is made that any opinions or estimates in these statements will be realized. Information herein has been derived by the County from official and other sources and is believed by the County to be reliable, but such information other than that obtained from official records of the County has not been independently confirmed or verified by the County and its accuracy is not guaranteed.

This Annual Statement has been prepared by Hamilton County under the direction of the Hamilton County Board of Commissioners with the assistance of the Hamilton County Auditor.

COUNTY OF HAMILTON, OHIO

By:
Jeff Aluotto, County Administrator

By:
Dusty Rhodes, County Auditor

APPENDIX A-1
UNAUDITED FINANCIAL STATEMENTS FOR HAMILTON COUNTY, OHIO
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTICE OF STATUS OF AUDITED ANNUAL FINANCIAL STATEMENTS

The audited financial statements of the County for the year ended December 31, 2021 are not anticipated to be released by the Ohio State Auditor prior to the County's annual continuing disclosure filing date on August 15, 2022.

The unaudited financial statements for the year ending December 31, 2021 are available at this time and such unaudited financial statements are attached hereto.

The audited financial statements will be filed within a reasonable time period after they are released by the Ohio State Auditor. Audited financial statements, when released, can be found at the website of the Ohio State Auditor at:

https://ohioauditor.gov/auditsearch/Search.aspx

Note: The reference to this website is for the purpose of accessing the audited financials of the County only; the County does not make any representation as to the accuracy of the information appearing on such website. The County does not undertake any obligation to maintain or update such website or such information contained on such website.

[SEE ATTACHED]

2021 Annual Comprehensive Financial Report

UNAUDITED

For the fiscal year ended December 31, 2021

The County of Hamilton, Ohio

Issued by
Dusty Rhodes
Hamilton County Auditor

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2021 Annual

Comprehensive

Financial Report

For the fiscal year ended

December 31, 2021

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Issued by

Dusty Rhodes

Auditor

Hamilton County, Ohio

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COUNTY OF HAMILTON, OHIO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended December 31, 2021

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Introductory Section

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The County of Hamilton, Ohio

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County of Hamilton

DUSTY RHODES
AUDITOR

COUNTY ADMINISTRATION BUILDING
138 EAST COURT STREET
CINCINNATI, OHIO 45202

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June 29, 2022

To the Honorable Board of County Commissioners
and Citizens of Hamilton County:

I am pleased to present the Annual Comprehensive Financial Report of the County of Hamilton, Ohio, for the year ended December 31, 2021. This report contains the financial and statistical data that provide a complete and full disclosure of all material financial aspects of the County.

Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(B) require that the County produce annual financial statements pursuant to generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. The County's management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The County of Hamilton is required to undergo an annual single audit in conformity with the provisions of 2 CFR (Code of Federal Regulations) Part 200. Information related to this single audit—including a schedule of federal financial assistance, the independent auditor's report on internal control and compliance with applicable laws and regulations, and a schedule of findings—is included in a separately issued audit report.

The basic financial statements of the County as of and for the year ended December 31, 2021, included in this report have been audited by the Ohio Auditor of State. The independent auditor's report is located at the front of the financial section of this report. The Ohio Auditor of State has issued an unmodified ("clean") opinion on the County's financial statements.

GAAP requires that management provide a Management's Discussion and Analysis (MD&A), a narrative introduction, overview and analysis to accompany the basic financial statements. The MD&A complements this letter and should be read in conjunction with it. The MD&A appears immediately after the independent auditor's report.

Reporting Entity

The County of Hamilton was named for the former Secretary of the Treasury Alexander Hamilton, and was created by proclamation of Arthur St. Clair, Governor of the Northwest Territory, on January 2, 1790. The County was the second county formed in the State of Ohio, with Cincinnati as the County seat. The County is situated in the extreme southwestern corner of the State and covers an area of 405.4 square miles. The County encompasses 49 cities, villages and townships, of which Cincinnati is the largest. The County is the third largest in the State of Ohio in terms of population (currently estimated at 826,139). Located on the Ohio River, Hamilton County forms the core of the Cincinnati, OH-KY-IN Metropolitan Statistical Area, an 18-county, three-state area located at the intersection of Ohio, Kentucky and Indiana. The metro area has an estimated population of 2,259,935, which makes it the 30th largest metropolitan area in the country per the U.S. Census Bureau.

The County has operated under the statutory form of government since its founding. As an agent of the State, County government serves the entire County in a variety of ways.

The County's legislative and taxing authority are vested in an elected, three-member Board of County Commissioners that is responsible for, among other things, passing resolutions, issuing bonds, adopting budgets and hiring the County Administrator. The County Administrator is responsible for carrying out the policies and resolutions of the Board of County Commissioners, and for appointing the heads of the departments under the control of the Board.

The County Auditor is also elected and serves as both the chief fiscal officer for the County and the real property assessor for all political subdivisions within the County. As chief fiscal officer, the Auditor is responsible for maintaining the County's centralized accounting, payroll and benefits systems; for preparing the Annual Comprehensive Financial Report; and for issuing warrants and processing payments made on behalf of County agencies. The Auditor prepares the general tax list of the County, calculates the voted and unvoted tax rates for real estate and, once collected, distributes the tax receipts to the appropriate political subdivisions and agencies within the County. As real property assessor, the Auditor is responsible for a full reappraisal of approximately 353,000 parcels of real property in the County every six years, with an interim update three years later.

The Treasurer is the custodian of County funds and is responsible for collecting all tax moneys and applying payments to the appropriate tax accounts. As specified by law, the Treasurer is also responsible for investing idle County funds.

In addition to those discussed immediately above, other elected officials serving four-year terms are the Clerk of Courts, Coroner, Engineer, Prosecutor, Recorder and Sheriff. The Court of Appeals Judges, Common Pleas Judges and the County-wide Municipal Court Judges are all elected to six-year terms.

The County provides its citizens with a wide range of services that include tax collection and distribution, public safety and social services, health assistance, economic and community development services, civil and criminal justice systems, road and bridge maintenance, and other general and administrative support services. The County maintains enterprise funds to account for the operations of the stadia, parking facilities, sales tax reserve and communications center. The County-owned Metropolitan Sewer District, operated by the City of Cincinnati under a management contract, is also reported as an enterprise fund. The County maintains internal service funds for workers' compensation, health insurance and the Auditor's computer center.

The financial statements contained within this report include all funds, agencies, boards and commissions for which the County's elected officials are financially accountable. Also included in these financial statements is reporting for a component unit of Hamilton County, the Convention Facilities Authority (CFA) for Hamilton County, Ohio. The CFA is a legally separate entity for which the County is financially accountable because the County appoints a voting majority of CFA's governing body and has the ability

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to impose its will on the CFA. The CFA was created in 2002 for the purpose of financing the Cincinnati Convention Center (now known as the Duke Energy Convention Center) renovation and expansion. (See the notes to the financial statements for additional information about the CFA.) A complete discussion of the County's reporting entity is provided in note I A to the basic financial statements.

The annual budget is the starting point for the County's financial planning and control. The budgeting process is primarily the province of the Board of County Commissioners (BOCC) but involves collective review by County officials at several stages. The BOCC typically adopts the final budget by December. If a final budget is not adopted before January 1, the start of the County's fiscal year, then the BOCC must adopt a temporary appropriation measure, and then approve the final budget by April 1.

The appropriated budget is prepared by (1) fund, (2) agency/function and (3) appropriation level (personnel services, other expenditures, capital outlay, debt service and operating transfers), otherwise known as the legal level of budgetary control (the level at which agencies may not overspend appropriations). Annual appropriations may not exceed the County Budget Commission's official estimates of resources, and appropriation measures are to be certified by the County Auditor as not appropriating more moneys than set forth in those latest official estimates.

Factors Affecting Financial Condition

Local Economy

Hamilton County has been a transportation and industrial center since the early development of the territory west of the Appalachians. Our key industries are advanced manufacturing, biohealth, business and professional services, and technology.

The metropolitan area's operating costs for businesses are consistently ranked among the lowest in the nation. The region also has an affordable cost of living for our residents and a high quality of life.

As of December 2021, total employment was estimated at 415,500 for Hamilton County. The average unemployment rate for 2021 was 4.9 percent, 0.3 points lower than the State of Ohio's rate and 0.5 points lower than the national rate. The County's unemployment rate decreased 2.9 percent from December 2020, when it was inflated due to the COVID-19 pandemic. Similarly, the State of Ohio rate decreased 3.0 percent and the national rate decreased 2.8 percent.

Long-Term Financial Planning and Major Initiatives

One of the County's fiscal goals is to maintain a General Fund reserve of 15.0 percent of annual expenditures. The reserve balance at December 31, 2021, was at 17.5 percent. The Board of County Commissioners strives to achieve a budget that is structurally balanced; that is, ongoing revenues meet or exceed ongoing expenditures in each fund. For 2021, final budgeted expenditures for the General Fund were $23.9 million more than final 2020 appropriations. The increase anticipated at least a partial return to pre-pandemic activity levels.

The General Fund's major revenue sources are typically sales tax, service fees and property tax. Service fees include, most significantly, a number of real estate–related transaction fees, payments to the Sheriff for patrol services provided to some of the political jurisdictions of the County, and fees between County departments. In 2021, Other revenues were also significant due to a reimbursement from federal funding for grant-eligible pandemic-related personnel costs.

See the MD&A in the Financial Section of this report for additional discussion of the County's General and other funds.

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Currently the largest economic development project in Hamilton County and the region is The Banks riverfront development. The Banks is a multi-phase mixed-use project. It includes offices, retail space, a hotel, residential units, restaurant/entertainment venues, and parking. When completed, The Banks development is expected to generate over $1 billion in annual economic impact. Additional parking availability was added in 2021 as was a music venue. Another parking facility is currently under construction.

Significant capital projects completed during 2021 include the new $54.3 million Coroner's facility and a parking garage. Another parking garage is under construction and expected to be completed in 2023. These parking garages are in addition to those included in The Banks.

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Hamilton County for its annual comprehensive financial report for the year ended December 31, 2020. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report could not have been accomplished without the dedicated services of the Auditor's Finance Department, as well as other Auditor's Office staff. I would like to express my appreciation to all members of the Department who assisted and contributed to the preparation of this report. Due credit also should be given to the County administration for their efforts to fulfill their responsibilities with regard to the operations of the County. I would also like to thank all of the elected officials, department heads, and their staff for their support and assistance in this endeavor.

Sincerely,

Dusty Rhodes
Auditor

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Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Hamilton County
Ohio

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO

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COUNTY OF HAMILTON, OHIO
ELECTED OFFICIALS

As of December 31, 2021

Board of County Commissioners
Stephanie Summerow Dumas, President
Alicia Reese, Vice-President
Denise Driehaus

Dusty Rhodes	**Auditor**
Fanon Rucker, Interim	**Clerk of Courts**
Lakshmi K. Sammarco, M.D.	**Coroner**
Eric Beck	**Engineer**
Joseph T. Deters	**Prosecutor**
Scott Crowley	**Recorder**
Charmaine McGuffey	**Sheriff**
Jill A. Schiller	**Treasurer**

Ohio Court of Appeals First District

Marilyn Zayas, Presiding Judge	Candace Crouse
Pierre Bergeron	Beth A. Myers
Ginger Bock	Robert Winkler

Common Pleas Court Judges

General Division

Jody M. Luebbers, Presiding Judge	Christian A. Jenkins
Lisa Allen	Melba D. Marsh
Jennifer L. Branch	Terry Nestor
Wende C. Cross	Robert P. Ruehlman
Leslie Ghiz	Nicole L. Sanders
Robert A. Goering	Megan E. Shanahan
Alison Hatheway	Alan C. Triggs
Tom Heekin	Christopher A. Wagner

Domestic Relations Division

Amy L. Searcy, Administrative Judge	Susan Tolbert
Jon H. Sieve	

Probate Court Division
Ralph E. Winkler, Presiding Judge

Juvenile Court Division

Melissa Powers, Administrative Judge	Kari L. Bloom

Municipal Court Judges

Heather Russell, Presiding and Administrative Judge	Donte Johnson
Gwen Bender	Curt Kissinger
Josh Berkowitz	Dwane Mallory
Ted N. Berry	William Mallory
Bernie Bouchard	Michael Peck
Jackie Ginocchio	Janaya Trotter Bratton
Brad Greenberg	Tyrone Yates

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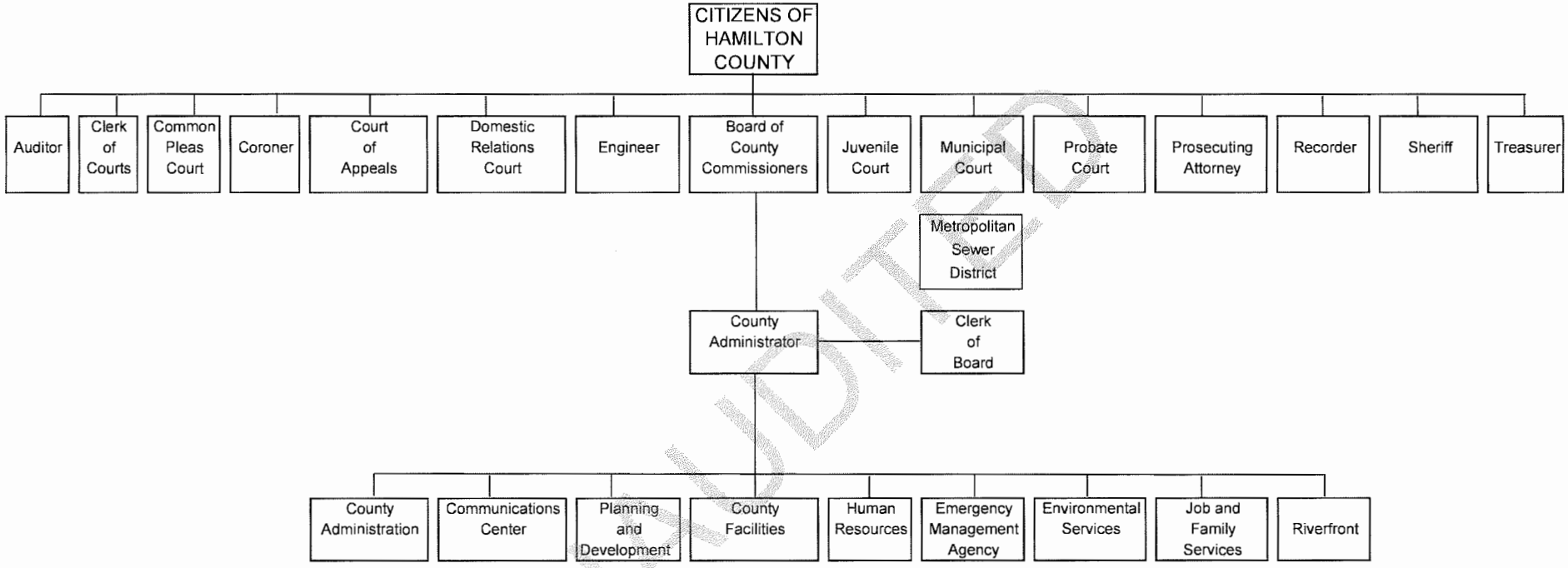
ORGANIZATION CHART
COUNTY OF HAMILTON, OHIO



BOARDS AND COMMISSIONS

Board of Elections
Board of Developmental Disabilities Services
Law Library Resources Board
Mental Health and Recovery Services Board
Public Defender Commission
Transportation Improvement District
Veterans Service Commission

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Financial Section

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The County of Hamilton, Ohio

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OHIO AUDITOR OF STATE
KEITH FABER

88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

INDEPENDENT AUDITOR'S REPORT

Hamilton County
138 East Court Street
Cincinnati, Ohio 45202

To the Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Hamilton County, Ohio (the County), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Hamilton County, Ohio as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, Health and Human Services Levies Fund, and the Health and Community Services Non-Grants Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note VI L to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the County. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

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Supplementary information

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

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2022, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Keith Faber
Auditor of State
Columbus, Ohio
June 29, 2022

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The discussion and analysis of Hamilton County's financial performance provides an overall review of the County's financial activities for the fiscal year ended December 31, 2021. The intent of this discussion and analysis is to present a narrative overview of the County's financial performance as a whole. Readers should also review the transmittal letter, at the front of this report, and the County's financial statements and notes, which follow this section, to enhance their understanding of the County's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2021 are as follows:

- The net position of the County as of December 31, 2021, was $2,033.2 million, including $689.4 million in governmental activities and $1,343.8 million in business-type activities.
- In total, net position increased $444.7 million in 2021. Net position of governmental activities increased $312.9 million. Net position of business-type activities increased $131.8 million.
- Government-wide long-term liabilities, exclusive of issuance premiums and inclusive of the net pension and other postemployment benefits (OPEB) liabilities, decreased $659.4 million over prior year. Eliminating the pension and OPEB liabilities, long-term liabilities decreased $54.9 million.
- The revenues of the governmental activities were $1,080.9 million; $483.4 million was from program revenues, and $597.5 million was from general revenues. During this same period, expenses related to the governmental activities were $750.5 million. The largest category of expenses was for judicial–related purposes in the amount of $179.9 million.
- The 2021 revenues of the business-type activities were $380.4 million—$281.0 million from program revenues and $99.4 million from general revenues. Expenses related to the business-type activities were $266.1 million. The largest expenses were in the operations of Metropolitan Sewer District in the amount of $155.1 million.
- General revenues accounted for $696.9 million of total revenues for 2021. Program-specific revenues—charges for services, grants and contributions—accounted for $764.4 million of total revenues of $1,461.3 million in 2021.
- As of December 31, 2021, the County's governmental funds reported a combined fund balance of $759.1 million, an increase of $81.6 million compared to 2020. Just over 20 percent of this combined fund balance ($153.2 million) is available for spending at the government's discretion (unassigned fund balance).
- The fund balance of the County's General Fund increased $37.6 million in 2021.
- The General Fund's unassigned fund balance was $161.4 million at December 31, 2021, a 3 percent change from the $165.8 million at December 31, 2020. This portion of fund balance represents 51 percent of General Fund expenditures and other financing uses.

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USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT

Overview of the Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Hamilton County as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The discussion and analysis in this section is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements include three components: (1) the government-wide financial statements, (2) the fund financial statements and (3) the notes to the financial statements. This report also contains other supplementary information that further explains and supports information in the basic financial statements.

1. The government-wide financial statements—the Statement of Net Position and the Statement of Activities—are designed to provide both long-term and short-term information about the County's overall financial status.

2. The fund financial statements report detailed financial information about individual parts of the County's operations. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. The most significant funds—major funds—are presented in separate columns on the fund financial statements. All other funds—nonmajor funds—are presented in total in one column.

3. The financial statement notes provide more detailed data and explanations for some financial statement information.

REPORTING HAMILTON COUNTY AS A WHOLE

Government-Wide Financial Statements

This document contains information about the separate funds used by Hamilton County to account for services and programs provided to our citizens. Additionally, the review of the County as a financial whole assesses all financial transactions and measures the County's financial position and liquidity. The government-wide financial statements—the Statement of Net Position and the Statement of Activities—are designed to provide readers with a broad overview of the County's finances.

Statement of Net Position and Statement of Activities

The Statement of Net Position and the Statement of Activities report both long-term and short-term information about the County's overall financial status using the accrual basis of accounting, similar to the method of accounting used by private-sector companies.

- ***Statement of Net Position.*** The Statement of Net Position presents information on all of the County's non-fiduciary assets, liabilities and deferred inflows/outflows of resources, with the difference between all elements reported as net position. This statement provides information about the nature and amounts of investments in resources (assets) and the obligations to County

creditors (liabilities), and supplies the basis for evaluating the County's capital structure, for computing the rates of return and for assessing the liquidity and financial flexibility of the County.

- ***Statement of Activities.*** The Statement of Activities provides information about all of the County's non-fiduciary current-year revenues and expenses, and measures the success of the County's operations over the past year. Use of the accrual basis of accounting for financial reporting means all current-year revenues and expenses are reported regardless of when cash is received or paid. These two government-wide statements report the County's net position and the change in net position. The change is important because it tells the reader whether, for the County as a whole, the financial position has improved or diminished. In evaluating the overall position of the County, nonfinancial information—such as changes in the County's tax or employment base, the condition of County capital assets, changing economic conditions, population and customer growth, and new or changed rules and regulations—also need to be considered.

All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the Statement of Activities for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

In the Statement of Net Position and the Statement of Activities, County functions are divided into the following two distinct kinds of activities:

- Governmental Activities—Most of the County's programs and services mandated by State statute are reported as governmental activities, including general government, judicial, public safety, social services, health, public works, environmental control, economic and community development, and recreational activities. These services are funded primarily by taxes and intergovernmental revenues, including federal and state grants and other shared revenues.

- Business-Type Activities—Most of the County's programs or services intended to recover all or a significant portion of their costs through user fees and charges are reported as business-type activities. The County charges fees to recoup the cost of operations and capital expenses associated with these activities.

The separately audited financial statements of the Metropolitan Sewer District of Greater Cincinnati (MSD), the County-owned sewer district operated by the City of Cincinnati under a management contract, have been included in this report as a proprietary enterprise fund with appropriate note disclosure.

The government-wide financial statements include not only the County itself (known as the primary government) but also any component units, if applicable. Component units are legally separate entities for which the primary government is financially accountable. For 2021, the Convention Facilities Authority (CFA) is a discretely presented component unit, and its financial data is reported on the government-wide statements.

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The Hamilton County Transportation Improvement District (TID) is reported as a blended component unit. Even though the TID is a legally separate entity, it is reported as if it were part of the County because its governing board is substantively the same as that of the County. The TID is reported as part of the other governmental funds.

The government-wide financial statements can be found in this report immediately following this narrative.

REPORTING HAMILTON COUNTY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Based on restrictions on the use of moneys, the County maintains many funds that account for the multitude of services provided to its citizens.

The fund financial statements report detailed financial information about individual parts of the County's operations, focusing on the County's most significant funds—major funds. Major funds are presented in separate columns on the fund financial statements, with all nonmajor funds presented in total in one column.

Governmental Funds, Proprietary Funds and Fiduciary Funds

All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources (cash and other financial assets that can readily be converted to cash flow in and out), as well as on balances of spendable resources available at the end of the fiscal year. Governmental fund statements explain how services were financed in the short term, as well as what dollars remain for future spending. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances for the governmental funds provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The County maintains a multitude of individual governmental funds. Information is presented separately in the Balance Sheet and in the Statement of Revenues,

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Expenditures and Changes in Fund Balances for the General Fund, the Health and Human Services Levies fund, the Health and Community Services Nongrants fund and the Public Emergency Grants fund, which are considered to be major governmental funds. Data from the other nonmajor governmental funds, which include special revenue, debt service and capital projects funds, are combined into a single, aggregate presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements in the supplementary information section of this report.

The County is required by Ohio law to adopt budgets for the General Fund, special revenue funds and debt service funds. A budgetary comparison statement for the General Fund and each annually budgeted major special revenue fund has been provided as part of the basic governmental fund financial statements. In the supplementary information, budgetary comparisons are presented at the legal level of budgetary control for all governmental funds with legally adopted annual budgets.

The basic governmental fund financial statements can be found in this report immediately following the government-wide financial statements.

Proprietary Funds. Proprietary fund statements present both short-term and long-term financial information about County operations financed and operated in a manner similar to a private business. On the Statement of Fund Net Position and the Statement of Revenues, Expenses and Changes in Fund Net Position, proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The final required statement for proprietary funds is the Statement of Cash Flows. This statement reports cash receipts, cash payments and net changes in cash and cash equivalents resulting from operations, investing and financing activities. This statement provides answers to such questions as where did cash come from, what was cash used for and what was the change in the cash balance during the reporting period.

Generally, the purpose of a proprietary fund is to provide a service or product to operating units within the reporting entity (the County) or to the public at a reasonable cost. Proprietary funds may also be used where the Board of County Commissioners has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The County charges fees to recoup the cost of operations and capital expenses associated with these activities.

The County maintains two different types of proprietary funds: enterprise funds and internal service funds.

- *Enterprise Funds.* Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County maintains six enterprise funds: the Metropolitan Sewer District of Greater Cincinnati (MSD) fund, to account for sewer services provided to County residents; the Paul Brown Stadium fund, to account for the operations of the Bengals football stadium; the Baseball Stadium fund, to account for the operations of the Great American Ball Park and the Cincinnati Reds Hall of Fame and Museum; the Parking fund, to account for various parking construction projects and operations of parking facilities located between the stadiums and elsewhere around the County; the Sales Tax Stabilization fund, to account for the undivided sales tax; and the Communications Center fund, to account for the financial activity relating to 911 services for Hamilton County.

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Financial information is presented separately in the proprietary funds financial statements for the Metropolitan Sewer District fund, the Paul Brown Stadium fund and the Baseball Stadium fund, all of which are considered to be major enterprise funds. The nonmajor enterprise funds are combined in total in one column.

- *Internal Service Funds.* Internal service funds are used to accumulate and allocate costs internally between the County's various functions, or to account for operations that provide services to County departments, agencies or other governments on a cost-reimbursement basis. Because the services provided by the County's governmental internal service funds—the Workers' Compensation Reserve fund, the Auditor's Computer Center fund, and the Medical Self-Insurance fund—benefit governmental functions, they have been included with governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found in this report immediately following the basic governmental fund financial statements.

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

The basic fiduciary fund financial statements can be found in this report immediately following the basic proprietary fund financial statements.

Notes to the Financial Statements

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data that is essential to a full understanding of the information provided in the government-wide and fund financial statements.

The notes to the financial statements can be found in this report immediately following the basic fiduciary fund financial statement.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents individual fund data for each of the nonmajor governmental funds, nonmajor enterprise funds, and internal service funds. There is also certain required supplementary information related to the net pension liability, net other postemployment benefits, and retirement systems.

This supplementary information can be found in this report immediately following the notes to the financial statements.

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GOVERNMENT-WIDE FINANCIAL ANALYSIS

Hamilton County's financial statements comply with the reporting model required by the Governmental Accounting Standards Board (GASB). A comparative analysis of current-year and prior-year financial data is included in this report.

Net Position

Net position may serve over time as a useful indicator of the County's financial health. At the end of 2021, Hamilton County was able to report positive balances in all categories of net position for the County as a whole. Unrestricted net position continues to be impacted in large part by the additional liabilities required to be reported due to the implementation of GASB statements 68 and GASB 75 (further discussion below). In 2021, the County had net pension liabilities in both the governmental and business-type activities, but there was no net other postemployment benefit liability. This big change in liabilities was the main reason for the increase in unrestricted net position in 2021 ($256.2 million in governmental activities and $80.5 million in business-type activities).

Hamilton County's assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by $2,033.2 million in 2021. This represents $689.4 million in governmental activities and $1,343.8 million in business-type activities.

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Table 1 summarizes the County's net position at December 31, 2021, compared to net position at December 31, 2020, as restated.

Table 1

HAMILTON COUNTY'S NET POSITION

(In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2021	**2020***	**2021**	**2020***	**2021**	**2020***
ASSETS						
Current and Other Assets	$1,426.7	$1,175.5	$586.0	$ 565.3	$2,012.7	$1,740.8
Net Pension Asset	3.6	2.6	-	-	3.6	2.6
Net OPEB Asset	28.3	-	31.4	14.7	59.7	14.7
Capital Assets, Net	333.9	339.1	2,386.5	2,370.6	2,720.4	2,709.7
TOTAL ASSETS	1,792.5	1,517.2	3,003.9	2,950.6	4,796.4	4,467.8
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Charge on Refunding	-	-	18.6	20.0	18.6	20.0
Pension	37.5	50.2	11.8	104.2	49.3	154.4
OPEB	16.3	34.9	6.4	18.2	22.7	53.1
TOTAL DEFERRED OUTFLOWS OF RESOURCES	53.8	85.1	36.8	142.4	90.6	227.5
LIABILITIES						
Current and Other Liabilities	281.4	139.5	52.3	50.8	333.7	190.3
Long-Term Liabilities						
Due Within One Year	8.7	10.0	84.2	78.7	92.9	88.7
Due in More Than One Year	126.2	133.1	1,255.3	1,298.3	1,381.5	1,431.4
Net Pension Liability	238.5	313.0	117.5	428.8	356.0	741.8
Net OPEB Liability	-	216.5	-	2.1	-	218.6
TOTAL LIABILITIES	654.8	812.1	1,509.3	1,858.7	2,164.1	2,670.8
DEFERRED INFLOWS OF RRESOURCES						
Property Taxes Not Levied to Finance Current Year Operations	307.7	305.6	-	-	307.7	305.6
Deferred Charge on Refunding	-	0.1	2.6	2.8	2.6	2.9
Pension	106.4	73.9	162.8	0.7	269.2	74.6
OPEB	88.0	34.1	22.2	18.8	110.2	52.9
TOTAL DEFERRED INFLOWS OF RESOURCES	502.1	413.7	187.6	22.3	689.7	436.0
NET POSITION						
Net Investment in Capital Assets	269.1	274.5	1,120.1	1,068.7	1,389.2	1,343.2
Restricted for:						
Debt Service	-	-	8.9	9.0	8.9	9.0
Capital Projects	8.9	11.1	-	-	8.9	11.1
Special Revenue Funds	571.7	507.4	-	-	571.7	507.4
Unrestricted	(160.3)	(416.5)	214.8	134.3	54.5	(282.2)
TOTAL NET POSITION	$689.4	$376.5	$1,343.8	$1,212.0	$2,033.2	$1,588.5

*As Restated

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The net pension liability (NPL) is the largest single liability reported by the County at December 31, 2021. GASB notes that pension and OPEB, whether funded or unfunded, are part of the "employment exchange"—that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the County is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both houses of the General Assembly and approval of the governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e., sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability (none in 2021, see previous discussion) are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

By far, the largest portion of the County's net position, $1,389.2 million, reflects its investment in capital assets, which includes property, plant, equipment, sewer laterals and infrastructure assets, net of accumulated depreciation and less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position represents resources that are subject to external restrictions on how they may be used. Restricted net position was $580.6 million of governmental activities and $8.9 million of business-type activities in 2021.

Changes in Net Position

Hamilton County's total revenues were $1,461.3 million. Various taxes make up 47 percent of the County's revenue. Another 31 percent of the County's revenue comes from fees charged for services, and 21 percent is state and federal aid. Overall revenues in governmental activities were up $30.4 million in 2021 versus the prior year, and expenditures decreased by $229.4 million. Net transfers were ($6.0).

In order to further understand what makes up the changes in net position for the current year, Table 2 provides further details regarding the results of activities for 2021 and 2020, as restated.

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Table 2

HAMILTON COUNTY'S CHANGES IN NET POSITION

(In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2021	2020*	2021	2020*	2021	2020*
REVENUES						
Program Revenues:						
Charges for Services	$175.6	$188.0	$275.6	$267.4	$451.2	$455.4
Operating Grants and Contributions	307.4	309.1	1.3	-	308.7	309.1
Capital Grants and Contributions	0.4	0.6	4.1	4.4	4.5	5.0
General Revenues:						
Property Taxes	308.4	290.6	-	-	308.4	290.6
Sales and Use Taxes	155.5	133.8	91.6	72.7	247.1	206.5
Other Taxes	131.2	112.8	-	-	131.2	112.8
Grants and Entitlements	-	0.1	-	-	-	0.1
Unrestricted Investment Earnings	(1.3)	15.1	(0.9)	14.0	(2.2)	29.1
Other	3.7	0.4	8.7	36.0	12.4	36.4
TOTAL REVENUES	1,080.9	1,050.5	380.4	394.5	1,461.3	1,445.0
EXPENSES						
Program Expenses:						
General Government	144.9	184.7	-	-	144.9	184.7
Judicial	179.9	227.1	-	-	179.9	227.1
Public Safety	62.0	111.0	-	-	62.0	111.0
Social Services	158.8	199.6	-	-	158.8	199.6
Health	150.1	162.9	-	-	150.1	162.9
Public Works	23.5	32.5	-	-	23.5	32.5
Environmental Control	4.6	6.9	-	-	4.6	6.9
Economic and Community Dev.	17.9	17.0	-	-	17.9	17.0
Recreational Activities	6.5	35.9	-	-	6.5	35.9
Interest and Fiscal Charges	2.3	2.3	-	-	2.3	2.3
Metropolitan Sewer District	-	-	155.1	335.7	155.1	335.7
Paul Brown Stadium	-	-	37.3	41.4	37.3	41.4
Baseball Stadium	-	-	37.1	31.8	37.1	31.8
Parking	-	-	20.6	24.1	20.6	24.1
Sales Tax Reserve	-	-	5.0	8.5	5.0	8.5
Communications Center	-	-	11.0	8.7	11.0	8.7
Total Program Expenses	750.5	979.9	266.1	450.2	1,016.6	1,430.1
Indirect Expenses Allocation	(6.0)	(6.0)	-	-	(6.0)	(6.0)
Indirect Expenses Reimbursement	6.0	6.0	-	-	6.0	6.0
TOTAL EXPENSES	750.5	979.9	266.1	450.2	1,016.6	1,430.1

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	Governmental Activities		Business-Type Activities		Total	
	2021	2020*	2021	2020*	2021	2020*
Increase (Decrease) in Net Position Before Transfers	330.4	70.6	114.3	(55.7)	444.7	14.9
Transfers	(17.5)	(6.8)	17.5	6.8	-	-
INCREASE (DECREASE) IN NET POSITION	312.9	63.8	131.8	(48.9)	444.7	14.9
NET POSITION—BEGINNING OF YEAR	376.5	312.7	1,212.0	1,260.9	1,588.5	1,573.6
NET POSITION—END OF YEAR	$689.4	$376.5	$1,343.8	$1,212.0	$2,033.2	$1,588.5

*As Restated

Governmental Activities. Governmental activities increased Hamilton County's net position by $312.9 million (a 20 percent increase compared to 2020's total net position).

Total program expenses of the County's governmental activities were $750.5 million in 2021, a decrease of $229.4 million versus prior year. The judicial category accounts for $179.9 million (24 percent) of the expenses, and social services was the second largest program at $158.8 million (21 percent) of total expenses for governmental activities for the year. Total governmental revenues of $1,080.9 million were $30.4 million greater than in 2020. Revenue increases were mainly in various taxes, especially sales tax.

In 2020, the governmental funds had higher expenses than usual because of the federal grant dollars spent related to the COVID-19 pandemic. This spending began to taper off in 2021, and the County's governmental expenses' decrease is partially attributable to the change in the pandemic circumstances.

See additional discussion in the fund-level analysis later in this report.

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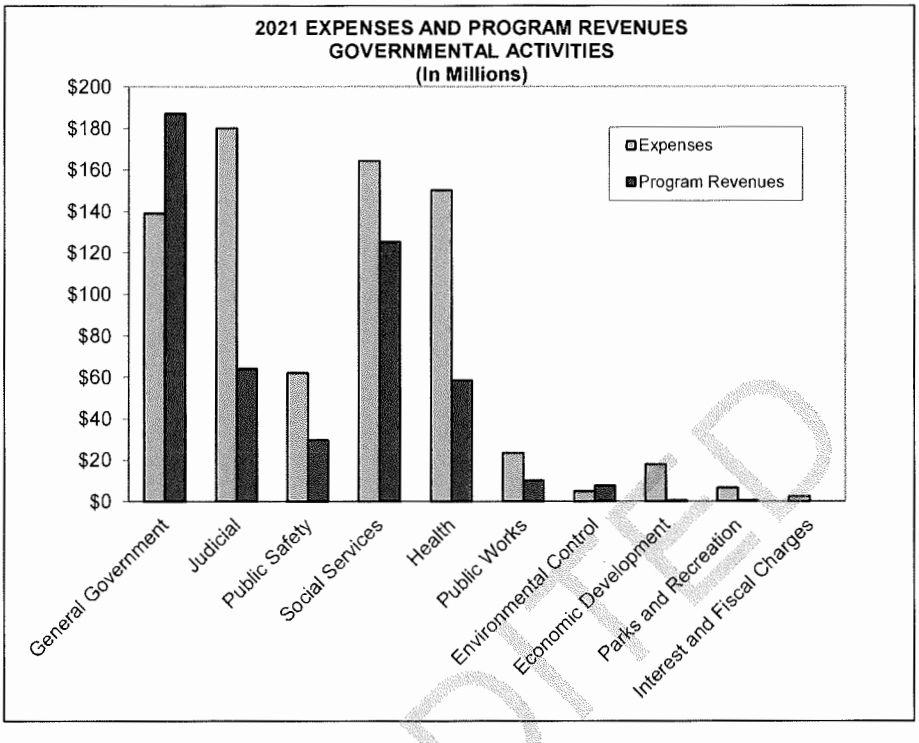
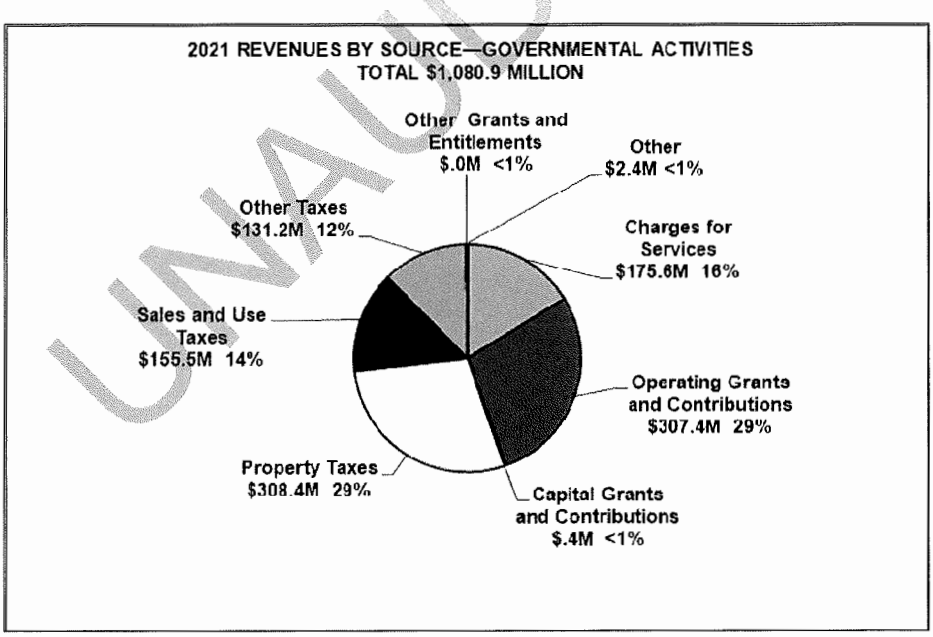

2021 EXPENSES AND PROGRAM REVENUES
GOVERNMENTAL ACTIVITIES
(In Millions)
$200
$180
$160
$140
$120
$100
$80
$60
$40
$20
$0
Expenses
Program Revenues
General Government
Judicial
Public Safety
Social Services
Health
Public Works
Environmental Control
Economic Development
Parks and Recreation
Interest and Fiscal Charges


2021 REVENUES BY SOURCE—GOVERNMENTAL ACTIVITIES
TOTAL $1,080.9 MILLION
Other Grants and Entitlements $.0M <1%
Other $2.4M <1%
Other Taxes $131.2M 12%
Charges for Services $175.6M 16%
Sales and Use Taxes $155.5M 14%
Operating Grants and Contributions $307.4M 29%
Property Taxes $308.4M 29%
Capital Grants and Contributions $.4M <1%

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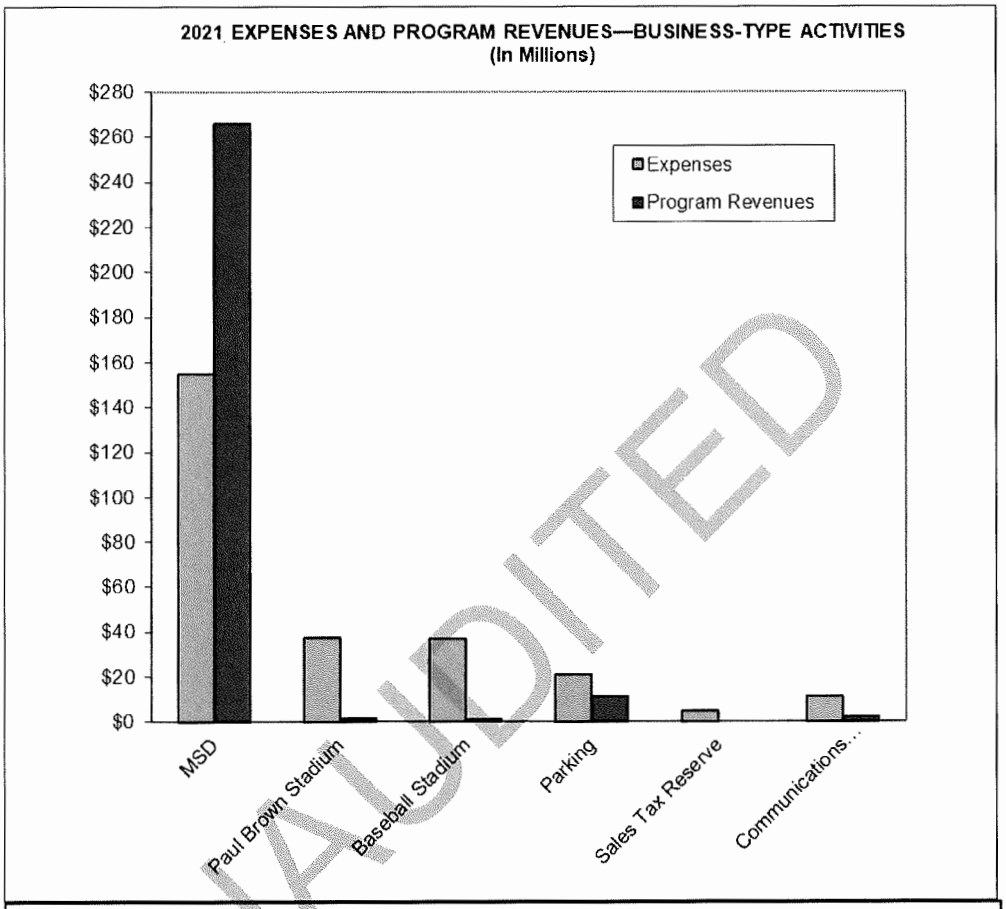
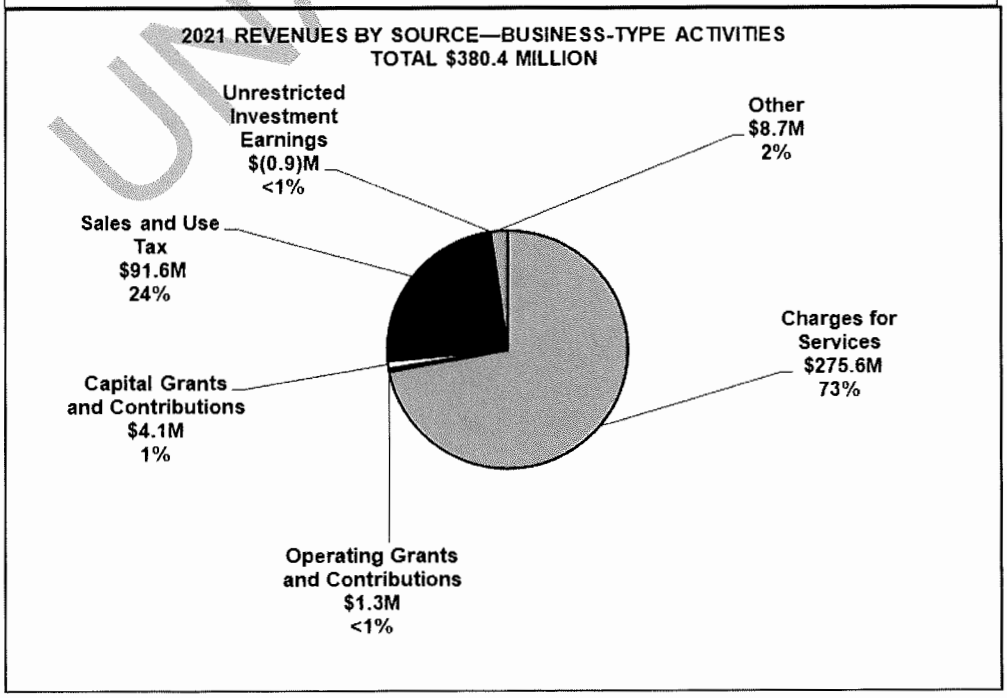
Business-Type Activities. Business-type activities increased Hamilton County's net position by $131.8 million, 8 percent, in 2021.





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The County's direct charges to users of County business-type services, charges for services, were $275.6 million or 72 percent of business-type activities' revenues in 2021. A significant portion of these charges, $261.5 million, were Metropolitan Sewer District sewer service charges and surcharges that will provide for necessary operating expenses, annual debt support, support of the District's capital program and the satisfaction of bond covenants. The other major revenue source for business-type activities in 2021 was sales and use tax revenues of $91.6 million.

Overall expenses of the County's 2021 business-type activities were $266.1 million. Metropolitan Sewer District accounted for $155.1 million (58 percent) of that total. Paul Brown Stadium accounted for the next largest amount of business-type expenses at $37.3 million (14 percent) of the 2021 total.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental Funds

The focus of Hamilton County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the County's net resources available for discretionary use as they represent the portion of fund balance that has not yet been limited to use for a particular purpose by either an external party, the County itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the County commissioners.

As the County completed the year, its governmental funds reported a combined ending fund balance of $759.1 million. Just over 20 percent of this amount ($153.2 million) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is (1) not in spendable form ($31.9 million); (2) legally required to be maintained intact ($5.0 million); (3) restricted for particular purposes ($515.2 million); (4) committed for particular purposes ($26.9 million), or (5) assigned for particular purposes ($26.9 million).

General Fund. The General Fund is the chief operating fund of the County, available for any authorized purpose and used to account for all financial resources except those required to be accounted for in another fund. In 2021, unassigned fund balance of the General Fund was $161.4 million, while total fund balance was $225.4 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. In 2021, unassigned fund balance represents approximately 51 percent of the total General Fund expenditures and net other financing uses, while total fund balance represents 71 percent of that same amount.

The fund balance of the County's General Fund increased $37.6 million during 2021. Both revenues and expenditures had increases, $30.2 million and $34.3 million, respectively. Sales tax increased $29.7 million due to the additional .25 percent increase that went into effect in April 2020 and to the somewhat reduced pandemic restrictions

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compared to 2020. Investment earnings decreased $9.2 million due to a market decline and a negative estimate of unrealized earnings. The largest portion of the increase to expenditures compared to 2020 ($26.4 million) was in public safety expenditures. In 2020, a significant amount of personnel costs were eligible to be paid from the Public Emergency Grants special revenue fund, but there was no similar coverage of public safety costs in 2021.

Health and Human Services Levies Fund. The Health and Human Services Levies fund, a major special revenue fund, is budgeted annually. It is used to account for the revenue from health and human services levies. Levies and expenditures are determined by policies of the Board of County Commissioners. The fund balance of the County's Health and Human Services Levies fund increased by $43.2 million in 2021. The most significant revenue change was in sales tax revenue, which decreased $13.9 million. The levy fund no longer receives sales tax because the temporary tax used for the renovation of the museum center expired in April 2020. Related to the sales tax decrease is the reduction of expenditures in recreational activities ($29.3 million). This is also due to the conclusion of the museum center renovation.

Health and Community Services Nongrants Fund. The Health and Community Services Nongrants fund is also a major special revenue fund that is budgeted annually. It accounts for revenues other than grants and levies that are used for health and community services. The significant changes in this fund versus 2020 were a $14.7 million increase in State Shared Taxes and a $12.0 million increase in judicial expenditures. Both increases are due to the additional revenues for the Auto Title division of the Clerk of Courts and subsequent payments to the State for a large percentage of the collected amounts.

Public Emergency Grants Fund. The Public Emergency Grants Fund accounts for pandemic- and emergency-related grants initiated in 2020 and beyond. The majority of the grant awards received so far were in 2020, thus the decrease in intergovernmental revenues ($17.5 million) and the decrease in spending ($24.3 million) in 2021 versus 2020.

Other Governmental Funds. In the Other Governmental Funds, capital outlay decreased in 2021 ($12.8 million), due mostly to the reduced spending on the construction project for the new Coroner's lab as it neared conclusion.

Proprietary Funds

Proprietary enterprise funds provide the same type of information reported in the government-wide financial statements as business-type activities but in more detail.

Metropolitan Sewer District Fund, Paul Brown Stadium Fund and Baseball Stadium Fund. The Metropolitan Sewer District fund, the Paul Brown Stadium fund and the Baseball Stadium fund are major enterprise funds. The expenses (including depreciation) of providing goods and services primarily or solely to the general public are financed or recovered mainly through fees and user charges.

*Metropolitan Sewer District Fund.** The Metropolitan Sewer District fund is used to account for County-provided sewer services to residential, commercial and industrial users in Hamilton County. Sewerage service charges are the major revenue source for financing operations and maintenance for the sewer system.

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The fund assets and deferred outflows of MSD exceeded liabilities and deferred inflows by $1,190.7 million in 2021. Assets increased by $24.7 million (1 percent). Long-term liabilities decreased by $0.4 million. Net position increased by $114.9 million (10 percent). Negative pension expense (a reduction of $173.3 million compared to 2020) accounted for most all of the decrease in expenses for MSD

*Source: Metropolitan Sewer District of Greater Cincinnati 2021 Audited Financial Statements

Paul Brown Stadium Fund. The Paul Brown Stadium fund is used to account for revenue received from stadium tenants and for the operation of Paul Brown Football Stadium. The fund net position of the Paul Brown Stadium fund was a negative $44.0 million in 2021, an increase of $5.2 million over 2020. There were no significant changes in operations for this fund.

Baseball Stadium Fund. The Baseball Stadium fund is used to account for the operations of Great American Ball Park Baseball Stadium and the Cincinnati Reds Hall of Fame and Museum. The fund net position of the Baseball Stadium fund was $18.4 million, a decrease of $2.5 million compared to 2020. As with the Paul Brown Stadium fund, 2021 experienced no significant operational changes.

Both stadia experienced an increase in sales tax revenue totaling $11.2 million for the funds combined, and both continue to have significant depreciation expense with minimal operating revenue offset.

Other Enterprise Funds. Parking revenue from charges for services increased $2.5 million due to an increase in use following the relief of some pandemic restrictions during part of 2021. Constructions of garages and parking lots increased capital assets by $7.3 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

Typically, the Board of County Commissioners (BOCC) adopts the annual operating budget for the County, including MSD, on or about the first of each year. All disbursements and transfers of cash between funds require appropriation by the County Commissioners.

The adopted budget may be amended in one of three ways: (1) transfer of appropriations between funds, departments or appropriation levels, all of which must be approved by the BOCC; (2) additional appropriations, which also require BOCC approval; and (3) transfers within appropriated levels, which require County Administrator approval. (With regard to this latter category, however, such transfers within appropriated levels are not necessary since agencies may legally spend within their total budget for a given appropriation level without further approval.) The Office of Budget and Strategic Initiatives reviews departmental requests for transfers and supplemental appropriations throughout the year and assists departments in monitoring budget activity. All budgetary amendments and supplemental appropriations made during 2021 are included in the revised budget amounts presented in the budget-to-actual comparisons.

The final revised General Fund appropriations for 2021 were $287.0 million, excluding transfers and advances out. The County spent 97 percent of the amount appropriated for

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the General Fund. Expenditures in the areas of public safety and the court system combine for 75 percent of General Fund expenditures. The cost of employee wages and benefits continues to be the largest expenditure category, accounting for approximately 72 percent of expenditures.

The final revised estimated resources for the General Fund for 2021 were $292.1 million. Actual General Fund revenues received were $351.3 million, a variance of 20 percent from final budgeted General Fund revenues.

A significant change in final versus original budget occurred in the General Fund for transfers out, which increased $23.1 million, mostly to preliminarily finance capital projects until such time as bonds are issued.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Hamilton County has invested $2,720.4 million (net of accumulated depreciation) as of 2021 year-end in a broad range of capital assets, which include property, plant, equipment, sewer laterals and infrastructure assets.

Net capital assets related to governmental activities amount to $333.9 million. Net capital assets related to business-type activities amount to $2,386.5 million and include $1,867.2 million net capital assets of MSD.

Table 3 summarizes capital assets, net of accumulated depreciation, for 2021 and 2020.

Table 3
HAMILTON COUNTY'S
CAPITAL ASSETS AT YEAR-END
(Net of Accumulated Depreciation, in Millions)

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land and Improvements	$96.0	$ 96.1	$119.0	$ 114.4	$215.0	$ 210.5
Buildings, Structures and Improvements	99.7	51.3	559.0	551.3	658.7	602.6
Infrastructure	105.2	104.3	-	-	105.2	104.3
Sewer Laterals	-	-	821.6	783.0	821.6	783.0
Furniture, Fixtures and Equipment	22.6	22.1	394.8	392.8	417.4	414.9
Construction in Progress	10.4	65.3	492.1	529.1	502.5	594.4
TOTAL CAPITAL ASSETS, NET	$333.9	$339.1	$2,386.5	$2,370.6	$2,720.4	$2,709.7

Major Capital Asset Events. The following are the major capital asset events for 2021:

- Construction on the new Coroner's lab was completed and increased the buildings capital assets by $51.4 million.

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- Completed road and bridge projects increased infrastructure capital assets by $11.1 million.
- In business-type activities, $52.7 million in buildings was for completed parking garages, and $2.2 million was for the purchase of land.
- MSD's capital assets increased $100.0 million on system improvement projects, land acquired for those projects and equipment replacement in 2021.*

*Source: Metropolitan Sewer District of Greater Cincinnati 2021 Audited Financial Statements

Additional information regarding the County's capital assets can be found later in this report in the Capital Assets section of the Notes to the Basic Financial Statements.

Long-Term Obligations

Hamilton County's total long-term obligations outstanding at year-end, excluding premiums and discounts, were $1,690.4 million ($365.6 million related to governmental activities and $1,324.8 million related to business-type activities). This includes liabilities for bonds, loans, a capital lease, forgivable mortgages and loan, workers' compensation, compensated absences, pension and other postemployment benefits. (See Table 4 for a breakdown of year-end outstanding obligations.)

General obligation bonds and notes are backed by the full faith and credit of the government. General obligation special assessment bonds are debt for which the County is liable in the event of default by the property owners subject to the assessment. Sewer revenue bonds are backed by user charges against individual ratepayers. Sales tax bonds are backed by a lien on the receipts of an additional ½ percent sales tax approved by County voters in 1996.

Table 4 summarizes the outstanding long-term obligations for 2021 and 2020, excluding net pension liability and other postemployment obligations.

Table 4

HAMILTON COUNTY'S

OUTSTANDING LONG-TERM OBLIGATIONS AT YEAR-END

(In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
General Obligation Bonds—Unvoted	$69.2	$ 74.7	$73.8	$ 41.3	$143.0	$ 116.0
General Obligation Special Assessment Bonds	1.3	1.6	-	-	1.3	1.6
Metropolitan Sewer District Bonds and Loans	-	-	805.8	849.2	805.8	849.2
Sales Tax Bonds	-	-	308.9	342.9	308.9	342.9
Loans	3.2	3.5	1.5	2.1	4.7	5.6
Forgivable Mortgage and Loan Contracts	2.8	3.1	-	-	2.8	3.1
Capital Lease	-	-	7.4	8.2	7.4	8.2
Compensated Absences	50.3	50.7	9.9	11.4	60.2	62.1
Workers' Compensation	0.3	0.6	-	-	0.3	0.6
TOTAL LONG-TERM OBLIGATIONS	$127.1	$134.2	$1,207.3	$1,255.1	$1,334.4	$1,389.3

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2021 Activity in Long-Term Obligations. The following are the major debt-related events for 2021:

- The County issued $46.3 million in sales tax-refunding bonds during 2021. These bonds were used to defease the 2011 sales tax-refunding bonds. Premium on this issuance was $13.9 million.
- General obligation bonds in the amount of $36.9, with a premium of $10.6 million, were issued to finance the construction of three parking facilities.

MSD's debt service coverage ratio remains strong at 1.8.

Credit Ratings. The County currently obtains credit ratings on all of its bonds and maintains ratings as of 2021 as follows:

County Bonds Issued	Bond Rating			Insurer
	Moody's	Standard & Poor's (S&P)	Fitch	
General Obligation	Aa2			
MSD Revenue (Series 2013-2020)	Aa2	AA+		
Sales Tax—Riverfront (2000B)	Aa3	AA-	A+	AMBAC
Sales Tax—Riverfront (2016)	Aa3	AA-	A+	
Sales Tax—Riverfront (2021)	Aa3	AA-	A+	

Sources: Hamilton County Office of Budget and Strategic Initiatives and Metropolitan Sewer District of Greater Cincinnati 2021 Audited Financial Statements

Ratings
Aaa (Moody's), AAA (S&P, Fitch)—prime, maximum safety
Aa1, Aa2, Aa3 (Moody's), AA+, AA, AA- (S&P, Fitch)—high grade, high quality
A1, A2, A3 (Moody's), A+, A, A- (S&P, Fitch)—upper medium grade

Insurer
AMBAC—American Municipal Bond Assurance Corporation

Legal Debt Margins. The Uniform Bond Law of the State of Ohio provides that the total net indebtedness created or incurred by any county shall never exceed a sum equal to 3 percent of the first $100 million or part of the tax list, plus 1½ percent of the tax list in excess of $100 million and not in excess of $300 million, plus 2½ percent of the tax list in excess of $300 million. In addition, the net indebtedness created or incurred by any county without vote of the electors shall never exceed a sum equal to 1 percent of the tax list of the County. Contained in the Uniform Bond Law of the State of Ohio are exceptions for debt limitations. Among the kinds of debt exempted are debt issued for special assessments, sewer works, self-supported revenue bonds and jail facilities.

The total voted and unvoted non-exempt debt of the County that could be issued subject to the 3 percent, 1½ percent and 2½ percent limitation described above is $555.3 million. The total County net debt subject to this limitation is $160.8 million, leaving a borrowing capacity of $394.5 million within the limitation from combined voted and unvoted non-exempt debt. The total County unvoted, non-exempt debt that could be issued subject to the 1 percent limitation is $222.7 million. The total County debt subject to such limitation is $160.8 million, leaving a borrowing capacity of $61.9 million within the 1 percent limitation for unvoted non-exempt debt.

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Interest and Fiscal Charges. Governmental activities included $2.3 million for interest and fiscal charges, less than 1 percent of the total governmental expenses in 2021.

For more information regarding the County's debt, see the section of the Notes to the Basic Financial Statements (found later in this report) titled Long-Term Debt and Other Obligations.

ECONOMIC FACTORS, NEXT YEAR'S BUDGETS AND RATES, AND OTHER SIGNIFICANT MATTERS*

Here are some highlights of the region's economic picture:

- County seat ranked the number one Ohio city to live in *(U.S. News & World Report)*
- Lowest cost index in the nation—low operating costs, low cost of living, high quality of life
- Significantly lower housing costs than the national average
- Diverse business ecosystem:
    - Twenty-plus billion dollar companies
    - Seven Fortune 500 companies
    - Booming start-up community
- Key industries: advanced manufacturing, biohealth, technology, business and professional services
- Strategically located, within one day's drive of half the country and has the fastest growing air cargo hub in America

For 2022, the Board of County Commissioners (BOCC) approved a total budget of $1,141.4 million. General Fund appropriations and estimated revenues are $324.8 million. The total 2022 budget for the County's restricted funds (excluding MSD) is $816.6 million. MSD's original 2022 appropriations are $231.0 million.

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures may impact subsequent periods of the County, MSD and CFA, but the impact on future costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated. Through 2021, the County has received funding from the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the American Rescue Plan Act, and Emergency Rental Assistance grants

In February 2022, the County issued $0.4 million in Taxable Building Improvement Limited Tax General Obligation Bonds for the purpose of financing the costs to acquire, construct, equip and install certain building improvements

Also in February 2022, the County purchased property for $1.8 million. This is to be used for the new 911/Emergency Management Agency center.

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In April 2022, MSD entered into a loan and refinancing agreement in the amount of $134.6 million to provide for the issuance of Taxable Convertible Sewer System Refunding Bonds.

There is a Consent Decree for the Cincinnati Retirement System Plan court case, which may require an additional employer share of pension contribution payments from MSD; however, the exact dollar amount is unknown at this time.

*Sources: Hamilton County Office of Budget and Strategic Initiatives; Metropolitan Sewer District of Greater Cincinnati 2021 Audited Financial Statements; choosecincy.com; redicincinnati.com; Cincinnati.com.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Hamilton County Auditor Dusty Rhodes, 138 East Court Street, Cincinnati, Ohio 45202, (513) 946-4000, or visit the Auditor's website at www.hamiltoncountyauditor.org.

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COUNTY OF HAMILTON, OHIO
STATEMENT OF NET POSITION
December 31, 2021
(Amounts in Thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Totals	Convention Facility Authority
ASSETS				
Equity in Pooled Cash and Investments	$ 820,784	$ 110,172	$ 930,956	$ 3,625
Cash and Cash Equivalents—Segregated Accounts	36,213	19,918	56,131	-
Accounts Receivable	6,535	42,025	48,560	-
Sales Tax Receivable	27,260	8,898	36,158	-
Interest Receivable	27	36	63	-
Intergovernmental Receivable	155,147	-	155,147	-
Real and Other Taxes Receivable	345,067	-	345,067	2,767
Internal Balances	31,695	(31,695)	-	-
Prepaid Expenses	-	2,428	2,428	5
Inventories	173	-	173	-
Restricted Assets:				
Cash and Cash Equivalents Held by the City of Cincinnati:				
Construction Account	-	57,193	57,193	-
Amount to Be Transferred to Surplus Account	-	66,352	66,352	-
Held by Trustees:				
Cash and Cash Equivalents	-	8,986	8,986	-
Investments—Held to Maturity	-	301,333	301,333	-
Special Assessments Receivable	3,772	-	3,772	-
Net Pension Asset	3,564	-	3,564	-
Net Other Postemployment Benefits Asset	28,342	31,407	59,749	-
Other Long-Term Assets	-	406	406	-
Nondepreciable Capital Assets	106,218	610,802	717,020	-
Depreciable Capital Assets, Net	227,686	1,775,680	2,003,366	-
TOTAL ASSETS	1,792,483	3,003,941	4,796,424	6,397
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charge on Refunding	-	18,641	18,641	-
Pension	37,527	11,728	49,255	-
Other Postemployment Benefits	16,284	6,420	22,704	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	53,811	36,789	90,600	-
LIABILITIES				
Accounts Payable	42,690	8,964	51,654	-
Accrued Wages and Benefits Payable	6,564	2,836	9,400	-
Matured Compensated Absences Payable	443	-	443	-
Payroll Withholdings	3,477	92	3,569	-
Intergovernmental Payable	7,714	10,188	17,902	-
Accrued Interest Payable	326	4,347	4,673	197
Construction Accounts Payable	-	13,694	13,694	-
Retainage Payable	549	869	1,418	-
Due to Other Governments	-	-	-	2,537
Due to Component Unit	1,891	-	1,891	-
Unearned Revenue	206,838	11,300	218,138	-
Escheat	5,026	-	5,026	-
Estimated Future Claims	5,879	-	5,879	-
Long-Term Liabilities:				
Due Within One Year	8,697	84,216	92,913	3,475
Due in More Than One Year				
Net Pension Liability	238,462	117,546	356,008	-
Other Amounts	126,172	1,255,280	1,381,452	51,188
TOTAL LIABILITIES	654,728	1,509,332	2,164,060	57,397
DEFERRED INFLOWS OF RESOURCES				
Property Taxes Not Levied to Finance Current-Year Operations	307,701	-	307,701	-
Deferred Charge on Refunding	32	2,591	2,623	882
Pension	106,452	162,728	269,180	-
Other Postemployment Benefits	87,950	22,266	110,216	-
TOTAL DEFERRED INFLOWS OF RESOURCES	502,135	187,585	689,720	882
NET POSITION				
Net Investment in Capital Assets	269,110	1,120,089	1,389,199	-
Restricted for:				
Debt Service	-	8,898	8,898	-
Capital Projects	8,895	-	8,895	-
Public Assistance	37,368	-	37,368	-
Health and Human Services Levies	379,985	-	379,985	-
Motor Vehicle Gas Tax	64,777	-	64,777	-
Health and Community Services Nongrants	83,294	-	83,294	-
Other Purposes	6,302	-	6,302	-
Unrestricted	(160,300)	214,826	54,526	(51,882)
TOTAL NET POSITION	$ 689,431	$ 1,343,813	$ 2,033,244	$ (51,882)

See accompanying notes to the basic financial statements.

UNAUDITED

COUNTY OF HAMILTON, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

FUNCTION/PROGRAMS	Expenses	Indirect Expenses Allocation	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government:					
Governmental Activities					
General Government	$ 144,919	$ (5,985)	$ 89,823	$ 97,238	$ -
Judicial	179,855	203	33,643	30,470	-
Public Safety	62,020	98	25,772	3,903	35
Social Services	158,831	5,415	5,922	119,170	-
Health	150,141	83	9,656	48,763	-
Public Works	23,483	-	6,498	3,389	367
Environmental Control	4,593	180	4,332	3,247	-
Economic and Community Development	17,887	-	-	605	-
Recreational Activities	6,596	6	-	617	-
Debt Service:					
Interest and Fiscal Charges	2,347	-	-	-	-
Total Governmental Activities	750,672	-	175,646	307,402	402
Business-Type Activities					
Metropolitan Sewer District	155,110	-	261,461	-	4,134
Paul Brown Stadium	37,320	-	1,248	-	-
Baseball Stadium	37,117	-	791	-	-
Parking	20,604	-	10,187	1,250	-
Sales Tax Reserve	5,015	-	-	-	-
Communications Center	10,978	-	1,931	-	-
Total Business-Type Activities	266,144	-	275,618	1,250	4,134
Total Primary Government	$ 1,016,816	$ -	$ 451,264	$ 308,652	$ 4,536
Component Unit:					
Convention Facility Authority	$ 4,590	$ -	$ -	$ -	$ 1
General Revenues					
Property Taxes					
Sales and Use Taxes					
Hotel Occupancy Taxes					
State Shared Taxes					
Gifts and Donations					
Unrestricted Investment Earnings					
Gain on Sale of Capital Assets					
Other					
Transfers					
Total General Revenues and Transfers					
Change in Net Position					
Net Position—Beginning					
Net Position—Ending					

See accompanying notes to the basic financial statements.

UNAUDITED

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Convention Facility Authority
$ 48,127	$ -	$ 48,127	$ -
(115,945)	-	(115,945)	
(32,408)	-	(32,408)	
(39,154)	-	(39,154)	
(91,805)	-	(91,805)	
(13,229)	-	(13,229)	
2,806	-	2,806	
(17,282)	-	(17,282)	
(5,985)	-	(5,985)	
(2,347)	-	(2,347)	
(267,222)	-	(267,222)	
-	110,485	110,485	
-	(36,072)	(36,072)	
-	(36,326)	(36,326)	
-	(9,167)	(9,167)	
-	(5,015)	(5,015)	
-	(9,047)	(9,047)	
-	14,858	14,858	
(267,222)	14,858	(252,364)	
			(4,589)
308,367	-	308,367	-
155,546	91,657	247,203	-
-	-	-	8,873
131,233	-	131,233	-
216	-	216	-
(1,324)	(893)	(2,217)	-
3,447	-	3,447	-
127	8,683	8,810	-
(17,547)	17,547	-	-
580,065	116,994	697,059	8,873
312,843	131,852	444,695	4,284
376,588	1,211,961	1,588,549	(56,166)
$ 689,431	$ 1,343,813	$ 2,033,244	$ (51,882)

UNAUDITED

COUNTY OF HAMILTON, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021
(Amounts in Thousands)

	General	Health and Human Services Levies	Health and Community Services Nongrants	Public Emergency Grants	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Equity in Pooled Cash and Investments	$ 156,589	$ 353,404	$ 74,307	$ 67,366	$ 138,685	$ 790,351
Cash and Cash Equivalents—Segregated Accounts	19,447	3,303	13,303	-	160	36,213
Accounts Receivable	3,818	43	2,075	-	183	6,119
Interfund Receivable	-	18,895	-	-	-	18,895
Sales Tax Receivable	24,029	-	3,231	-	-	27,260
Interest Receivable	26	-	1	-	-	27
Intergovernmental Receivable	7,558	17,285	386	93,468	36,450	155,147
Real and Other Taxes Receivable	56,031	276,521	-	-	12,515	345,067
Due from Other Funds	2,144	-	388	-	4,645	7,177
Inventories	-	-	-	-	173	173
Due from Advances to Other Funds	31,686	-	-	-	1,400	33,086
Special Assessments Receivable	-	-	-	-	3,772	3,772
TOTAL ASSETS	$ 301,328	$ 669,451	$ 93,691	$ 160,834	$ 197,983	$ 1,423,287
LIABILITIES						
Accounts Payable	$ 4,850	$ 19,736	$ 5,662	$ 1,838	$ 10,227	$ 42,313
Accrued Wages and Benefits Payable	3,838	774	395	-	1,521	6,528
Matured Compensated Absences Payable	243	74	-	-	126	443
Payroll Withholdings	1,793	402	200	278	782	3,455
Intergovernmental Payable	2,880	1,259	1,815	362	1,376	7,692
Retainage Payable	39	32	-	-	478	549
Due to Component Unit	-	-	1,891	-	-	1,891
Due to Other Funds	16	5,548	434	-	1,179	7,177
Advances from Other Funds	-	-	-	-	20,286	20,286
Unearned Revenue	6,120	-	-	161,722	38,996	206,838
Escheat	5,026	-	-	-	-	5,026
TOTAL LIABILITIES	24,805	27,825	10,397	164,200	74,971	302,198
DEFERRED INFLOWS OF RESOURCES						
Property Taxes Not Levied to Finance Current-Year Operations	46,060	261,641	-	-	-	307,701
Unavailable Revenue	5,051	28,572	-	1,588	19,102	54,313
TOTAL DEFERRED INFLOWS OF RESOURCES	51,111	290,213	-	1,588	19,102	362,014
FUND BALANCES (DEFICITS)						
Nonspendable	36,712	-	-	-	173	36,885
Restricted	-	351,413	83,294	-	80,455	515,162
Committed	386	-	-	-	26,558	26,944
Assigned	26,916	-	-	-	-	26,916
Unassigned (Deficit)	161,398	-	-	(4,954)	(3,276)	153,168
TOTAL FUND BALANCES (DEFICITS)	225,412	351,413	83,294	(4,954)	103,910	759,075
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 301,328	$ 669,451	$ 93,691	$ 160,834	$ 197,983	$ 1,423,287

See accompanying notes to the basic financial statements.

UNAUDITED

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF BALANCE SHEET—GOVERNMENTAL FUNDS TO GOVERNMENT-WIDE STATEMENT OF NET POSITION
DECEMBER 31, 2021

(Amounts in Thousands)

Total Governmental Funds Balances		$ 759,075
Amounts reported for governmental activities in the Statement of Net Position are different from the amounts reported in the governmental funds because of the following:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Capital Assets	$ 1,394,453	
Accumulated Depreciation	(1,060,820)	
Total		333,633
Other long-term assets that are not available to pay for current-period expenditures are deferred in the funds but not in the governmental activities.		
Property Taxes	17,482	
Grants and Other Intergovernmental Revenue	32,971	
Nongrants	88	
Special Assessments	3,772	
Total		54,313
Internal service funds are used by management to charge the costs of workers' compensation, the Auditor's computer center, and medical self-insurance to individual funds. The assets and liabilities of these internal service funds are included in governmental activities in the Statement of Net Position.		24,340
Long-term liabilities and related deferred inflows/outflows, including bonds and notes payable, loans and loan contracts, compensated absences, and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds but are included in governmental activities.		
General Obligation Bonds and Notes	(69,227)	
Deferred Amount on Refunding	(32)	
Unamortized Premium	(7,664)	
Special Assessment Bonds	(1,349)	
Loan Contracts	(2,827)	
State Loan	(3,215)	
Compensated Absences	(50,143)	
Accrued Interest Payable	(326)	
		(134,783)
The net pension asset, net pension liability, and net OPEB liability are not due and payable in the current period; therefore, the asset, liabilities and related deferred inflows/outflows are not reported in governmental funds. but are included in governmental activities.		
Net Pension Asset	3,564	
Deferred Outflows—Pension	37,527	
Deferred Inflows—Pension	(106,452)	
Net Pension Liability	(238,462)	
Net OPEB Asset	28,342	
Deferred Outflows—OPEB	16,284	
Deferred Inflows—OPEB	(87,950)	
Total		(347,147)
Net Position of Governmental Activities		$ 689,431

See accompanying notes to the basic financial statements.

UNAUDITED

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

	General	Health and Human Services Levies	Health and Community Services Nongrants	Public Emergency Grants	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Property Taxes and Special Assessments	$ 45,175	$ 259,095	$ -	$ -	$ 355	$ 304,625
Sales and Use Tax	141,783	-	12,715	-	1,048	155,546
State Shared Taxes	15,786	-	85,791	-	29,656	131,233
Charges for Services	63,790	703	30,191	-	4,931	99,615
Licenses and Permits	2,648	-	4,776	-	-	7,424
Fines and Forfeitures	15,990	-	2,639	-	157	18,786
Intergovernmental	31,895	80,157	8,892	80,805	91,635	293,384
Investment Earnings	4,757	(3,313)	(735)	(539)	(1,238)	(1,068)
Other	35,005	1,854	8,260	-	4,964	50,083
TOTAL REVENUES	356,829	338,496	152,529	80,266	131,508	1,059,628
EXPENDITURES						
Current:						
General Government	45,881	-	13,237	78,958	6,060	144,136
Judicial	114,024	2,245	103,002	-	11,686	230,957
Public Safety	105,066	19,539	5,182	71	2,375	132,233
Social Services	934	121,108	13,178	-	61,031	196,251
Health	-	146,585	2,551	748	20,917	170,801
Public Works	3,612	-	-	-	28,172	31,784
Environmental Control	-	-	2,961	-	3,504	6,465
Economic and Community Development	4,423	-	13,502	-	-	17,925
Recreational Activities	-	7,101	-	-	-	7,101
Capital Outlay	-	-	-	-	16,507	16,507
Debt Service:						
Principal Retirement	-	-	-	-	5,986	5,986
Interest and Fiscal Charges	37	-	-	-	3,740	3,777
TOTAL EXPENDITURES	273,977	296,578	153,613	79,777	159,978	963,923
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	82,852	41,918	(1,084)	489	(28,470)	95,705
OTHER FINANCING SOURCES (USES)						
Transfers In	363	2,166	4,590	-	22,300	29,419
Transfers Out	(45,591)	(875)	(50)	-	(450)	(46,966)
Proceeds from Sale of Capital Assets	-	-	-	-	3,400	3,400
TOTAL OTHER FINANCING SOURCES (USES), NET	(45,228)	1,291	4,540	-	25,250	(14,147)
NET CHANGE IN FUND BALANCES	37,624	43,209	3,456	489	(3,220)	81,558
FUND BALANCES AT BEGINNING OF YEAR	187,788	308,204	79,838	(5,443)	107,130	677,517
FUND BALANCES AT END OF YEAR	$ 225,412	$ 351,413	$ 83,294	$ (4,954)	$ 103,910	$ 759,075

See accompanying notes to the basic financial statements.

UNAUDITED

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—GOVERNMENTAL FUNDS TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

Net Change in Fund Balance—Total Governmental Funds		$ 81,558
Amounts reported for governmental activities in the Statement of Activities are different from amounts reported in the governmental funds because of the following:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of the capital assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.		
Capital Outlays	$ 15,283	
Depreciation Expense	(20,284)	
Excess of Depreciation over Capital Outlays		(5,001)
In the governmental funds, the proceeds from the sales of capital assets increase financial resources. In the Statement of Activities, however, the assets sold had been capitalized previously and have book values that need to be removed. The difference between the proceeds and the book values is the gain or loss that is recognized in the Statement of Activities. The change in net position differs from the change in fund balance by the net book values of the capital assets sold.		
Reduction of Revenue for Proceeds Received on Sale of Capital Assets	(3,455)	
Gain Earned on Sale of Capital Assets	3,447	
Loss on Sale of Capital Assets	(165)	
Net Book Value of Capital Assets Sold		(173)
Property taxes that will not be collected for several months after the County's fiscal year ends, not considered to be available revenues to pay for current-period expenditures, are deferred in the governmental funds. Similarly, certain other revenues that do not provide current financial resources are deferred and not reported as revenues in the governmental funds but are included in the Statement of Activities.		
Property Taxes	4,091	
Grants and Other Intergovernmental Revenue	14,384	
Nongrants	(7)	
Special Assessments	(423)	
Total Revenues		18,045
Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.		
Pension	33,507	
OPEB	358	
		33,865
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension expense in the Statement of Activities.		
Pension	(3,341)	
OPEB	172,038	
		168,697
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Governmental funds also report premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Principal Retirement		5,986
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in the governmental funds, interest is expensed when due.		(16)
Some revenues and expenses reported in the Statement of Activities do not increase or require the use of current financial resources and are not reported as revenues and expenditures in the governmental funds.		
Compensated Absences Payable	346	
Amortization of Deferred Amount on Refundings	23	
Amortization of Premium on Bonds	1,422	
Amortization of Mortgages Payable and Forgiveness of Loan Contracts	251	
Total		2,042
The governmental internal services funds are used by management to charge the costs of workers' compensation, the Auditor's computer center, and medical self-insurance to individual funds. The net decrease of these internal service funds are reported with governmental activities.		7,840
Change in Net Position of Governmental Activities		$ 312,843

See accompanying notes to the basic financial statements.

UNAUDITED

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

(Amounts in Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes and Special Assessments	$ 39,467	$ 39,467	$ 44,762	$ 5,295
Sales and Use Tax	122,800	122,800	138,752	15,952
State Shared Taxes	13,200	13,200	15,512	2,312
Charges for Services	57,443	56,806	64,387	7,581
Licenses and Permits	2,781	2,781	2,608	(173)
Fines and Forfeitures	7,189	7,189	6,478	(711)
Intergovernmental	30,108	30,108	33,741	3,633
Investment Earnings	6,611	6,611	8,335	1,724
Other	13,157	13,157	36,766	23,609
TOTAL REVENUES	292,756	292,119	351,341	59,222
EXPENDITURES				
Current:				
General Government	56,139	60,733	56,965	3,768
Judicial	99,023	98,459	95,144	3,315
Public Safety	114,961	115,735	114,513	1,222
Social Services	1,286	1,281	940	341
Public Works	5,428	4,338	4,123	215
Economic and Community Development	5,901	6,390	6,314	76
Debt Service	50	40	37	3
TOTAL EXPENDITURES	282,788	286,976	278,036	8,940
EXCESS OF REVENUES OVER EXPENDITURES	9,968	5,143	73,305	68,162
OTHER FINANCING SOURCES (USES)				
Transfers In	1,780	1,880	1,693	(187)
Transfers Out	(25,107)	(48,226)	(46,921)	1,305
Advances Out	-	-	(25,275)	(25,275)
TOTAL OTHER FINANCING SOURCES (USES), NET	(23,327)	(46,346)	(70,503)	(24,157)
NET CHANGE IN FUND BALANCE	(13,359)	(41,203)	2,802	44,005
FUND BALANCE AT BEGINNING OF YEAR	116,296	116,296	116,296	-
Prior-Year Encumbrances Appropriated	14,088	14,088	14,088	-
FUND BALANCE AT END OF YEAR	$ 117,025	$ 89,181	$ 133,186	$ 44,005

See accompanying notes to the basic financial statements.

UNAUDITED

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Property Taxes and Special Assessments	$ 247,434	$ 247,434	$ 257,355	$ 9,921
Charges for Services	1,781	1,781	957	(824)
Intergovernmental	84,625	84,625	84,010	(615)
Other	905	905	3,318	2,413
TOTAL REVENUES	334,745	334,745	345,640	10,895
EXPENDITURES				
Current:				
Judicial	3,117	2,803	2,712	91
Public Safety	23,094	22,508	21,983	525
Social Services	151,702	145,517	142,128	3,389
Health	178,666	171,520	161,683	9,837
Recreational Activities	7,111	7,112	7,101	11
TOTAL EXPENDITURES	363,690	349,460	335,607	13,853
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(28,945)	(14,715)	10,033	24,748
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	2,166	2,166
Transfers Out	(1,254)	(1,434)	(875)	559
TOTAL OTHER FINANCING SOURCES (USES), NET	(1,254)	(1,434)	1,291	2,725
NET CHANGE IN FUND BALANCE	(30,199)	(16,149)	11,324	27,473
FUND BALANCE AT BEGINNING OF YEAR	256,612	256,612	256,612	-
Prior-Year Encumbrances Appropriated	44,903	44,903	44,903	-
FUND BALANCE AT END OF YEAR	$ 271,316	$ 285,366	$ 312,839	$ 27,473

See accompanying notes to the basic financial statements.

UNAUDITED

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Sales and Use Tax	$ 10,666	$ 10,666	$ 10,861	$ 195
Charges for Services	26,338	26,854	28,804	1,950
Licenses and Permits	4,570	4,581	4,770	189
Fines and Forfeitures	3,288	3,288	2,994	(294)
Intergovernmental	10,247	10,452	10,145	(307)
Investment Earnings	55	55	26	(29)
Other	7,930	8,668	5,994	(2,674)
TOTAL REVENUES	63,094	64,564	63,594	(970)
EXPENDITURES				
Current:				
General Government	15,512	15,563	14,016	1,547
Judicial	14,782	14,723	10,143	4,580
Public Safety	7,531	7,304	6,420	884
Social Services	15,672	15,152	13,823	1,329
Health	10,227	10,253	7,151	3,102
Environmental Control	4,223	4,055	3,683	372
Economic and Community Development	19,316	17,025	12,431	4,594
TOTAL EXPENDITURES	87,263	84,075	67,667	16,408
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(24,169)	(19,511)	(4,073)	15,438
OTHER FINANCING SOURCES (USES)				
Transfers In	5,149	5,149	4,590	(559)
Transfers Out	(500)	(550)	(50)	500
TOTAL OTHER FINANCING SOURCES (USES), NET	4,649	4,599	4,540	(59)
NET CHANGE IN FUND BALANCE	(19,520)	(14,912)	467	15,379
FUND BALANCE AT BEGINNING OF YEAR	59,795	59,795	59,795	-
Prior-Year Encumbrances Appropriated	12,748	12,748	12,748	-
FUND BALANCE AT END OF YEAR	$ 53,023	$ 57,631	$ 73,010	$ 15,379

See accompanying notes to the basic financial statements.

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COUNTY OF HAMILTON, OHIO
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2021
(Amounts in Thousands)

	Business-Type Activities—Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
ASSETS			
Current Assets:			
Equity in Pooled Cash and Investments	$ -	$ 3,661	$ 1,410
Cash and Cash Equivalents—Segregated Accounts	19,918	-	-
Restricted Cash, Cash Equivalents and Investments:			
Cash, Cash Equivalents and Investments Held by Trustees	1,828	2,676	1,773
MSD Construction Account Held by the City of Cincinnati	13,694	-	-
Accounts Receivable	41,438	246	88
Sales Tax Receivable	-	4,642	4,256
Interest Receivable	-	19	17
Prepaid Expenses	1,543	465	337
Total Current Assets	78,421	11,709	7,881
Noncurrent Assets:			
Restricted Cash, Cash Equivalents and Investments:			
Held by the City of Cincinnati:			
Construction Account	43,499	-	-
Amount to Be Transferred to Surplus Account	66,352	-	-
Held by Trustees:			
Cash and Cash Equivalents	2,709	-	-
Investments—Held to Maturity	301,333	-	-
Total Restricted Assets	413,893	-	-
Net Other Postemployment Benefit Asset	31,407	-	-
Other	406	-	-
Capital Assets:			
Nondepreciable Capital Assets:			
Land and Improvements	12,313	67,916	17,685
Construction in Progress	489,374	720	-
Total Nondepreciable Capital Assets	501,687	68,636	17,685
Depreciable Capital Assets, Net:			
Depreciable Land Improvements	-	-	-
Buildings, Structures and Improvements	356,939	394,939	363,412
Sewer Laterals	1,420,974	-	-
Furniture, Fixtures and Equipment	751,084	15,548	16,495
Less Accumulated Depreciation	(1,163,484)	(308,037)	(242,225)
Total Depreciable Capital Assets, Net	1,365,513	102,450	137,682
Total Capital Assets, Net	1,867,200	171,086	155,367
Total Noncurrent Assets	2,312,906	171,086	155,367
TOTAL ASSETS	2,391,327	182,795	163,248
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	6,021	6,815	5,588
Pension	11,728	-	-
Other Postemployment Benefit Obligation	6,420	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	24,169	6,815	5,588
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 2,415,496	$ 189,610	$ 168,836
LIABILITIES			
Current Liabilities:			
Accounts Payable	$ 6,686	$ 177	$ 55
Accrued Wages and Benefits Payable	2,638	49	3
Payroll Withholdings	-	22	2
Intergovernmental Payable	-	50	2
Accrued Interest Payable	-	1,212	1,187
Accrued Interest Payable from Restricted Assets	1,828	-	-
Construction Accounts Payable	13,694	-	-
Retainage Payable	-	32	559
Accrued Compensated Absences	4,692	10	-
Current Portion of State Loans Payable	-	-	-
Current Portion of Long-Term Debt	53,338	11,364	10,234
Capital Lease Payable	780	-	-
Estimated Future Claims	-	-	-
Total Current Liabilities	83,656	12,916	12,042
Noncurrent Liabilities:			
Estimated Future Claims	-	-	-
Accrued Compensated Absences	4,267	359	-
Unearned Lease Rent Revenue	-	2,130	9,170
Advances from Other Funds	-	-	-
Interfund Payable	-	-	-
Capital Lease Payable	6,625	-	-
State Loans Payable	-	-	-
Long-Term Debt	827,695	216,584	128,223
Net Pension Liability	117,546	-	-
Total Noncurrent Liabilities	956,133	219,073	137,393
TOTAL LIABILITIES	1,039,789	231,989	149,435
DEFERRED INFLOWS OF RESOURCES			
Deferred Gain on Refunding	-	1,573	1,018
Pension	162,728	-	-
Other Postemployment Benefit Obligation	22,266	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	184,994	1,573	1,018
NET POSITION			
Net Investment in Capital Assets	1,029,342	(51,652)	20,921
Restricted for Debt Service	4,482	2,340	2,076
Unrestricted	156,889	5,360	(4,614)
TOTAL NET POSITION	$ 1,190,713	$ (43,952)	$ 18,383

See accompanying notes to the basic financial statements.

UNAUDITED

Business-Type Activities—Enterprise Funds		Governmental Activities
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
$ 105,101	$ 110,172	$ 30,433
-	19,918	-
-	6,277	-
-	13,694	-
253	42,025	416
-	8,898	-
-	36	-
83	2,428	-
105,437	203,448	30,849
-	43,499	-
-	66,352	-
-	2,709	-
-	301,333	-
-	413,893	-
-	31,407	-
-	406	-
20,768	118,682	-
2,026	492,120	-
22,794	610,802	-
320	320	
305,124	1,420,414	41
-	1,420,974	-
27,125	810,252	1,088
(162,534)	(1,876,280)	(858)
170,035	1,775,680	271
192,829	2,386,482	271
192,829	2,832,188	271
298,266	3,035,636	31,120
217	18,641	-
-	11,728	-
-	6,420	-
217	36,789	-
$ 298,483	$ 3,072,425	$ 31,120
$ 2,046	$ 8,964	377
146	2,836	36
68	92	22
10,136	10,188	22
120	2,519	-
-	1,828	-
-	13,694	-
278	869	-
43	4,745	6
296	296	-
3,459	78,395	-
-	780	-
-	-	6,103
16,592	125,206	6,566
-	-	41
565	5,191	173
-	11,300	-
12,800	12,800	-
18,895	18,895	-
-	6,625	-
1,230	1,230	-
69,732	1,242,234	-
-	117,546	-
103,222	1,415,821	214
119,814	1,541,027	6,780
-	2,591	-
-	162,728	-
-	22,266	-
-	187,585	-
121,478	1,120,089	271
-	8,898	-
57,191	214,826	24,069
$ 178,669	$ 1,343,813	$ 24,340

UNAUDITED

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

	Business-Type Activities—Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
OPERATING REVENUES			
Charges for Services	$ -	$ 1,248	$ 791
Sewerage Service Charges	243,605	-	-
Sewerage Surcharges	17,856	-	-
Other	4,565	44	447
TOTAL OPERATING REVENUES	266,026	1,292	1,238
OPERATING EXPENSES			
Personnel Services	54,812	2,193	158
Net Pension Expense	(59,287)	-	-
Utilities, Fuel and Supplies	20,477	2,337	1,090
Purchased Services	33,882	7,581	2,036
Claims	-	-	-
Change in Estimate	-	-	-
Depreciation and Amortization	67,813	15,589	14,093
Other	10,335	633	356
TOTAL OPERATING EXPENSES	128,032	28,333	17,733
OPERATING INCOME (LOSS)	137,994	(27,041)	(16,495)
NONOPERATING REVENUES (EXPENSES)			
Investment Earnings	(179)	(34)	(11)
Sales and Use Tax for Debt Service	-	41,292	33,367
Sales and Use Tax	-	-	-
Federal Subsidy	-	-	-
Payment in Lieu of Taxes	-	(2,030)	(8,872)
Interest Expense	(27,078)	(6,496)	(10,498)
Settlements to Taxing Authority	-	-	-
Other Nonoperating Expense	-	(461)	(14)
TOTAL NONOPERATING REVENUES (EXPENSES)	(27,257)	32,271	13,972
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	110,737	5,230	(2,523)
Capital Contributions	4,134	-	-
Transfers In	-	-	247
Transfers Out	-	-	(220)
CHANGE IN NET POSITION	114,871	5,230	(2,496)
NET POSITION—BEGINNING	1,075,842	(49,182)	20,879
TOTAL NET POSITION—ENDING	$ 1,190,713	$ (43,952)	$ 18,383

UNAUDITED

See accompanying notes to the basic financial statements.

Business-Type Activities—Enterprise Funds			Governmental Activities
Other Enterprise Funds	Total Enterprise Funds		Internal Service Funds
$ 12,118	$ 14,157	$	67,691
-	243,605		-
-	17,856		-
3,627	8,683		466
15,745	284,301		68,157
6,667	63,830		2,156
-	(59,287)		-
2,562	26,466		52
5,153	48,652		9,780
-	-		47,788
-	-		61
12,187	109,682		95
2,156	13,480		129
28,725	202,823		60,061
(12,980)	81,478		8,096
(669)	(893)		(256)
-	74,659		-
16,998	16,998		-
1,250	1,250		-
	(10,902)		-
(2,858)	(46,930)		-
(5,014)	(5,014)		-
-	(475)		-
9,707	28,693		(256)
(3,273)	110,171		7,840
-	4,134		-
19,020	19,267		-
(1,500)	(1,720)		-
14,247	131,852		7,840
164,422	1,211,961		16,500
$ 178,669	$ 1,343,813	$	24,340

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COUNTY OF HAMILTON, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

	Business-Type Activities—Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers and Users	$ 258,984	$ 498	$ 703
Cash Received from Interfund Services Provided	-	-	-
Cash Payments to Suppliers for Goods and Services	(63,867)	(10,682)	(2,099)
Cash Payments for Claims	-	-	-
Cash Payments for Personnel Costs	(56,527)	(2,140)	(157)
Other Operating Revenues	3,348	43	454
Other Operating Expenses	-	(209)	(1,484)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	141,938	(12,490)	(2,583)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Sales and Use Tax	-	17,770	12,630
Federal Subsidy	-	-	-
Payment in Lieu of Taxes	-	(2,030)	(8,872)
Transfer In	-	-	-
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	-	15,740	3,758
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Sales and Use Tax for Debt Service	-	23,612	20,581
Settlements to Taxing Authority	-	-	-
Principal Payments on Long-Term Debt and Interfund Payable	(50,962)	(12,244)	(9,915)
Interest Payments on Long-Term Debt and Interfund Payable	(30,081)	(11,351)	(11,494)
Fiscal Charges on Long-Term Debt	-	(923)	(27)
Transfer into Construction Account from Trustee Investment Account	126,366	-	-
Transfer from Operating Cash to Trustee Investment Account	(61,485)	-	-
Bond/Loan Proceeds	2,936	45,476	814
Premium from Sale of Refunding Bonds	-	13,630	250
Transfer In	-	-	247
Transfer Out	-	-	(220)
Advance from Other Fund	-	-	-
Repayment of Advance from Other Fund	-	-	-
Tap-in Fees	2,891	-	-
Acquisition and Construction of Property, Plant and Equipment	(97,719)	(386)	(28)
Gain on Sale of Property, Plant And Equipment	120	-	-
Payment to Refunded Bond Escrow Agent	-	(59,713)	(1,468)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(107,934)	(1,899)	(1,260)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Government Securities	(60,484)	-	-
Investment Earnings	(3,154)	(31)	(11)
NET CASH (USED) BY INVESTING ACTIVITIES	(63,638)	(31)	(11)
Net Increase (Decrease) in Cash and Equity in Pooled Cash and Investments	(29,634)	1,320	(96)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	177,634	5,017	3,279
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 148,000	$ 6,337	$ 3,183
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	$ 137,994	$ (27,041)	$ (16,495)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	67,813	15,589	14,093
Capital Expenses Moved to Operating	40	-	-
Net Changes in Operating Assets and Liabilities:			
Accounts Receivable	(863)	(161)	(81)
Prepaid Expenses	(633)	2	-
Other Assets	(16,957)	-	-
Operating Accounts Payable	807	(313)	(101)
Accrued Payroll and Other Related Withholdings	(2,062)	14	1
Intergovernmental Payable	-	10	-
Claims Payable	-	-	-
Unearned Revenue	-	(590)	-
Compensated Absences	-	-	-
Estimated Future Claims	-	-	-
Net Pension Liability	(311,304)	-	-
Net Other Post Employment Benefit Obligation	(2,069)	-	-
Deferred Pension Outflows/Inflows	269,770	-	-
Cash Received from Customers	(8)	-	-
Deferred Charges on Refunding Outflows	1,327	-	-
Capital Expenses Moved to Fixed Assets Fund	(1,917)	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 141,938	$ (12,490)	$ (2,583)
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Equity in Pooled Cash and Investments	$ -	$ 3,661	$ 1,410
Cash and Cash Equivalents—Segregated Accounts	19,918	2,676	1,773
Restricted Cash and Cash Equivalents Held by Trustees	4,537	-	-
Construction Account Held by the City of Cincinnati	57,193	-	-
Amount to Be Transferred to Surplus Account Held by the City of Cincinnati	66,352	-	-
TOTAL CASH AND CASH EQUIVALENTS	$ 148,000	$ 6,337	$ 3,183
NONCASH INVESTING AND FINANCING TRANSACTIONS			
Structures Donated as Contributed Capital in Aid of Construction	$ 2,546	$ -	$ -
Acquisition and Construction of Capital Assets Paid Directly by WPCLF Loan Proceeds	3,314	-	-
Construction Accounts Payable Related to Acquisition of Capital Assets	13,694	-	-
TOTAL NONCASH INVESTING AND FINANCING TRANSACTIONS	$ 19,554	$ -	$ -

See accompanying notes to the basic financial statements.

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Business-Type Activities—Enterprise Funds		Governmental Activities
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
$ 12,348	$ 272,533	$ -
-	-	67,678
(6,611)	(83,259)	(9,533)
-	-	(47,008)
(6,629)	(65,453)	(2,143)
3,694	7,539	-
(3,357)	(5,050)	(234)
(555)	126,310	8,760
16,998	47,398	-
1,250	1,250	-
-	(10,902)	-
9,800	9,800	-
28,048	47,546	-
-	44,193	-
(5,014)	(5,014)	-
(3,843)	(76,964)	-
(3,396)	(56,322)	-
(442)	(1,392)	-
-	126,366	-
-	(61,485)	-
36,920	86,146	-
10,634	24,514	-
9,220	9,467	-
(1,500)	(1,720)	-
19,800	19,800	-
(7,000)	(7,000)	-
-	2,891	-
(18,724)	(116,857)	(81)
-	120	-
-	(61,181)	-
36,655	(74,438)	(81)
-	(60,484)	-
(666)	(3,862)	(256)
(666)	(64,346)	(256)
63,482	35,072	8,423
41,619	227,549	22,010
$ 105,101	$ 262,621	$ 30,433
$ (12,980)	$ 81,478	$ 8,096
12,187	109,682	95
-	40	-
297	(808)	(398)
-	(631)	-
-	(16,957)	-
(135)	258	112
56	(1,991)	8
56	66	2
-	-	927
-	(590)	-
(36)	(36)	4
-	-	(86)
-	(311,304)	-
-	(2,069)	-
-	269,770	-
-	(8)	-
-	1,327	-
-	(1,917)	-
$ (555)	$ 126,310	$ 8,760
$ 105,101	$ 110,172	$ 30,433
-	24,367	-
-	4,537	-
-	57,193	-
-	66,352	-
$ 105,101	$ 262,621	$ 30,433
$ -	$ 2,546	$ -
-	3,314	-
-	13,694	-
$ -	$ 19,554	$ -

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COUNTY OF HAMILTON, OHIO
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2021
(Amounts in Thousands)

ASSETS		
Equity in Pooled Cash and Cash Equivalents	$	57,716
Cash and Cash Equivalents-Segregated Accounts		15,839
Accounts Receivable		137
Intergovernmental Receivable		1,663
Property Taxes Receivable		1,210,812
TOTAL ASSETS		1,286,167
LIABILITIES		
Accounts Payable		17,819
Accrued Wages and Benefits Payable		340
Payroll Withholdings		163
Due to Other Governments		59,426
TOTAL LIABILITIES		77,748
DEFERRED INFLOWS OF RESOURCES		
Property Taxes Not Levied to Finance Current Year Operations		1,183,244
NET POSITION		
Restricted for Individuals, Organizations and Other Governments	$	25,175

See accompanying notes to the basic financial statements

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COUNTY OF HAMILTON, OHIO
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

ADDITIONS		
Intergovernmental	$	21,812
Amounts Received as Fiscal Agent		30,449
Licenses, Permits and Fees for Other Governments		1,636
Property Tax Collections for Other Governments		1,498,279
Excise Tax Collections for Other Governments		3,081
Amounts Received for Others		12,237
Miscellaneous		5,798
TOTAL ADDITIONS		1,573,292
DEDUCTIONS		
Distributions of State Funds to Other Governments		21,705
Licenses, Permits and Fees Distributions to Other Governments		1,262
Property Tax Distributions to Other Governments		1,492,136
Excise Tax Distributions to Other Governments		3,081
Distributions to Other Governments		100
Sheriff Sales Distributions to Others		12,038
Distributions as Fiscal Agent		29,956
Other Distributions		1,161
Refunds		25,075
Miscellaneous		5,964
TOTAL DEDUCTIONS		1,592,478
Net (Decrease) in Fiduciary Net Position		(19,186)
NET POSITION—BEGINNING		44,361
TOTAL NET POSITION—ENDING	$	25,175

See accompanying notes to the basic financial statements

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Hamilton County is governed by a board of 3 commissioners elected by the voters of the County. The County Commissioners serve as the County's taxing authority, its primary contracting body and the chief administrators of many of its public services. Other elected officials include the Auditor, Clerk of Courts, Coroner, Engineer, Prosecutor, Recorder, Sheriff, Treasurer, 6 Court of Appeals Judges, 20 Common Pleas Court Judges and 14 County Municipal Court Judges.

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

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

Blended Component Unit. The Hamilton County Transportation Improvement District (TID) is a body corporate and politic, organized and existing under Chapter 5540 of the Ohio Revised Code. The TID provides the opportunity to finance, construct, maintain, repair and operate roads, bridges, parking facilities and accompanying improvements within the County. It serves all the citizens of Hamilton County and is governed by a board that includes five voting and two nonvoting members. The five voting members are as follows: five voting members appointed by Board of County Commissioners, which have included the County Engineer and a representative recommended by the City of Cincinnati. The nonvoting members are appointed by the Speaker of the Ohio House of Representatives and by the President of the Ohio Senate of the Ohio General Assembly. Even though the TID is a legally separate entity, it is reported as a Component Unit of County Government because its governing board is appointed by and serves at the pleasure of the Board of County Commissioners and receives County funding. The TID is reported as a separate fund in the combining statements.

Discretely Presented Component Unit. The Convention Facilities Authority (CFA) of Hamilton County, Ohio, is an up to 11 member body corporate and politic, organized and existing under Chapter 351 of the Ohio Revised Code as amended. It is controlled by Hamilton County who may appoint 6 members. The City of Cincinnati may appoint 3 members, and the remaining 2 members are from other municipalities. Each member may serve a four-year term and may not serve more than three consecutive terms. The CFA was created in 2002 for the purpose of financing the renovation and expansion of the Cincinnati Convention Center, now known as the Duke Energy Convention Center. No financial activity took place until the revenue bonds were sold in 2004. The County is considered financially accountable for the CFA because the County appoints a voting majority of the CFA's governing body and the County has the ability to impose its will on the CFA. The CFA is not, however, fiscally dependent on the County. Complete financial statements for the CFA may be obtained from the City of Cincinnati, Office of Finance and Budget, 801 Plum Street, Cincinnati, Ohio 45202.

Fiscal Agent Related Entities. As counties are structured in Ohio, the County Auditor and County Treasurer serve as fiscal officer and custodian of funds, respectively, for various non-County entities. As fiscal officer, the Auditor maintains the accounts and certifies the availability of appropriated funds prior to the processing of warrants for payment. As custodian of funds, the Treasurer invests public moneys held on deposit in the County treasury and redeems the Auditor's warrants. In the case of the separate districts and commissions listed below,

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the County Auditor and County Treasurer serve as statutory fiscal agent and custodian of funds, respectively. The County, however, is not otherwise accountable for these entities. Accordingly, only the cash for the following boards and commissions that is being held by the County Treasurer is reflected in accompanying custodial funds statements:

The *Hamilton County Family and Children First Council* was formed under Ohio Revised Code Section 121.37. The Council is composed of several community partners who work to streamline and coordinate existing government services for families seeking assistance for their children. Hamilton County Developmental Disabilities Services serves as administrative agent for the Council.

The *Hamilton County General Health District (Health District)* provides public health services to its residents and communities to prevent the spread of communicable diseases and promote good health. The Health District is governed by a five-member Board of Health (BOH) elected by the District Advisory Council, which consists of the President of the Board of County Commissioners, the chief executive of each village, and the chairperson of each board of township trustees or their trustee designate. The BOH appoints the Health Commissioner and approves the budget and various resolutions including fees and operating policies. The Health Commissioner is empowered to direct the activities of the Health District, including hiring and adjusting employee wages, approving grant budgets and executing contracts. The Health District is responsible for its own fiscal management and undergoes an annual financial audit. The Health District is dependent on the County to provide facilities, legal counsel and custodianship over its funds.

The *Hamilton County Regional Planning Commission* serves the Board of County Commissioners by providing advisory planning services to the unincorporated areas (12 townships) of the County. It also serves any of the other 37 County municipalities that are members of the Commission and pay annual fees. The Commission itself is made up of 7 representatives: 4 township representatives appointed by the Board of County Commissioners, 1 municipality representative appointed by the Board of County Commissioners, 1 municipal planning commission representative elected by municipal planning commissions and 1 City of Cincinnati representative appointed by the Cincinnati Planning Commission. The Regional Planning Commission appoints an Executive Director and can hire and fix compensation of employees. The Commission is dependent on the County to provide facilities and legal counsel and to act as fiscal agent and custodian of its funds. The budget is approved by the Commission, which is responsible for fiscal management through its authority to enter into contracts and prepare certain financial reports.

The *Hamilton County River City Correctional Center (RCCC),* a Community-Based Correctional Facility, is a local alternative to prison with the primary purpose of rehabilitation for nonviolent felony offenders. Funding is provided through the Community Corrections Act, from the Bureau of Community Sanctions of the Ohio Department of Rehabilitation and Correction (ODRC). The RCCC is governed by a Facility Governing Board, two-thirds of which is appointed by the Hamilton County Court of Common Pleas and one-third by the Board of County Commissioners. The Facilities Governing Board approves the annual budget and any revisions thereto. Ongoing fiscal management occurs with oversight from both the RCCC Executive Director and the Business Manager.

The *Hamilton County Soil and Water Conservation District (SWCD)* is a separate political subdivision of the State of Ohio and Hamilton County, organized under the Ohio Soil Conservation Act of 1941. Since its inception, the SWCD has been governed by a publicly elected board of volunteer supervisors that are authorized to contract and sue on behalf of the District. The Supervisors adopt their own budget, authorize District expenditures, and hire and fire staff. Funding comes from the County General Fund, a percentage match from the Ohio Department of Agriculture, and the Hamilton County Storm Water District. The District is committed to assist the citizens of Hamilton County through education, technical assistance and leadership in the conservation of our soil and water resources.

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Jointly Governed Organizations. Hamilton County Board of Developmental Disabilities is a member of the Southwestern Ohio Regional Council of Governments (COG) formed by Hamilton, Clermont, Butler and Warren Counties in 2009. Since 2015, two additional county boards have joined the COG: Greene and Montgomery. The role of this Council is to coordinate the powers and duties of the member boards to better serve and benefit persons with developmental disabilities within the member counties. Hamilton County Mental Health and Recovery Services Board was a member of the Three C Recovery and Health Care Network Council of Governments, which was created by the Hamilton County Mental Health and Recovery Services Board (Cincinnati); The Alcohol, Drug and Mental Health Board of Franklin County (Columbus); and The Alcohol, Drug Addiction and Mental Health Services Board of Cuyahoga County (Cleveland). The purpose of this Council was for creating a Shared Health Care and Recovery Enterprise System (SHARES) to support management of client enrollment, benefit management, provider contracting, payment processes and utilization management for the member boards and for additional boards that would have joined the COG in the future. As of December 31, 2021, the Council was dissolved and each member migrated to their own claims management system. (See note VI C, Jointly Governed Organizations.) Hamilton County and the City of Cincinnati jointly govern the Southwest Ohio Region Workforce Investment Board (SWORWIB). While the County is the fiscal agent and administrative entity for this board, the County has no ongoing financial interest or responsibility to the board. Separate financial statements are available by contacting SWORWIB at 100 Scarlet Oaks Drive, Great Oaks IRC Room 102, Cincinnati, Ohio 45241.

Related Organizations. The Board of County Commissioners is responsible for appointing the majority of the members of the Board of Building Appeals, Board of Building Standards, Commission on Women and Girls, Community Development Advisory Committee, Economic Inclusion Advisory Council, Elderly Services Programs Advisory Council, Hospital Commission, Public Defender Commission, Public Library Board of Cincinnati and Hamilton County, and the Southwest Ohio Regional Transit Authority. Hamilton County Commissioners also appoint half of the board members for the Greater Cincinnati Redevelopment Authority. The Hamilton County Probate Court Judge appoints the Board of Park Commissioners of the Hamilton County Park District. In none of the aforementioned instances does the County's accountability extend beyond making the appointments. These organizations do not have significant operational or financial relationships with the County.

B. Basis of Presentation

The financial statements of the County and CFA have been prepared in conformity with GAAP (generally accepted accounting principles) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the County's accounting policies are described below.

The County's basic financial statements consist of government-wide statements and fund financial statements. The government-wide statements include a Statement of Net Position and a Statement of Activities. The fund financial statements provide a more detailed level of financial information.

Government-Wide Financial Statements. The Statement of Net Position and the Statement of Activities display information about the County as a whole. These statements include the financial activities of the primary government and its component unit, whose financial activities are reported separately from those of the primary government. Custodial funds are not included in the government-wide statements. The statements distinguish between those activities of the County that are governmental, which normally are supported by taxes and intergovernmental revenues, and those that are considered business-type activities, which rely to a significant extent on fees and charges for support. The activity of the governmental internal service funds is eliminated to avoid doubling up revenues and expenses. The effect of interfund activity has been removed from these statements.

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

Fund Financial Statements. During the year, in order to aid financial management and to demonstrate legal compliance, the County segregates in separate funds the transactions related to certain County functions or activities. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The total for all internal service funds is presented in a separate column on the face of the proprietary fund statements. Separate financial statements are provided for the custodial funds, even though they are not included in the government-wide statements.

C. Fund Accounting

The County uses funds to maintain its financial records during the year. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purposes and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds. Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as fund balance. The following are the County's major governmental funds:

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

The *Health and Human Services Levies* special revenue fund accounts for the revenue from health and human services levies. Levies and expenditures are determined by policies of the Board of County Commissioners.

The *Health and Community Services Nongrants* special revenue fund accounts for revenues other than grants and levies that are used for health and community services.

The *Public Emergency Grants* special revenue fund accounts for pandemic- and other emergency-related grants.

The other governmental funds of the County account for grants and other resources, whose use is restricted, committed or assigned to particular purposes.

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

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the Board of County Commissioners has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The expenses of providing goods and services primarily or solely to the general public are financed or recovered primarily through user charges.

The following are the County's major enterprise funds:

Metropolitan Sewer District (MSD) is the County-owned sewer district operated by the City of Cincinnati under a management contract. The MSD fund accounts for County-provided wastewater service to residential and industrial users in Hamilton County. Sewer charges serve as the major revenue source for financing operations and maintenance of the sewer system. MSD employees are employees of the City. Per the contract with the City, the County has exercised its option to have a separate financial audit of MSD. Additionally, bond indentures require separately audited financial statements of MSD. These audited statements are included in this report as a major enterprise fund with appropriate note disclosure.

Paul Brown Stadium fund accounts for revenue received from football stadium tenants and for the operations of the stadium.

Baseball Stadium fund accounts for revenue and expenses associated with the operations of the baseball stadium (Great American Ball Park) and the Cincinnati Reds Hall of Fame and Museum.

Internal service funds account for the financing of services provided by one department or agency of the County to other departments or agencies of the County on a cost-reimbursement basis. The internal service funds report on (1) workers' compensation, (2) the Auditor's computer center and (3) medical self-insurance.

Fiduciary Funds. Fiduciary fund reporting focuses on net position and changes in net position. The County's only fiduciary funds are custodial funds. These funds account for (1) assets held by the County as fiscal agent for the entities described in note I A as Fiscal Agent Related Entities, (2) various taxes, assessments, fines, fees and State-shared resources collected or received from the State for the benefit of and distribution to other governments, and (3) moneys held by the County for the benefit of others.

D. Measurement Focus

Government-Wide Financial Statements. The government-wide financial statements are prepared using the *economic resources* measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the County and its component unit are included on the Statement of Net Position. The Statement of Activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Fund Financial Statements. All governmental funds are accounted for using a flow of *current financial resources* measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements.

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Like the government-wide statements, all proprietary and fiduciary funds are accounted for on a flow of *economic resources* measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the Statement of Fund/Fiduciary Net Position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus. The Statement of Revenues, Expenses and Changes in Fund Net Position for proprietary funds and the Statement of Changes in Fiduciary Net Position for the custodial funds present increases (i.e., revenues/additions) and decreases (i.e., expenses/ deductions) in total net position. The Statement of Cash Flows for proprietary funds provides information about how the County finances and meets the cash flow needs of its proprietary activities.

E. Basis of Accounting

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

Revenues—Exchange and Non-exchange Transactions. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. *Measurable* means the amount of the transaction can be determined; *available* means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Hamilton County considers revenues available if they are expected to be received within 60 days of year-end.

Non-exchange transactions, in which the County or CFA receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see note V B). Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County or CFA must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County or CFA on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: sales tax, local government funds, interest, fees and charges for services.

Unearned Revenue. Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue, as are some taxes, local government funds and casino revenue and, in the enterprise funds, lease revenue that must be recognized over the life of the lease.

Deferred Inflows/Outflows of Resources. In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the County, deferred outflows of resources include deferred charges on refundings, pension and other postemployment benefits (OPEB) reported in the government-wide Statement of Net Position. The deferred outflows of resources related to pension and OPEB are explained in notes VI F-J. The deferred charges on refundings result from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include deferred charges on refundings, property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2021, but which were levied to finance fiscal year 2022 operations. These amounts have been recorded as a deferred inflow on both the government-wide Statement of Net Position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds Balance Sheet and represents receivables that will not be collected within the available period. For the County, unavailable revenue includes delinquent property taxes, special assessments, intergovernmental revenues, loans, and grants not yet received though eligibility requirements have been met. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified in the Reconciliation of Balance Sheet—Governmental Funds—to Government-Wide Statement of Net Position. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide Statement of Net Position (see notes VI F-J).

Expenses/Expenditures. On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Pensions/Other Postemployment Benefits (OPEB). For purposes of measuring the net pension/OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

F. Budgetary Process

All funds except custodial funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the County may appropriate.

Under the direction of the County Administrator, staff of the Commissioners' Office and County Administration Department prepares the budget and issues a separate budgetary report. The budgetary process begins at least six months prior to the calendar year for which the budget is to be adopted, with the County certifying the proposed budget to the County Auditor by July 20. By January 1, the County Commissioners may adopt annual or temporary measures using, in part, the official certificate of estimated resources approved by the County Budget Commission and the tax rates certified by the County Auditor. Appropriations cannot exceed estimated resources. By April 1, the County Commissioners must adopt an annual appropriation resolution.

The certificate of estimated resources may be amended during the year for projected increases or decreases in revenue. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. Modifications to the original budget are approved by the Board of County Commissioners throughout the year as allowed by State statute. All budgetary amendments and supplemental appropriations made during 2021 are included in the revised budget amounts presented in the budget-to-actual comparisons. The County maintains budgetary control within an organizational unit and fund by not permitting expenditures and encumbrances to exceed appropriations within three major categories—Personnel Services, Other Expenditures and Capital Outlay.

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The budgetary process does not include annual budgeting for certain grants and capital projects. For these funds, appropriations are made on a multiyear basis with the free balance and encumbrances being reappropriated annually. This includes the County's Public Emergency Grants major fund. The administrative control is on a grant or project basis and, therefore, comparisons with annually appropriated funds do not provide meaningful data. Though the County adopts annual budgets for proprietary funds, budgetary data is not presented for proprietary funds due to the nature of the funds, where demand for goods and services largely determines the level of revenues and expenses. There is no legal requirement to report on such budgets.

The annual budget for MSD is prepared on a non-GAAP budgetary basis of accounting, is approved by the Board of County Commissioners and is administered by the City of Cincinnati. Budgetary control is exercised at the divisional level, and between personnel and other costs.

G. Cash, Cash Equivalents and Investments

The County's cash consists of cash on hand and demand deposits. County investments with original maturities of one year or less are recorded at cost or amortized cost. Investments of the County that have original maturities of one year or more are recorded at fair value, which is based on quoted market prices. For presentation on the financial statements, funds included within the Treasurer's cash management pool and County, CFA or MSD investments with original maturities of three months or less are considered to be cash and cash equivalents.

Cash resources of individual funds, including proprietary funds, are combined to form a pool of cash and investments that is managed by the County Treasurer. Individual fund integrity is maintained through the County's records. Each fund's interest in the pool is presented as Equity in Pooled Cash and Investments on the financial statements. Certain moneys for MSD are held and invested by the City and trustees. These bank accounts and investments are represented by Cash and Cash Equivalents Held by the City of Cincinnati and Held by Trustees asset accounts.

In 2021, investments were limited to securities issued by a government agency, Treasury securities, municipal bonds, corporate bonds and commercial paper notes.

See note V A for a detailed disclosure of cash, cash equivalents and investments held by the County.

The CFA's receipts are accounted for by its fiscal agent, the City of Cincinnati, or trustee. All cash received by the fiscal agent or trustee is maintained in accounts in the CFA's name.

MSD is required by Ohio law to invest in only U.S. obligations; federal agency securities; Ohio bonds and other obligations of the State or such obligations of political subdivisions of the State, provided that the subdivisions are located within Hamilton County; time certificates of deposit or deposit accounts in an eligible institution; and no-load money market mutual funds consisting only of investments mentioned above. Investments are required to mature within five years from the date of settlement, unless the investment is matched to a specific obligation or debt of MSD.

Under existing Ohio statutes, all investment earnings are assigned to the General Fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the General Fund during 2021 amounted to $8,335, which includes $0 assigned from other County funds. In the Statement of Revenues, Expenditures, and Changes in Fund Balances for the governmental funds and in the Statement of Revenues, Expenses, and Changes in Fund Net Position for proprietary funds, most of the funds are reporting negative investment earnings. This is because the allocated unrealized interest for 2021 is negative and is combined with the reversal of 2020's allocated unrealized interest.

The County has segregated bank accounts for moneys held separate from the County's central bank accounts. Additionally, the Southwestern Ohio Council of Governments, the trustee for the County's lodging tax and the CFA's trustee are currently holding deposits that belong to the County. These moneys are presented as Cash and Cash Equivalents—Segregated Accounts.

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H. Inventories

Inventories of governmental funds are valued at cost. Costs are determined by the first-in, first-out (FIFO) method. The costs of inventory items are recognized as expenditures in the governmental funds when consumed.

MSD's supplies and materials are stated at the lower of cost or market on a FIFO basis.

I. Prepaid Expenses

MSD payments made to vendors for services that will benefit periods beyond fiscal year ended December 31, 2021, are recorded as Prepaid Expenses using the consumption method. Under this method, a current asset is recorded for the prepaid amount and expenses are reflected in the year in which services are consumed.

The City of Cincinnati offered an Early Retirement Incentive Program (ERIP) in 2007. The City Retirement System requested MSD's share of the remaining liability in the amount of $8,723. This amount represents in full the liability for 2015-2023. The payment was processed in March 2016. The remaining prepaid expense is $0 at December 31, 2021.

J. Interfund Transactions

On fund financial statements, receivables and payables resulting from long-term interfund loans are classified as Advances to/from Other Funds or as Interfund Receivable/Payable. Receivables and payables resulting from interfund transactions other than loans are classified as Due to/from Other Funds. Interfund transactions are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for any net residual amounts due between governmental and business-type activities, which are presented as Internal Balances.

K. Restricted Assets

The Trust Agreement for MSD's Series A Revenue bonds (see note V F) requires the establishment of certain trust accounts, including a Bond Account, Bond Reserve Account, and Surplus Account to be held by the trustee. The Bond Account will be used to accumulate periodic principal and interest payments. The Bond Reserve Account will be funded in an amount equal to the highest annual future debt service requirement. The Surplus Account is available to be used for any other sewer system purpose. The Trust Agreement also requires the creation of a Construction Account to be held by the City to pay for project costs. For Paul Brown and baseball stadiums, per the bond indenture requirements, restricted assets include sales tax withholdings required to be held by the custodial trustee for semiannual debt service for 2000, 2016 and 2021 sales tax–supported bonds. At December 31, 2021, the following balances (at fair value) were maintained in trust accounts:

Held by Trustees:	
Bond Retirement	$ 8,986
Reserve	44,890
Surplus	256,443
Total	$ 310,319

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L. Capital Assets

Capital assets, which include real property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets used by proprietary funds are also reported in the financial reports of the respective funds.

The County defines a capital asset as an asset with an initial cost of at least $5,000 (amount not in thousands) and an estimated useful life of at least two years. Most capital assets are capitalized at cost or estimated historical cost. Donated capital assets or assets the County takes ownership of as a result of seizure or forfeiture are recorded at their acquisition values as of the date received. Capitalized amounts are updated for additions and retirements during the year. MSD assets acquired prior to its inception in 1968 that are not identifiable with specific historical costs are not included in the capital assets balance. Assets acquired by MSD through contributions, such as contributions from land developers and federal and State grants, are capitalized and recorded in the plant records at the contributor's reported cost. Land acquired for MSD's use is titled to either the City or the County. The cost of the land has been recorded on the books of MSD, since it has the full benefits of the land as an economic resource.

Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Construction in progress includes the cost of in-force labor and costs incurred for projects not placed in use as of December 31, 2021.

Capital assets are depreciated except for land, some land improvements, and construction in progress. Depreciation is computed using the straight-line method over the following useful lives, unless history or other factors indicate a different estimate would be more appropriate:

Bridges	50 years
Buildings and Structures	40 years
MSD Sewer Laterals	40 years
Parking Garages	30 years
Stadia	28 years
Roads	20 years
Building Improvements	20 years
Depreciable Land Improvements	20 years
Office and Service Equipment	2 to 25 years

Infrastructure assets consist of roads and bridges. They are reported as governmental activities. Infrastructure assets acquired prior to January 1, 2002, consist of the bridges and roads that were acquired or that received substantial improvements subsequent to January 1, 1980, and are reported at estimated historical cost using deflated replacement cost.

Any material gain or loss arising from the disposal of capital assets for proprietary funds has been credited or charged to income or expense of the respective fund. The net gain or loss for governmental funds has been credited to General Revenues or charged to expenses of the General Government function in the Statement of Activities.

M. 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 the employer will compensate the employees for the benefits through paid time off or some other means. Compensatory time is accrued as a

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liability as the benefits are earned. Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the County's past experience of making termination payments. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent that payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded as Matured Compensated Absences Payable in the funds from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported in governmental funds. For governmental funds, the portion of unpaid compensated absences expected to be paid within a year is noted next to the total Compensated Absences in the Long-Term Debt and Other Obligations table (see note V F). This amount is a portion of what is reported as Long-Term Liabilities Due within One Year in the government-wide Statement of Net Position. In proprietary funds, the entire amount of accrued compensated absences is reported as a fund liability. The current amounts are an average of the annual expenses.

Ohio law requires that vacation time not be accumulated for more than three years. Normally, all vacation time is to be taken in the year available unless administrative written approval for carryover is obtained. Sick time not taken may be accumulated until retirement. Employees eligible to retire under a County-recognized retirement plan, with a minimum of 10 years of service, are paid one-half (up to 630 hours for 70-hour pay periods; 720 hours for 80-hour pay periods) of accumulated sick time upon retirement.

Certain agencies of the County that are not under the control of the Board of County Commissioners may have slight variances in policies on compensated absences. Compensated absences are accrued in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*.

N. Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences and net pension liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally due for payment during the current year. Net pension/OPEB liability is recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits. Bonds and loans that will be paid from governmental funds are recognized as a liability in the fund financial statements when payment is due.

O. Bond Premiums and Discounts, Prepaid Insurance

On the government-wide financial statements and in the enterprise funds, bond premiums/discounts are deferred and amortized over the term of the bonds using the straight-line (bonds outstanding) method, which approximates the effective interest method. Bond premiums/discounts are presented as additions/reductions to the face amount of bonds payable. Debt issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred. On the governmental fund financial statements, premiums and discounts, as well as issuance costs, are recognized in the period in which the debt is issued. Bond premiums/discounts are reported as an Other Financing Source/Use. Issuance costs, even if withheld from the actual net proceeds received, are reported as Debt Service expenditures.

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P. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable: The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form (i.e., they are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact. The nonspendable fund balances include materials and supplies inventory (category a), unclaimed moneys reduced by the amount of the estimated liability for payments to claimants (category b), and interfund advances (category b).

Restricted: The restricted classification is used when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments (e.g., State statutes) or (b) imposed by law through constitutional provisions or enabling legislation (County resolutions). Enabling legislation authorizes the County to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the County can be compelled by an external party, such as citizens, public interest groups or the judiciary, to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed: The committed fund balance classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action (resolution) of the County Commissioners. Those committed amounts cannot be used for any other purpose unless the Commissioners remove or change the constraint via another resolution. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board of County Commissioners, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned: Assigned fund balance includes amounts intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned amounts represent the remaining amount that is not restricted or committed. Assigned fund balance addresses the government's intent and should be expressed by the County Commissioners or a County official delegated that authority by resolution or by State statute. In the General Fund, assigned amounts represent encumbered amounts for outstanding obligations (purchases on order), appropriation of fund balance in the subsequent year's budget, and the amount reserved for judgments and claims.

Unassigned: Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In all other governmental funds, the unassigned classification is used only to report a deficit fund balance.

The County applies restricted resources first when expenditures are incurred for the purpose for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first, followed by assigned and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classification could be used.

Q. Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the County or CFA, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. MSD's restricted net position relates to debt service. MSD did not have net position restricted by enabling legislation. The County, MSD and CFA apply restricted resources first when an expenditure/expense is incurred for purposes for which both restricted and unrestricted net position is available.

R. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activities of the proprietary funds. For the County, these revenues are charges for services for wastewater treatment, stadium rental income, parking fees, and charges to political subdivisions and County departments for services provided by the County, including the costs of providing computer services, emergency communications, and workers' compensation and employees' health insurance coverage. For the CFA, operating revenues include contributions for financing the Convention Facility and the hotel taxes for repayment of debt. Operating expenses are the necessary costs incurred to provide the good or service that is the primary activity of the fund or CFA. For the County, these expenses include personnel, net pension expense, utilities and supplies, claims, depreciation and purchased services. Revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

S. Capital Contributions

Capital contributions in proprietary fund financial statements arise from outside contributions of capital assets, from grants or outside contributions of resources restricted to capital acquisition and construction, or from transfers from governmental funds. These assets, which are recorded at their acquisition values as of the date received, are not subject to repayment. Capital contributions in 2021 totaled $4,134.

T. Internal Activity

Transfers within governmental activities are eliminated on the government-wide financial statements. Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as Transfers In and Transfers Out. Interfund transfers are reported as Other Financing Sources (Uses) in governmental funds and after Nonoperating Revenues (Expenses) in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

U. Estimates

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

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V. Basis of Budgeting

While reporting financial position, results of operations and changes in fund balance on the basis of GAAP, the basis of budgeting as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. A Statement of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual—is presented in the basic financial statements for the General Fund and the major special revenue funds with an annually appropriated budget. The major differences for those funds between the basis of budgeting and the GAAP basis are the following:

1. Revenues are recorded when received (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Investments are reported at fair value (GAAP basis) rather than cost (budget basis).
4. Loans and advances in and out, as well as changes in escheat estimates, are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
5. Outstanding year-end encumbrances and prior-year appropriations are treated as expenditures (budget basis) as opposed to restricted, committed or assigned fund balance (GAAP basis).

Adjustments necessary to convert the results of operations at the end of the year on the basis of budgeting to the GAAP basis are presented in the following table:

Net Change in Fund Balance	General Fund	Health and Human Services Levies	Health and Community Services Nongrants
GAAP Basis	$ 37,624	$ 43,209	$ 3,456
Increase (Decrease):			
Net Adjustment for Revenue Accruals	(7,559)	3,831	(89,169)
Net Adjustment for Expenditure Accruals	15,360	13,032	92,821
Net Adjustment for Unrealized Gains (Losses)	2,070	3,313	234
Net Adjustment for Advances	(25,275)	-	-
Net Adjustment for Change in Escheat Estimate	(327)	-	-
Encumbrances	(19,091)	(52,061)	(6,875)
Basis of Budgeting	$ 2,802	$ 11,324	$ 467

II. CHANGE IN ACCOUNTING PRINCIPLES

In 2021, the County implemented the following Governmental Accounting Standards Board (GASB) guidance:

- Statement No. 93, *Replacement of Interbank Offered Rates*
- Statement No. 98, *The Annual Comprehensive Financial Report*

The implementation of these statements had no effect on beginning net position/fund balance.

The objective of GASB 93 was to address accounting and financial reporting implications that result from the replacement of an interbank offered rate.

GASB 98 established the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments.

III. FUND BALANCE

The fund balances for all governmental funds are classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed

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upon the use of the resources (see note I P). The constraints placed on the fund balance for the major and other governmental funds are presented below:

Fund Balances	General	Health and Human Services Levies	Health and Community Services Nongrants	Public Emergency Grants	Nonmajor Governmental Funds	Total
Nonspendable						
Materials and Supplies	$ -	$ -	$ -	$ -	$ 173	$ 173
Advances to Other Funds	31,686	-	-	-	-	31,686
Escheat	5,026	-	-	-	-	5,026
Total Nonspendable	36,712	-	-	-	173	36,885
Restricted for						
Public Assistance	-	-	-	-	24,943	24,943
Health and Human Services Levies	-	351,413	-	-	-	351,413
Motor Vehicle Gas Tax	-	-	-	-	47,942	47,942
Health and Community Services Nongrants	-	-	83,294	-	-	83,294
Debt Service Payments	-	-	-	-	1,249	1,249
Other	-	-	-	-	6,321	6,321
Total Restricted	-	351,413	83,294	-	80,455	515,162
Committed						
Capital Projects	-	-	-	-	26,558	26,558
Other Purposes	386	-	-	-	-	386
Total Committed	386	-	-	-	26,558	26,944
Assigned						
Purchases on Order						
Materials/Supplies	1,976	-	-	-	-	1,976
Contractual Services	6,676	-	-	-	-	6,676
Maintenance/Utilities	6,072	-	-	-	-	6,072
Other Purposes	394	-	-	-	-	394
Subsequent Year's Budget Appropriation of Fund Balance	11,533	-	-	-	-	11,533
Other Purposes	265	-	-	-	-	265
Total Assigned	26,916	-	-	-	-	26,916
Unassigned (Deficit)	161,398	-	-	(4,954)	(3,276)	153,168
Total Fund Balance	$ 225,412	$ 351,413	$ 83,294	$ (4,954)	$ 103,910	$ 759,075

The County has established a General Fund reserve policy. The Board of County Commissioners set a goal of 15 percent of the current year's ongoing budgeted expenditures as a reserve. If the reserve is not at that level, the Board will increase the reserve by .5 percent of the General Fund budgeted expenditures each year until the 15 percent level is attained. The reserve may be used to stabilize revenues, retire outstanding debt or pay judgments.

IV. STEWARDSHIP AND ACCOUNTABILITY

At December 31, 2021, the following fund groups had deficit fund balances:

Fund Group	Fund Balance
Public Emergency Grants	$ (4,954)
Health and Community Services Grants	(1,033)
Judicial Services Grants	(2,062)
Public Safety Grants	(46)
Health Grants	(135)

These deficits were caused by deferring revenue for which eligibility requirements had not yet been met and/or the time lag between reimbursements for grant expenditures versus when the expenditures were incurred.

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The deficit net position of ($43,952) in the Paul Brown Stadium enterprise fund is due to the outstanding debt on the capital assets exceeding the cost of the assets net of depreciation.

V. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Moneys held by the County are classified by State statute into two categories:

1. Active moneys are public moneys determined to be necessary to meet current demand upon the County treasury. Active moneys must be maintained either as cash in the County treasury, in commercial accounts payable or withdrawable on demand, in negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.
2. Moneys held by the County that are not considered active are classified as inactive.

The County's Statement of Investment Policy, approved by the County's Investment Advisory Committee, authorizes investments permitted under Ohio law, which states that inactive moneys are to be deposited or invested in the following:

1. U.S. Treasury notes, bills, bonds or other obligations or securities issued by the U.S. Treasury, any other obligation guaranteed as to principal and interest by the United States, or any book-entry, zero-coupon U.S. security that is a direct obligation of the United States;
2. bonds, notes, debentures or any other obligations or securities issued directly by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Banks, Federal Home Loan Mortgage Corporation and Farmer Mac;
3. time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;
4. bonds and other obligations of the State of Ohio or its political subdivisions;
5. no-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service or consisting exclusively of obligations described in item 1, 2 or 4 above and repurchase agreements secured by such obligations;
6. the State Treasurer's investment pool (STAR Ohio);
7. securities lending agreements in which the County lends securities and the eligible institution agrees to simultaneously exchange either securities described in item 1 or 2 above or cash, equal value for equal value;
8. up to 25 percent of the County's total average portfolio in (a) high-grade commercial paper for a period not to exceed 270 days in an amount not to exceed 10 percent of the aggregate value of the issuing corporation's outstanding commercial paper or (b) bankers' acceptances for a period not to exceed 180 days (additional training for the County's investing authority is required for making investments in these categories);
9. up to 15 percent of the County's average portfolio in notes issued by U.S. corporations or by repository institutions doing business under authority granted by the United States provided the notes are rated in the three highest categories by at least two nationally recognized standard rating services at the time of purchase and the notes mature within two years from the date of purchase;
10. up to 1 percent of the County's average portfolio in debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the U.S. government, with all interest and principal denominated and payable in U.S. funds;
11. a current unpaid or delinquent tax line of credit authorized by Revised Code, provided that all of the conditions for entering into such a line of credit under that division are satisfied, or bonds and other obligations of a county land reutilization corporation organized under Revised Code, if the county land reutilization corporation is located wholly or partly within Hamilton County; or
12. written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and that the term of the agreement must not exceed 30 days.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives, as well as the issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are all prohibited. Investments may be made only through dealers and institutions as specified in Ohio Revised Code. Payment for

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investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information categorizes deposits and investments and identifies risks related to deposits and investments as defined in GASB Statement No. 3, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements,* and GASB Statement No. 40, *Deposit and Investment Risk Disclosures.*

Cash on Hand. At year-end, the County had $185 in undeposited cash on hand. This amount is included on the Statement of Net Position of the County as part of Equity in Pooled Cash and Investments.

Deposits—County. At year-end, the County's carrying amount of deposits was $376,160 and the bank balance was $368,859.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits may not be returned to it. The County's policy for deposits is that any balance not covered by the Federal Deposit Insurance Corporation will be collateralized by the financial institutions with pledged securities. Of the year-end bank balance, $6,096 was covered by federal depository insurance or by collateral held by the County's agent in the County's name. At December 31, 2021, $362,763 of the bank balance was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the County's name.

Investments—County. At December 31, 2021, investment balances were as follows:

	Fair Value Measurements Using				
Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Maturity	Standard & Poor's or Moody's Rating
Commercial Paper	$ 51,194	$ -	$ 51,194	Less than one year	A-1
Corporate Bonds	4,451	-	4,451	Less than five years	AA
Corporate Bonds	6,257	-	6,257	Less than five years	A
Comm. Paper/ Corp. Bonds	42,897	-	42,897	Less than five years	A
Municipal Bonds	4,439	-	4,439	Less than one year	AA
Municipal Bonds	4,577	-	4,577	Less than one year	SP-1
Municipal Bonds	8,615	-	8,615	Less than five years	AAA
Municipal Bonds	3,118	-	3,118	Less than five years	Aa
Municipal Bonds	4,530	-	4,530	Less than five years	AA
Municipal Bonds	7,725	-	7,725	More than five years	AA
US Government Agency Obligations	435,951	-	435,951	Less than five years	
U.S Treasury Notes	113,969	113,969	-	Less than five years	
Total Fair Value	$ 687,723	$ 113,969	$ 573,754		

The County 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 chart identifies the County's recurring fair value measurements as of December 31, 2021.

Credit Risk. Credit risk is the risk of loss due to the failure of the security issuer to pay principal or interest, or the failure of the issuer to make timely payments of principal or interest. It is the County's policy to minimize credit risk by limiting investments to only the safest types of securities and by diversifying its investment portfolio.

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Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County has implemented several controls to mitigate custodial risk. All security transactions are executed on a delivery versus payment basis. All securities are delivered to the County's custodian bank before payment is made to the broker dealer for the security. Securities delivered to the custodian are held in the name of the County. If the market conditions or liquidity needs require the sale of the security, the County will identify securities that mitigate the amount of the loss.

Concentration of Credit Risk. The County's investment policy provides for diversification to avoid undue concentration in one type of securities. The County has invested more than 5 percent of the County's investments in U.S. Treasury notes, U.S government agencies (Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association and Federal Farm Credit Banks) and Toyota Motor Credit Corporation.

Interest Rate Risk. Interest rate risk arises because fixed-income securities will increase or decrease in market value as interest rates fluctuate during the life of such securities. Accordingly, Ohio Revised Code requires that an investment must mature within ten years from the date of purchase unless matched to specific obligations or debt of the County, and must be purchased with the expectation that it will be held to maturity. Additionally, policy specifies that the portfolio be structured to diversify investments to reduce the risk of loss resulting from over-concentration of assets in a specific maturity or a specific type of investment.

Deposits—MSD. MSD has active deposits as described above. Its inactive deposits are public deposits that MSD has identified as not required for use within the current two-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. In addition to deposits of active and inactive moneys, MSD may have deposits of interim moneys. These are moneys that are not needed for immediate use but that will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

At December 31, 2021, the carrying amount of MSD's deposits totaled $143,463. Amounts held by the City are invested on MSD's behalf in accordance with the City's Municipal Code. These amounts are collateralized as part of the City's cash and investment balances.

Custodial Credit Risk (Defined Above). MSD's policy for deposits states that collateral is required for demand deposits and certificates of deposit at 105 percent, or 102 percent if the financial institution participates in the Treasurer of State's Ohio Pooled Collateral System, of all deposits not covered by federal deposit insurance. Protection of MSD's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the finance director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public moneys deposited with the institution. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities, school districts and district corporations. Obligations pledged to secure deposits must be delivered to a bank other than the institution in which the deposit is made. Written custodial agreements are required. Although the pledging bank has an investment and securities pool used to collateralize all public deposits, which are held in the financial institution's name, noncompliance with federal requirements could potentially subject MSD to a successful claim by the FDIC. The deposits not covered by federal depository insurance are considered uninsured and uncollateralized under the provisions of GASB 3 and subject to custodial credit risk.

For additional GASB 40 disclosure requirements, refer to the financial statements as of June 30, 2021, the most recent available, for the City of Cincinnati.

Investments—MSD. State statute, Board of County Commissioners' resolutions, and the 1985 Trust Indenture as amended, authorize MSD to invest in obligations of the U.S. Treasury, its agencies or its instrumentalities; certificates of deposit; repurchase agreements; money market deposit accounts; municipal depository funds; super NOW accounts; sweep accounts; separate trading of registered interest and principal of securities; mutual funds;

bonds and other obligations of the State; and the State Treasurer's investment pool. The following investment policies are the same for MSD as defined in the County's investment policy above: (1) limitations on repurchase agreements, (2) prohibited investments, and (3) guidelines governing dealers and payments. Investments made by MSD are summarized below:

Measurement/Investment or Deposits	Measurement Amount	Percent of Total Investments
Fair Value—Level 1 Inputs		
U.S. Treasury Securities	$ 128,829	28.67
Fair Value—Level 2 Inputs		
U.S. Agency Securities	172,504	38.39
Deposits Held by City of Cincinnati	143,463	31.93
Money Market Funds	4,537	1.01
Total County Investments	$ 449,333	100.00

MSD 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. U.S. Treasury securities, classified in Level 1, are valued using quoted market prices. U.S. Agency securities, classified in Level 2, are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data.

Custodial Credit Risk (Defined Above). Funds held by trustees are eligible investments as defined by the Trust Agreement and are in the name of the trustee for the benefit of MSD. As stated in GASB 40, obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality. The money market funds are invested in a treasury obligation fund with a Moody's credit rating of Aaa. MSD has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk. MSD uses the City of Cincinnati's investment policy, which addresses concentration of credit risk by requiring investments to be diversified to reduce risk of loss resulting from over-concentration of assets in a specific issue or class of security. The table above includes the percentage of each investment type held by MSD at December 31, 2021.

MSD has no policy that addresses interest rate risk.

Deposits—CFA. At December 31, 2021, the carrying amount of CFA deposits held by the trustee totaled $3,625 and the bank balance was $3,625. The moneys are held in custodial accounts at The Bank of New York Mellon and are not collateralized.

Investments—CFA. The trustee for the CFA holds no investments as of December 31, 2021.

The CFA's investment policy is limited by the Cooperative Agreement with the City and the County. The eligible investments include obligations guaranteed as to principal and interest by the United States or by an agency or instrumentality of the federal government or a no-load money market fund that consists of these obligations. The CFA may also invest in time certificates of deposits of eligible institutions; bonds and other obligations of the State, City or political subdivision of the State; Ohio subdivision's fund; and certain written repurchase agreements.

The CFA does not have a written credit risk policy, concentration of credit risk policy, investment rate risk policy or foreign currency risk policy.

Reconciliation of Balance Sheet Cash with Deposits and Investments. The classifications of cash and cash equivalents, and investments on the combined financial statements for the primary government are based on criteria set forth in GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting.* A reconciliation between the classifications of

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cash and investments on the combined financial statements and the classifications of deposits and investments, including MSD, presented above per GASB 3 is as follows:

Carrying Amount of Deposits	$ 500,913	Equity in Pooled Cash and Investments	$ 988,672
Carrying Amount of Investments	993,593	Cash and Cash Equivalents—Segregated Accounts	71,970
Total	$ 1,494,506	Cash and Cash Equivalents—Restricted	132,531
		Investments—Restricted	301,333
		Total	$ 1,494,506

B. Receivables

Receivables at December 31, 2021, consisted of taxes, interest, special assessments, accounts (billings for user-charged services, including unbilled utility services), and intergovernmental receivables arising from grants, entitlements and shared revenues. Property tax receivables and MSD's accounts receivable are shown net of an allowance for uncollectibles. Receivables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated, not only by supporting documentation but also by a reasonable, systematic method of determining their existence, completeness, valuation and collectability.

Property Taxes. Property taxes include amounts levied against real, public utility and tangible (personal) property. The assessed value by property classification upon which the 2021 tax collection was based is as follows:

Real Property—2021 Valuation:	
Residential/Agricultural	$ 15,711,507
Commercial/Industrial/Public Utilities	5,302,407
Public Utility Personal Property	1,259,789
Total Valuation	$ 22,273,703

Ohio law prohibits taxation of property by all overlapping taxing authorities in excess of 10 mills per dollar of assessed value without a vote of the people. Presently, the County levies 2.26 mills of this 10-mill limit for its General Fund. In addition to the 2.26 mills, voted levies in the amount of 16.90 mills have been approved for health and hospitalization, law enforcement, developmental disabilities and mental health, children's services, zoological parks, senior services and family treatment services.

A summary of the voted levies follows:

Purpose	Voter Authorized Rate[1]	Rates Levied for Current Year Collection[2]		Final Collection Year
		Residential/ Agricultural	Commercial/ Industrial	
Health and Hospitalization Services	4.07	1.63	2.64	2022
Police Information Center	0.54	0.16	0.29	Continuing
Developmental Disabilities	4.13	3.77	4.01	2024
Mental Health	2.99	1.57	2.26	2022
Children's Services	2.77	1.80	2.62	2021
Zoo	0.46	0.34	0.43	2023
Senior Services	1.60	1.25	1.53	2022
Family Services and Treatment	0.34	0.33	0.33	2024
Total Voted Millage	16.90	10.85	14.11	

[1]dollar amount per $1,000 of assessed valuation
[2]reduction factors applied to levies

Ohio law provides for a reduction in the rates of voted levies to offset increased values resulting from the reappraisal of real property. Reduction factors are applied to authorized voted levies so that each levy yields the same amount from real property taxes as in the year in which the levy was approved. The reduction factors are computed annually and applied separately for residential/agricultural property and commercial/industrial property. Increases to voted levy revenues occur with the addition of new construction that is added to the tax duplicate each year.

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The County Commissioners allocated approximately 5.79 percent of the ½ cent permissive sales tax receipts to reduce residential property taxes in the County. In 2021, this represented a .65 percent reduction for all owner-occupied homeowners in the County.

Taxes collected on real property (other than public utilities) in one calendar year are levied on the preceding calendar year's assessed values as of January 1 of that preceding year, the lien date. Assessed values are established the preceding year by the County Auditor at 35 percent of appraised market value. A physical reappraisal of all real property is required every six years, with a statistical update every third year. The last physical reappraisal was completed during 2017.

The County Treasurer bills and collects real property taxes on behalf of all taxing districts in the County, including the County. Taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20 of the following year. The County's practice is to extend the December 31 due date to January. Unpaid taxes become delinquent after December 31 of the year they are due with penalties and interest assessed. Foreclosure proceedings may be initiated by the County Prosecutor if delinquent taxes are not paid within one year.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the collection year, the lien date. The majority of public utility tangible personal property currently is assessed at 25 percent of its true value. Public utility taxes are payable on the same date as real property taxes described previously.

The County Auditor periodically remits to the taxing districts their portions of the taxes collected. The final settlements of real and public utility property taxes are made in April and August. Collections of the taxes and remittance of them to the taxing districts are accounted for in various custodial funds of the County. The County accrues property taxes as receivables since they can be measured and recorded when levied and recognized as deferred inflows since they are collected in advance of the year for which they are levied. Property taxes are recognized as revenue in the year for which they are levied.

Property tax revenues were recorded in the following funds in 2021:

General Fund	$ 44,762
Health and Human Services Levies Fund	257,355
Nonmajor Special Revenue Funds	437
Total Property Tax Revenues	$ 302,554

Property tax revenues include levies collected from both the current levy and delinquent levies. The cumulative delinquency as of December 31, 2021, was $24,596 of real and public utility taxes. The delinquent property tax revenue was not recorded in the financial statements due to the uncertainty of collection. Recording the delinquency would not have an impact on the fund balance of the County since it would be offset by a reserve for delinquent accounts.

Sales and Use Tax. On March 19, 1996, voters of Hamilton County approved a .5 percent increase (from .5 percent to 1.0 percent) in the County's general sales tax. The County Commissioners approved by resolution that this additional tax will be used for development of the riverfront area, including construction of the football and baseball stadiums. On October 15, 2019, the County Commissioners approved by resolution to adjust the County's general sales tax by a .25 percent increase effective April 1, 2020.

Vendor collections of sales tax are paid to the State Treasurer by the 25th day of the month following collection. The Ohio Department of Taxation (ODT) certifies to the Ohio Department of Budget and Management (OBM) the amount of the tax to be returned to the County. The ODT certification must be made within 45 days of the end of each month. The OBM then has 5 days in which to draw the warrant payable to the County.

Hotel Occupancy Tax. The CFA receives hotel occupancy tax quarterly from the County and City.

Intergovernmental. State subsidies for local property tax reductions are recorded as Intergovernmental Receivable when measurable and Intergovernmental Revenues when measurable and available. Federal and

State grants and assistance awards made on the basis of entitlement are recorded as Intergovernmental Receivable and Revenues when entitlement occurs. All other federal and State reimbursement-type grants and other intergovernmental reimbursements are recorded as receivables and revenues when the related expenditures/expenses are incurred. A summary of the Intergovernmental Receivables for the year ended December 31, 2021, follows:

Governmental Activities	Amount
General Fund:	
State Subsidies	$ 2,448
Casino Revenue	2,765
Communications	1
Sheriff	10
Prosecutor	18
Emergency Management Agency—Other	18
Juvenile Court	75
Domestic Relations Court	39
Probate Court	15
Clerk of Courts	17
Public Defender—Other	2,152
General Fund Total	7,558
Health and Human Services Levies—Special Revenue Fund:	
State Subsidies	10,414
Job and Family Services—Grants	5,384
Developmental Disabilities Services—Grants	1,487
Health and Human Services Levies Total	17,285
Health and Community Services Nongrants-Special Revenue Fund	
Job and Family Services - Grants	326
Mental Health and Recovery Services Board - Other	60
Health and Community Services Nongrants Total	386
Public Emergency Grants – Special Revenue Fund	
County Administration – Grants	93,468
Public Emergency Grants Total	93,468
Nonmajor Special Revenue Funds:	
Job and Family Services – Grants	13,570
Planning and Development—Grants	1,709
Sheriff—Grants	921
Prosecutor - Grants	36
Coroner—Grants	123
Emergency Management Agency—Grants	486
Juvenile Court—Grants	2,961
Municipal Court—Grants	226
Adult Probation—Grants	6,900
Engineer - Grants	387
Environmental Services—Grants	3,094
Health and Hospitalization Tax - Grants	74
Mental Health and Recovery Services Board—Grants	5,938
Engineer - Other	25
Nonmajor Special Revenue Funds Total	36,450
Governmental Activities Total	$ 155,147

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Loans. The Hamilton County Housing Rehab Program provides low-interest loans to income-qualifying homeowners to provide an affordable means for making major repairs on their homes. The program is funded by the Board of County Commissioners through the Hamilton County Community Block Grant Program, with funds from the U.S. Department of Housing and Urban Development. Funds from loan repayments by previous program recipients are made available for use through a revolving loan fund. These loans ($88) are classified as Accounts Receivable on the Balance Sheet—Governmental Funds.

In 2002, the County Commissioners adopted the Home Improvement Program (HIP). HIP allows homeowners in Hamilton County to borrow money from banks to repair or remodel their homes or rental property at interest rates 3 percent below the lowest rate the banks would normally offer.

C. Restricted Assets

Restricted assets in the enterprise funds include the following cash, cash equivalents and investments:

Restricted Cash and Cash Equivalents:	
Held by the City of Cincinnati:	
Construction Account	$ 57,193
Amount to Be Transferred to Surplus Account	66,352
Held by Trustees	8,986
Total Restricted Cash and Cash Equivalents	132,531
Restricted Investments:	
Held by Trustees—Held to Maturity	301,333
Total Restricted Assets	$ 433,864

D. Capital Assets

Capital asset activity for the year ended December 31, 2021 was as follows:

	Balance 1/1/2021	Additions	Reductions	Balance 12/31/2021
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land and Improvements	$ 95,889	$ -	$ (53)	$ 95,836
Construction in Progress	65,337	11,797	(66,752)	10,382
Total Capital Assets Not Being Depreciated	161,226	11,797	(66,805)	106,218
Capital Assets Being Depreciated:				
Land Improvements	679	-	-	679
Buildings, Structures and Improvements	382,958	54,984	(687)	437,255
Infrastructure	744,547	11,122	-	755,669
Furniture, Fixtures and Equipment	94,940	4,213	(3,392)	95,761
Total Capital Assets Being Depreciated	1,223,124	70,319	(4,079)	1,289,364
Less Accumulated Depreciation:				
Land Improvements	(494)	(55)	-	(549)
Buildings, Structures and Improvements	(331,692)	(6,563)	687	(337,568)
Infrastructure	(640,272)	(10,143)	-	(650,415)
Furniture, Fixtures and Equipment	(72,800)	(3,618)	3,272	(73,146)
Total Accumulated Depreciation	(1,045,258)	(20,379)	3,959	(1,061,678)
Capital Assets Being Depreciated, Net	177,866	49,940	(120)	227,686
Governmental Activities Capital Assets, Net	$ 339,092	$ 61,737	$ (66,925)	$ 333,904

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	Balance 1/1/2021	Additions	Reductions	Balance 12/31/2021
Business-Type Activities				
Capital Assets Not Being Depreciated:				
Land	$ 114,356	$ 4,326	$ -	$ 118,682
Construction in Progress	529,145	119,184	(156,209)	492,120
Total Capital Assets Not Being Depreciated	643,501	123,510	(156,209)	610,802
Capital Assets Being Depreciated:				
Depreciable Land Improvements	-	320	-	320
Buildings, Structures and Improvements	1,367,443	52,971	-	1,420,414
Sewer Laterals	1,348,645	78,642	(6,313)	1,420,974
Furniture, Fixtures and Equipment	784,685	26,407	(840)	810,252
Total Capital Assets Being Depreciated	3,500,773	158,340	(7,153)	3,651,960
Less Accumulated Depreciation:				
Depreciable Land Improvements	-	(16)	-	(16)
Buildings, Structures and Improvements	(816,154)	(45,303)	-	(861,457)
Sewer Laterals	(565,642)	(33,707)	-	(599,349)
Furniture, Fixtures and Equipment	(391,918)	(24,354)	814	(415,458)
Total Accumulated Depreciation	(1,773,714)	(103,380)	814	(1,876,280)
Capital Assets Being Depreciated, Net	1,727,059	54,960	(6,339)	1,775,680
Business-Type Activities Capital Assets, Net	$ 2,370,560	$ 178,470	$ (162,548)	$ 2,386,482

Construction in Progress includes assets that upon completion will be transferred to the governmental activities, MSD, or other enterprise funds. MSD's Sewer Laterals category includes two types of assets: sewer laterals, which are depreciated, and study assets, which are amortized. In the financial statements, Depreciation and Amortization expense in the financial statements includes study assets amortization expense of $6,313, shown in the table above as a reduction of the Sewer Laterals.

Depreciation expense was charged to functions/funds as follows:

Governmental Activities	
General Government	$ 6,164
Judicial	297
Public Safety	1,282
Social Services	235
Health	1,202
Public Works	10,976
Environmental Control	128
Internal Service Funds—Charged to Functions Based on Usage	95
Total Depreciation Expense	$ 20,379
Business-Type Activities	
MSD	$ 61,500
Paul Brown Stadium	15,600
Baseball Stadium	14,093
Other Enterprise Funds	12,187
Total Depreciation Expense	$ 103,380

E. Interfund Balances and Transfers

Interfund balances at December 31, 2021, consisted of the following amounts and represent charges for services or reimbursable expenses.

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Due to/from balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting records and (3) payments are made between funds. All are expected to be paid within one year.

	Due from Other Funds			
Due to Other Funds	General Fund	Health and Community Services Nongrants	Nonmajor Governmental Funds	Total
General Fund	$ 1	$ -	$ 15	$ 16
Health and Human Services Levies	1,098	362	4,088	5,548
Health and Community Services Nongrants	275	-	159	434
Other Governmental Funds	770	26	383	1,179
Total	$ 2,144	$ 388	$ 4,645	$ 7,177

Due to Other Governments represents the return of residual funds by the CFA.

Advances to/from balances are amounts that are owed, other than charges for goods and services rendered, by a particular fund to another fund and that are not due within one year. Interfund receivables/payables represent manuscript bonds issued by the County and purchased by the Health and Human Services Levies Fund. TIF (tax increment financing) revenues will be used for repayment.

	Receivables		Payables	
	Manuscript Bonds	Advances to Other Funds	Manuscript Bonds	Advances from Other Funds
General Fund	$ -	$ 31,686	$ -	$ -
Health and Human Services Levies	18,895	-	-	-
Other Governmental Funds	-	1,400	-	20,286
Other Enterprise Funds	-	-	18,895	12,800
Totals	$ 18,895	$ 33,086	$ 18,895	$ 33,086

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, to segregate money for anticipated capital projects, to provide additional resources for current operations or debt service, and to return money to the fund from which it was originally provided once a project is completed. Interfund transfers for the year ended December 31, 2021, consisted of the following:

	Transfers Out						
Transfers In	General Fund	Health and Human Services Levies	Health and Community Services Nongrants	Nonmajor Governmental Funds	Baseball Stadium	Nonmajor Enterprise Funds	Total
General Fund	$ -	$ -	$ 50	$ 313	$ -	$ -	$ 363
Health and Human Services Levies	2,166	-	-	-	-	-	2,166
Health and Community Services Nongrants	3,715	875	-	-	-	-	4,590
Nonmajor Governmental Funds	20,910	-	-	137	-	1,253	22,300
Baseball Stadium	-	-	-	-	-	247	247
Nonmajor Enterprise Funds	18,800	-	-	-	220	-	19,020
Total	$ 45,591	$ 875	$ 50	$ 450	$ 220	$ 1,500	$ 48,686

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F. Long-Term Debt and Other Obligations

The long-term obligations of the County payable as of December 31, 2021, are as follows:

Governmental Activities	Maturity	Interest Rate %	Balance January 1	Additions	Reductions	Balance December 31	Due in One Year
Long-Term Debt							
Year Issued/Purpose/Amount Issued							
General Obligation Bonds—Unvoted							
2001 Various Purpose—$1,455	2021	3.00-5.00	$ 75	$ -	$ (75)	$ -	$ -
2001 Water West Phase 2—$1,660	2021	3.00-5.00	120	-	(120)	-	-
2006 Emergency Mgmt. and Ops. Ctr.—$725	2025	4.00-4.50	250	-	(45)	205	50
2011 Energy Conservation—$5,512	2040	2.40-5.25	2,902	-	(419)	2,483	443
2012 Energy Conservation Phase 1—$9,400	2027	2.0-3.125	4,770	-	(635)	4,135	650
2015 Improvement and Refunding—$10,830	2030	3.00-5.00	3,927	-	(1,530)	2,397	335
2017 Various Purpose Refunding—$81,997	2039	4.00-5.00	62,617	-	(2,610)	60,007	2,740
Deferred Amounts:							
For Issuance Premiums			9,086	-	(1,422)	7,664	-
Total General Obligation Bonds—Unvoted			83,747	-	(6,856)	76,891	4,218
Special Assessment Bonds							
2001 Sewer District—$150	2021	4.00-5.10	10	-	(10)	-	-
2002 Sewer District—$295	2022	3.50-5.05	40	-	(20)	20	20
2003 Sewer District—$460	2023	1.25-5.75	95	-	(30)	65	30
2004 Water and Sewer—$625	2024	1.8-4.9	155	-	(35)	120	40
2005 Sewer District—$110	2025	4.35-4.40	35	-	(5)	30	5
2006 Sewer District—$76	2026	4.65-4.75	23	-	(4)	19	4
2007 Sewer District—$750	2027	4.15-4.65	335	-	(45)	290	40
2008 Sewer District—$262	2028	4.625-5.50	130	-	(15)	115	15
2009 Sewer District—$710	2029	2.50-4.50	375	-	(40)	335	35
2010 Sewer District—$387	2030	2.00-4.35	215	-	(15)	200	20
2011 Sewer District—$275	2031	4.75	170	-	(15)	155	15
Total Special Assessment Bonds			1,583	-	(234)	1,349	224
Total Governmental Long-Term Debt			85,330	-	(7,090)	78,240	4,442
Other Long-Term Liabilities							
Compensated Absences			50,664	50,231	(50,573)	50,322	3,543
State Loans			3,533	-	(318)	3,215	236
Loan Contracts			2,558	-	(184)	2,374	184
Forgivable Mortgage			520	-	(67)	453	68
Claims Payable			563	264	(562)	265	224
Net Pension Liability			312,959	-	(74,497)	238,462	-
Net Other Postemployment Benefit Liability			216,483	-	(216,483)	-	-
Total Governmental Long-Term Liabilities			$ 672,610	$50,495	$ (349,774)	$ 373,331	$8,697

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Business-Type Activities	Maturity	Interest Rate %	Balance January 1	Additions	Reductions	Balance December 31	Due in One Year
Long-Term Debt							
Year Issued/Purpose/Amount Issued							
MSD Obligations							
2020 Series A Refunding Revenue Bonds--$74,525	2035	4.00-5.00	$ 74,525	$ -	$ (4,020)	$ 70,505	$ 6,070
2019 Series A Direct Placement Revenue Bonds—$107,970	2034	4.00-5.00	107,970	-	(5,650)	102,320	5,865
2015 Series A Revenue Bonds—$52,520	2025	3.00-5.00	11,460	-	(3,670)	7,790	1,810
2014 Series A Revenue Bonds—$162,650	2032	4.00-5.00	124,365	-	(8,895)	115,470	9,330
2013 Series A & B Revenue Bonds—$258,695	2038	0.45-5.00	150,465	-	(7,765)	142,700	8,155
Ohio Water and Sewer Rotary Commission	-	-	50	-	-	50	-
Ohio Public Works Commission (OPWC)	2041	0.00-3.00	355	-	(74)	281	39
Water Pollution Control Loan Fund (WPCLF)	2018	0.00-3.00	379,947	6,863	(20,143)	366,667	22,069
Capital Lease Payable	2029	2.00-5.00	8,150	-	(745)	7,405	780
Deferred Amounts:							
For Issuance Premiums			81,131	-	(5,881)	75,250	-
Total MSD Obligations			938,418	6,863	(56,843)	888,438	54,118
Sales Tax Bonds							
2000 Stadium Series B—$349,992	2032	5.57	37,888	-	(3,938)	33,950	4,092
2011 Refunding Bonds A—$72,665	2032	2.00-5.00	60,465	-	(60,465)	-	-
2016 Refunding Bonds—$324,035	2032	3.00-5.00	244,525	-	(15,865)	228,660	16,830
2021 Refunding Bonds - $46,290	2032	5.00	-	46,290	-	46,290	-
Deferred Amounts:							
For Issuance Discounts			(862)	-	85	(777)	-
For Issuance Premiums			37,148	13,880	(7,337)	43,691	-
Total Sales Tax Bonds			379,164	60,170	(87,520)	351,814	20,922
General Obligation							
2007 Various Purpose Refunding—$7,335	2024	3.75-4.15	1,805	-	(420)	1,385	445
2014 Riverfront Infrastructure Improvement—$19,030	2028	2.00-5.00	1,245	-	(1,245)	-	-
2015 Improvement and Refunding Bonds—$14,400	2030	3.00-5.00	10,828	-	(60)	10,768	1,315
2017 Various Purpose Improvement and Refunding Bonds—$15,378	2030	3.00-5.00	27,493	-	(920)	26,573	1,225
2021A Parking Facilities Bonds - $36,290	2040	5.00	-	36,920	(1,715)	35,205	1,150
For Issuance Discounts			(1)	-	-	(1)	-
For Issuance Premiums			4,554	10,634	(1,336)	13,852	-
Total General Obligation Bonds			45,924	47,554	(5,696)	87,782	4,135
Total Business-Type Long-Term Debt			1,363,506	114,587	(150,059)	1,328,034	79,175
Other Long-Term Liabilities							
Compensated Absences			11,375	6,085	(7,524)	9,936	4,745
Urban Redevelopment Loan			2,105	-	(579)	1,526	296
MSD Net Pension Liability			428,850	55,976	(367,280)	117,546	-
MSD Net Other Postemployment Benefit Liability			2,069	(2,319)	250	-	-
Total Business-Type Long-Term Liabilities			$ 1,807,905	$174,329	$(525,192)	$ 1,457,042	$ 84,216

Convention Facilities Authority	Maturity	Interest Rate %	Balance January 1	Additions	Reductions	Balance December 31	Due in One Year
Long-Term Debt							
Year Issued/Purpose/Amount Issued							
CFA Obligations							
2014 First Lien Improvement Bonds—$69,890	2033	2.00-5.00	$ 52,975	$ -	$ (3,310)	$ 49,665	$ 3,475
Deferred Amounts:							
For Issuance Premium			5,453	-	(455)	4,998	-
Total CFA Obligations			$ 58,428	$ -	$ (3,765)	$ 54,663	$ 3,475

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Annual principal and interest requirements for the County's long-term debt are as follows:

	Governmental Activities			
	General Obligation Bonds		Special Assessment Bonds	
Year	Principal	Interest	Principal	Interest
2022	$ 4,218	$ 3,986	$ 224	$ 63
2023	4,414	3,783	219	52
2024	4,612	3,551	183	41
2025	4,595	3,307	164	33
2026	4,759	3,059	149	26
2027-2031	19,209	11,714	410	41
2032-2036	21,280	5,847	-	-
2037-2041	6,140	456	-	-
Total	$ 69,227	$ 35,703	$ 1,349	$ 256

	Business-Type Activities			
	MSD*		General Obligation Bonds	
Year	Principal	Interest	Principal	Interest
2022	$ 54,118	$ 29,750	$ 4,135	$ 3,644
2023	56,248	27,597	4,365	3,467
2024	58,393	25,394	4,645	3,253
2025	60,009	23,091	3,567	3,039
2026	62,771	20,707	3,763	2,861
2027-2031	283,006	67,433	22,081	11,089
2032-2036	151,943	22,472	19,030	6,033
2037-2041	43,244	5,223	12,345	1,424
2042-2046	22,698	2,393	-	-
2047-2051	20,708	765	-	-
Total	$813,138	$224,825	$ 73,931	$ 34,810

*This represents the WPCLF loan balances outstanding at 12/31/2021. The total WPCLF loan availability is $406,047.

	Business-Type Activities	
	Sales Tax Bonds	
Year	Principal	Interest
2022	$ 20,922	$ 23,569
2023	22,104	23,778
2024	22,665	24,187
2025	23,653	23,938
2026	23,326	24,702
2027-2031	152,660	82,815
2032-2036	43,570	1,840
Total	$308,900	$204,829

	CFA	
	Improvement Bonds	
Year	Principal	Interest
2022	$ 3,475	$ 2,366
2023	3,650	2,192
2024	3,830	2,010
2025	4,030	1,818
2026	4,230	1,617
2027-2031	21,340	5,049
2032-2033	9,110	689
Total	$ 49,665	$ 15,741

Long-Term Bonds. All long-term bonds of the County are retired from the debt service funds except for debt payable from enterprise funds. General obligation bonds and notes are backed by the County's ability to levy a voted or unvoted property tax within limitations of State law. General obligation special assessment bonds are backed by the County's ability to levy an assessment against individual property owners within limitation of State law. The County is liable for this debt in the event of default by the property owners subject to the assessment. At year-end, delinquent receivables related to special assessment debt was $39. Sewer revenue bonds are backed by user charges against individual ratepayers. Sales tax bonds are backed by a lien on the receipts of an

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additional .5 percent sales tax approved by the County voters on March 19, 1996. The available pledged revenues and principal and interest requirements for 2021 were as follows:

	Net Income Available for Debt Service	Principal and Interest Requirements
Sewer Revenue Bonds	$ 153,590	$ 53,169
Sales Tax Bonds	92,639	42,679
Special Assessment Bonds	501	459

General obligation bonds are generally issued as 20-year serial bonds with various amounts of principal maturing each year. Under State law applicable to the County, general obligation bond anticipation notes may be issued from time to time up to a maximum maturity of 20 years from the date of issuance of the original notes.

The Uniform Bond Law of the State of Ohio provides that the total net indebtedness created or incurred by any county shall never exceed a sum equal to 3.0 percent of the first $100,000 or part of the tax list, plus 1.5 percent of the tax list in excess of $100,000 and not in excess of $300,000, plus 2.5 percent of the tax list in excess of $300,000. In addition, the net indebtedness created or incurred by any county without vote of the electors shall never exceed a sum equal to 1.0 percent of the tax list of the county. Contained in the Uniform Bond Law of the State of Ohio are exceptions for debt limitations. Among the kinds of debt exempted are debt issued for special assessments, sewer works, self-supported revenue bonds and jail facilities.

The total voted and unvoted non-exempt debt of the County that could be issued subject to the 3.0 percent, 1.5 percent and 2.5 percent limitation described above is $555,343. The total County net debt subject to this limitation is $160,804, leaving a borrowing capacity of $394,539 within the limitation from combined voted and unvoted non-exempt debt. The total County unvoted, non-exempt debt that could be issued subject to the 1.0 percent limitation is $222,737. The total County debt subject to such limitation is $160,804, leaving a borrowing capacity of $61,933 within the 1.0 percent limitation for unvoted non-exempt debt.

2021 General Obligation Bonds. In April 2021, the County issued $36,920 of Parking Facilities Limited Tax General Obligation Bonds, Series 2021A. Proceeds of the bonds were used to finance the construction of three parking facilities and to pay certain costs of issuance. The bonds carry an interest rate of 5% and have a final maturity date of December 1, 2040.

2021 Sales Tax Refunding Bonds. In October 2021, the County issued $46,290 of Sales Tax Refunding Bonds, Series 2021A. Proceeds of the bonds were used to (1) currently refund the 2011A Sales Tax Refunding Bonds maturing on or after December 1, 2022, and (2) pay costs of issuance. The bonds carry interest rates of 3 to 5 percent and have a final maturity date of December 1, 2032. The refunded bonds ($59,700) are considered defeased and the liability for those bonds removed from the Statement of Net Position. The difference between the cash flows required to service the old debt and the cash flows required to service the new debt and complete the refunding is $17,045. The refunding resulted in an economic gain of $15,901.

Series A and B Revenue Bonds. In 2020, 2015, 2014, 2013 and 2010, MSD issued County of Hamilton, Ohio, Series A Sewer System Refunding Revenue bonds. In 2010 and 2013, MSD also issued Series B Sewer System Refunding Revenue bonds. In 2009, MSD issued Series A Sewer System Improvement Revenue Bonds. In 2009 and 2010, MSD also issued Series B Sewer System Improvement Revenue Bonds (Build America Bonds). The proceeds of all of these bonds were used to permanently fund certain previous capital expenditures, provide funds for new projects, defease portions of previous bond issues, fund the new bond reserve requirements and pay the costs of issuance. The 2010 and 2009 bonds may be redeemed prior to their maturities in accordance with provisions of the bond resolutions. The redemption process for the bonds includes declining premiums up to 2 percent of principal. Under the terms of the amended revenue bond trust indenture, MSD has agreed to certain covenants, among other things to restrict additional borrowing, maintain rates sufficient to meet debt service requirements and maintain specified balances under trust agreements. The revenue bond issues contain covenants that require MSD to maintain a maximum level of debt service coverage of 125 percent.

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Ohio Water and Sewer Rotary Commission. Advances from the Ohio Water and Sewer Rotary Commission represent tap-in fees and acreage assessments to be forwarded to the Commission upon collection from customers. Such advances do not bear interest unless they are determined to be in default.

Ohio Public Works Commission. MSD has entered into agreements with the Ohio Public Works Commission (OPWC) for financing of certain qualified capital projects. As the projects progress, the commitments are drawn down as funds are paid by OPWC directly to the contractors. The principal is repayable in semi-annual installments to the date of maturity for each project.

Water Pollution Control Loan Fund. MSD has received low-interest loan commitments from the Ohio Water Pollution Control Loan Fund for certain qualified projects. As the projects progress, the commitments are drawn down. The principal is repayable in semi-annual installments to the date of maturity of each project.

Prior Defeased Debt. The County, MSD and CFA have defeased various general obligation serial bonds and revenue serial bonds through refinancing and operations. Separate irrevocable trust funds are established and funded to fully service defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and is not included in the financial statements. At December 31, 2021, $4,235 general obligation bonds were considered defeased. For MSD and CFA, the amount of defeased debt outstanding was $296,085 and $34,395, respectively.

Revenue Bonds. In 2014, the CFA issued First Lien Improvement Bonds for $69,890 for the purpose of funding new projects and for refunding the 2004 First and Second Lien Improvement Bonds. The 2014 bonds have a final maturity date of December 1, 2033, and carry interest rates of 2–5 percent. The revenues pledged to the trustee to support the debt include the County 3.5 percent, City 2002 1.5 percent and City 1.0 percent hotel tax.

Capital Lease. MSD issued a capital lease for a new engineering building in 2010. The capital asset acquired under the lease is $15,000. This lease obligation meets the criteria of a capital lease as defined by Financial Accounting Standards Board guidance. The MSD asset is reported with other buildings in the capital asset activity in note V D.

The following is a schedule of the future minimum lease payments required under MSD's capital lease:

Year Ending December 31	MSD
2022	$ 1,096
2023	1,065
2024	1,067
2025	1,067
2026	1,068
2027-2029	3,326
Total Minimum Lease Payments	8,689
Less Amount Representing Interest	(1,284)
Present Value of Minimum Lease Payments	$ 7,405

Compensated Absences. Employees with a minimum of one year of service become vested in accumulated unpaid vacation time. For County employees, Ohio law requires that vacation time not be accumulated for more than three years. Normally, all vacation time is to be taken in the year available unless administrative approval for carryover is obtained. Unpaid vacation time is payable upon termination of employment. In general, employees are eligible to be paid for unpaid overtime and unused compensatory time upon termination of employment. A portion of unpaid sick time is payable upon retirement. All sick, vacation and overtime/compensatory time payments are made at the employee's current wage rate. The liability is accrued by fund and is reported in the Statement of Net Position. The County pays obligations related to employees' compensation from the funds benefitting from their service. Typically, the General Fund has been used to liquidate compensated absences liabilities.

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Other Long-Term Obligations. Other long-term obligations of the County consist of (1) six loans from the State of Ohio for road improvement projects, (2) a State loan used for the riverfront development, (3) a forgivable mortgage for renovation work on a building, (4) loan contracts for the purchase of and improvement to various properties in the County, (5) claims payable estimate for workers' compensation and (6) net pension liability. These are reported as part of Long-Term Liabilities in the government-wide Statement of Net Position.

State Loans. The Hamilton County Engineer's Office has six interest-free loans with the Ohio Public Works Commission. These were fully issued in 2008, 2015, 2016 (two), 2019 and 2020, in the amounts of $1,553, $555, $540, $301, $341, and $1,460, respectively. Repayment has commenced on all of the loans. The final maturity dates range from 2029 to 2041. The proceeds of all of these loans are being used to finance road improvement projects. The loans will be repaid from the County's permissive auto tax.

In October 2009, the County secured a loan for $5,475 from the State to be used for the riverfront development. The loan is secured by shared TIF (Tax Increment Financing) revenues of the County and the City of Cincinnati. Repayment of the loan began in 2015 and will conclude in 2024. The interest rate for the first five years is 0 percent. Thereafter, the interest rate is 3 percent.

Annual principal and interest requirements for the State loans are as follows:

	Engineer	Riverfront Development	
Year	Principal	Principal	Interest
2022	$ 236	$ 296	$ 21
2023	236	606	29
2024	236	624	10
2025	236	-	-
2026	235	-	-
2027-2031	945	-	-
2032-2036	728	-	-
2037-2041	363	-	-
Total	$ 3,215	$ 1,526	$ 60

Forgivable Mortgage. In 2003, a forgivable mortgage in the amount of $1,697, to be used for improvement to a facility, was executed between Hamilton County Alcohol and Drug Addiction Services (now part of the Mental Health and Recovery Services Board—MHRSB) and Ohio Department of Alcohol and Drug Addiction Services. The contract provides that the property must be used to provide alcohol and other drug services for a period of 25 years from contract inception. Should MHRSB discontinue alcohol and other drug services at this facility, the balance of the contract would become due immediately. The balance on the mortgage will be reduced each month through August 2028. There is no interest charged on this obligation.

Year Ending December 31	Mortgage Forgiveness
2022	$ 68
2023	68
2024	68
2025	68
2026	68
2027-2031	113
Total	$ 453

Loan Contracts. The County's loan contracts are made between the Hamilton County Mental Health and Recovery Services Board (MHRSB) and the Ohio Department of Mental Health (ODMH), for the purchase of and improvement to various properties in the County for use in providing mental health services. The terms of the contracts are essentially equivalent to a mortgage on the property, with MHRSB being obligated to provide mental health services for a period of 40 years from the inception of the contract. Should MHRSB discontinue mental

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health services at a particular facility, the balance of the contract would become due immediately. Failure to pay the balance could result in foreclosure by ODMH. The balance due is reduced on a month-by-month basis over the term of the contract as long as the facility is used for mental health services. The amount outstanding on these loan contracts at December 31, 2021, amounted to $2,374. There is no interest charged on these obligations.

Year Ending December 31	Loan Contracts Forgiveness
2022	$ 184
2023	183
2024	184
2025	183
2026	184
2027-2031	863
2032-2036	378
2037-2041	118
2042-2046	76
2047-2051	21
Total	$ 2,374

Claims Payable. Claims payable represent the County's estimated liability for workers' compensation coverage for all employees. Claims will be paid from the Workers' Compensation Reserve internal service fund (see note VI A).

Net Pension Liability and Net Other Postemployment Benefits Liability. The County's and MSD's long-term liabilities for net pension are $238,462 and $117,546, respectively. Neither the County nor MSD had a net other postemployment benefits liability in 2021. (See also notes VI F-J.) The County pays obligations related to employees' compensation from the funds benefitting from their service.

Conduit Debt Obligations. Periodically, the County issues Hospital Facility, Economic Development, Health-Care System or Facility, Multifamily Housing or Student Housing revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of facilities deemed to be in the public interest. These bonds are backed by the property financed and are payable solely from payments received on the underlying mortgage loans. The bonds do not constitute a debt or pledge of the full faith and credit of the County and, therefore, are not reported in the financial statements. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. As of December 31, 2021, the aggregate principal amount outstanding for these bonds was as follows:

Hospital Facilities	$ 1,701,337
Economic Development	73,110
Health-Care Systems and Facilities	59,180
Multifamily Housing	11,760
Student Housing	39,710
Total	$ 1,885,097

G. Leases

Operating Leases—Lessee. At December 31, 2021, the County had entered into various long-term operating leases for office and storage space and for land for communications towers. The lease terms range from 2 years to 11 years. Operating lease payments are recorded in the period they are paid. These payments are made from the General Fund and from nonmajor special revenue funds. Sublease payments are made from nonmajor special

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revenue and enterprise funds. Operating lease payments, excluding subleases, for 2021 amounted to $1,535. Sublease payments totaled $195. Future rental obligations are as follows:

Year Ending December 31	Operating Lease Payments Governmental Activities	Sublease Payments Governmental Activities	Sublease Payments Business-Type Activities
2022	$ 1,334	$ 192	$ 6
2023	1,213	97	6
2024	1,241	0	6
2025	1,269	0	6
2026	1,297	0	6
2027-2031	0	0	11
Total	$ 6,354	$ 289	$ 41

Operating Leases—Lessor. The County has contractual agreements for the rental of properties, including stadiums, office space, retail space, adult educational and residential facilities, land and communications towers, to commercial and not-for-profit enterprises. These rentals are reported as operating leases for accounting purposes. Total rent received in 2021 was $341 in governmental funds and $180 in business-type funds.

In June of 1999, the County entered into a 35-year lease agreement with the Cincinnati Reds. Terms of the lease state that the Reds will pay the County $2,500 a year for the first 9 years, beginning in 2003, and $1 (amount not in thousands) a year for the remaining 26 years. In 2009, the lease was amended. The new agreement calls for the Reds to pay the County $1,500 per year through 2011 and $1 (amount not in thousands) per year to 2037. Additionally, there was an annual utility reimbursement through 2011 of $625.

In May of 1997, the County entered into a contract that binds the Cincinnati Bengals from the date of the newly constructed stadium to June 30, 2026. The Bengals in turn agreed to pay the County rent for the first 9 years after the stadium was completed. That final rental payment was received in 2009. The lease agreement was amended in 1998, 2000, 2010, and 2014. The Bengals paid base rent of $500 (through 2018) plus one-fifth of $117 over five years, based on the amount over $10,000 the County spent to purchase and install the new scoreboard. Additionally, in 2015, there was a onetime addition to rent of $471 as part of the agreement that the County would pay to extend the ribbon board in the stadium.

Future rental revenues for leases are as follows:

Year Ending December 31	Operating Lease Revenues Business-Type Activities	Governmental Activities
2022	$ 122	$ 296
2023	45	168
2024	32	148
2025	27	64
2026	3	0
Total	$ 229	$ 676

Assets and accumulated depreciation related to the operating leases, as of December 31, 2021, are included in the financial statements as follows:

	Business-Type Activities	Governmental Activities
Land	$ 85,629	$ 204
Buildings	703,397	10,424
Less Accumulated Depreciation	(515,331)	(8,803)
Total Net Book Value	$ 273,695	$ 1,825

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VI. OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; injuries to employees; employee health claims; unemployment compensation claims; and environmental damage. The County purchases commercial insurance to cover losses due to theft of, damage to or destruction of assets, and purchases general liability insurance for specific operations and professional liability insurance for certain operations. All other risks of loss are retained by the County. There has been no reduction in insurance coverage or limits from coverage provided in 2020. Over the past three years, claim amounts from risks covered by commercial insurance have not exceeded the specific policy's limit.

The County retains risk of loss related to court judgments resulting from tort and general liability claims of County officials and employees. A portion of the General Fund balance has been assigned for paying potential court-ordered judgments, and at December 31, 2021, this amounted to $265.

Beginning in 1990, the County established an internal service fund titled Workers' Compensation Reserve to account for and finance its workers' compensation claims risk. All departments of the County participate in the program and make per capita payments to the internal service fund. The claims liability reported in the workers' compensation internal service funds at December 31, 2021, is based on the requirements of Governmental Accounting Standards Board Statement No. 30, *Risk Financing Omnibus,* which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. In 2021, the County used a prospectively billed program provided under the Bureau of Ohio Workers' Compensation to cover injured workers' claims.

The historical changes in claims payable during the past two years are as follows:

Year	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance
2020	$ 711	$ 436	$ (584)	$ 563
2021	563	264	(562)	265

The County provides employees' health-care coverage through a self-insurance program. The County maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. Anthem reviews all claims for Anthem plans, which are then paid by the County. Separately, the County purchases stop-loss coverage from SunLife of $500 per employee.

The County pays into the self-insurance internal service fund based on one of three plan options, according to the grid below (amounts not rounded). In 2021, the County collected the majority of the monthly employer cost of the plans on a quarterly basis. The premium is paid by the fund that pays the salary for the employee and is based on historic cost information.

Medical Insurance	Coverage Level	Monthly Plan Value	Monthly Employer Cost	Monthly Employee Contribution	Biweekly Employee Contribution
Blue $3,000	Single	$ 624.29	$ 568.10	$ 56.19	$ 25.93
	Double	1,248.08	1,135.75	112.33	51.84
	Family	1,960.54	1,784.09	176.45	81.44
Green $1,500	Single	693.66	610.42	83.24	38.42
	Double	1,386.77	1,220.36	166.41	76.81
	Family	2,178.37	1,916.97	261.40	120.65
Orange $500	Single	815.12	529.83	285.29	131.67
	Double	1,629.60	1,059.24	570.36	263.24
	Family	2,559.83	1,663.89	895.94	413.51

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A portion of the claims liability ($4,778) reported in the Medical Self-Insurance Fund at December 31, 2021, is estimated by the external actuarial and is based on the requirements of GASB 30, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the self-insurance fund's claims liability payable during the past two years are as follows:

Year	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance
2020	$ 4,700	$ 55,248	$ (55,208)	$ 4,740
2021	4,740	47,585	(46,446)	5,879

The County participates in the Ohio Fire Marshall Underground Storage Tank Insurance program for environmental risks of underground fuel storage tanks.

MSD is part of the City of Cincinnati Risk Management Program. The City purchases (1) commercial insurance to cover losses due to theft of, damage to or destruction of assets, (2) general liability insurance for specific operations and (3) professional liability insurance for certain operations. All other risks of loss are self-insured. Separately, MSD carries property insurance pursuant to an all-risk policy on MSD's buildings and equipment per the revenue bond trust agreement. There has been no reduction in coverage since 2003. Insurance settlements for claims resulting from risks covered by commercial insurance have not exceeded the insurance coverage in any of the past four years.

B. Related Party Transactions

Cincinnati Water Works provides billing and collection services on customers' accounts for MSD. Fees for these services for 2021 were $6,136. Fees are also paid to other municipalities and villages within the County for collection of sewerage bills.

The City of Cincinnati provides overhead services to MSD, such as check disbursement and investment and legal services. The fees for these services for 2021 were $2,505. In addition, the City's Municipal Garage provides gasoline and repairs vehicles for MSD. Fees for these services were $1,557 for 2021.

C. Jointly Governed Organizations

The County's Board of Developmental Disabilities is a participant in the Southwestern Ohio Council of Governments (COG). The Council consists of members representing each of the participating counties. Other County Boards of Developmental Disabilities may petition for membership to the Council; however, membership must be approved by a two-thirds vote of the Council members. The Council is a jointly governed organization whose role is to coordinate the powers and duties of the member boards to better serve and benefit persons with developmental disabilities within the member counties. In 2021, Hamilton County contributed $168 to the council, and the council is currently holding $3,300 in deposits that belong to the County and are represented by Cash and Cash Equivalents—Segregated Accounts—on the Statement of Net Position and the fund financial statements for the Health and Human Services Levies. Financial information for the Southwestern Ohio Council of Governments may be obtained at 412 South East Street, Lebanon, OH 45036. (See note I A.)

Hamilton County Mental Health and Recovery Services Board (HCMHRSB) was a member of the Three C Recovery and Health Care Network Council of Governments. The purpose of this Council was for creating a Shared Health Care and Recovery Enterprise System (SHARES) to support management of client enrollment, benefit management, provider contracting, payment processes and utilization management for the member boards and for additional boards that would have joined the COG in the future. As of December 31, 2021, the Council was dissolved and each member migrated to their own claims management systems. The COG Board of Trustees consisted of six members, two from each of the founding counties. Other mental health and/or alcohol and other drug county boards could petition for membership to the COG; however, membership had to be approved by a

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unanimous vote of all COG members in good standing at the time of the vote. In 2021, Hamilton County contributed $0 toward the operation of the COG. On December 31, 2021, the account balance of the COG was $0, of which $0 was allocated to HCMHRSB. Financial information for the Three C Recovery and Health Care Network Council of Governments may be obtained at 2350 Auburn Avenue, Cincinnati, Ohio 45219. (See note I A.)

D. Significant Commitments and Contingent Liabilities

At year-end, valid outstanding encumbrances are reappropriated and become part of the subsequent year's budget. The encumbrances as of December 31 are as follows:

General Fund	$ 19,091
Health and Human Services Levies Fund	52,061
Health and Community Services Nongrants	6,875
Public Emergency Grants	22,284
Other Governmental Funds	48,209
Total	$ 148,520

The City of Cincinnati and the Board of County Commissioners of Hamilton County, Ohio, are parties to a Global Consent Decree, which was lodged in 2003 with the U.S. District Court for the Southern District of Ohio, Western Division. This decree focuses on combined sewer overflows, the implementation of the Sanitary Sewer Overflow Correction plan established in the Interim Partial Consent Decree, and other wet weather issues. The court approved the decrees on June 9, 2004. In August 2010, MSD's Revised Wet Weather Plan was approved by the federal government. The Plan commits MSD to complete a Phase 1 group of projects totaling $1,145,000 (in 2006 dollars). Work on Phase 1 is over 94% complete and $129 million under budget. The consent decree documents are posted on the MSD website, msdgc.org, under Consent Decree.

As part of MSD's capital improvement program, MSD has entered into a number of contracts for construction, design and other services. Commitments under these contracts aggregate approximately $85,500 as of December 31, 2021.

The State of Ohio Auditor's office released a special audit for the years 2009-2015. The Findings for Recovery amounted to $779 of which $23 was recovered in 2019. In 2019, the balance owed to MSD was turned over to the Hamilton County Prosecutor's office for review and disposition.

Pursuant to a Memorandum of Understanding between the City and the County, dated September 30, 2002, a Cooperative Agreement between the City and the County, dated February 9, 2004, and a Project Service Agreement between the City and the CFA, dated February 3, 2004, the City and the County have agreed, among other things, that the City will (1) own the Duke Energy Convention Center, (2) be responsible for the operation and maintenance of the Duke Energy Convention Center and (3) manage the design and construction of the project. Construction of the improvements began in May 2004 and was completed in June 2006. There have been nine supplemental agreements. The most recent was executed February 12, 2020.

The CFA entered into a lease with the City of Cincinnati for the existing and expanded Duke Energy Convention Center for the term of the improvement bonds, issued through December 2033, for an amount sufficient to retire City Bond Anticipation Notes of $15,500. These notes were issued in anticipation of the revenue bond sale by the CFA. At the end of the lease, the City will own the existing and expanded Duke Energy Convention Center Facilities. In addition, the City and CFA have entered into a lease whereby the City will operate the existing and expanded Duke Energy Center for the term of the improvement bonds through December 2033.

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the County Prosecuting Attorney that resolution of these matters could fall within the scope of a material claim, though any dollar amount cannot be reasonably estimated at this time.

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E. Deferred Compensation Plan

Employees of the County may elect to participate in a deferred compensation plan administered by one of the following: (1) The Ohio Public Employees Deferred Compensation Plan; (2) Voya Financial Services, Inc.; or (3) The County Commissioners Association of Ohio. Under these plans, employees could defer up to 25 percent of their annual salary not to exceed $19,500 (amount not in thousands) in 2021. The deferred amounts, as well as any income related to the deferral, are not subject to federal or State income tax until actually received by the employee. In accordance with GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans,* and Internal Revenue Code Section 457, assets of the aforementioned plans were placed in trust for the exclusive benefit of the participants and beneficiaries during 1999. The amounts held in all three plans are not reported as assets of the County.

F. Net Pension Liability (Asset)/Net OPEB Liability (Asset)

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

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

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

Ohio Revised Code limits the County's obligation for these liabilities to annually required payments. The County cannot control benefit terms or the manner in which pensions are financed; however, the County does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement system's to amortize unfunded liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require, the retirement systems to provide health care to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a net pension/OPEB asset or a long-term net pension/OPEB liability on the accrual basis of accounting. Any liability for the contractually required pension/OPEB contribution outstanding at the end of the year is included in intergovernmental payables on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note VI I-J for the required OPEB disclosures.

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G. Ohio Public Employees Retirement System (OPERS)

Plan Description. County employees, other than certified teachers, and a limited number of MSD employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

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

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

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	**State and Local**	**State and Local**
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Traditional Plan Formula:** 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Traditional Plan Formula:** 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	**Combined Plan Formula:** 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	**Combined Plan Formula:** 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35
Public Safety	**Public Safety**	**Public Safety**
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	**Law Enforcement**	**Law Enforcement**
Age and Service Requirements: Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	**Public Safety and Law Enforcement**	**Public Safety and Law Enforcement**
Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	**Traditional Plan Formula:** 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	**Traditional Plan Formula:** 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost-of-living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost–of–living adjustment of the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selection. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan, and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions, and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

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

	State and Local	Public Safety	Law Enforcement
2021 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	**	***
2021 Actual Contribution Rates			
Employer:			
Pension ****	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits ****	0.0	0.0	0.0
Total Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	12.0 %	13.0 %

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

** This rate is determined by OPERS' Board and has no maximum rate established by ORC.

*** This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

**** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

Employer contribution rates are actuarially determined are expressed as a percentage of covered payroll.

For 2021, The County's contractually required contribution was $32,674 for the traditional plan, $832 for the combined plan and $896 for the member-directed plan. Of these amounts, $888 is reported as an intergovernmental payable for the traditional plan, $16 for the combined plan, and $16 for the member-directed plan. MSD's contractually required contribution was $273 for 2021.

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Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPERS. The net pension liability (asset) for OPERS was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The County's and MSD's proportions of the net pension liability (asset) were based on the County's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense of the County's and MSD's defined benefit pension plans:

	County			MSD
	OPERS Traditional Plan	OPERS Combined Plan	Total	OPERS Traditional Plan
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	1.61037792%	1.23456384%		0.01439087%
Prior Measurement Date	1.58334264%	1.25756329%		0.01564887%
Change in Proportionate Share	0.02703528%	-0.02299945%		-0.00125800%
Proportionate Share of the:				
Net Pension Liability	$238,462	$0	$238,462	$2,131
Net Pension Asset	0	(3,564)	(3,564)	0
Pension Expense	3,242	99	3,341	(408)

2021 pension expense for the member-directed defined contribution plan was $1,254. The aggregate pension expense for all pension plans was $4,594 for 2021.

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At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources:

	County			MSD
	OPERS Traditional Plan	OPERS Combined Plan	Total	OPERS Traditional Plan
Deferred Outflows of Resources				
Differences between expected and actual experience	$0	$0	$0	$0
Changes of assumptions	0	223	223	0
Net difference between projected and actual earnings on pension plan investments	0	0	0	0
Changes in proportion and differences between County/MSD contributions and proportionate share of contributions	3,722	76	3,798	0
County/MSD contributions subsequent to the measurement date	32,674	832	33,506	273
Total Deferred Outflows of Resources	$36,396	$1,131	$37,527	$273
Deferred Inflows of Resources				
Differences between expected and actual experience	$9,975	$672	$10,647	($90)
Changes of assumptions	0	0	0	0
Net difference between projected and actual earnings on pension plan investments	92,946	530	93,476	(831)
Changes in proportion and differences between County/MSD contributions and proportionate share of contributions	2,329	0	2,329	(214)
City contributions subsequent to the measurement date	0	0	0	0
Total Deferred Inflows of Resources	$105,250	$1,202	$106,452	($1,135)

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The $35,506 and $273 reported as deferred outflows of resources related to pension resulting from County and MSD contributions subsequent to the measurement date but before the end of the reporting period will be recognized as a reduction of the net pension liability or increase to the net pension asset in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	County			MSD
	OPERS Traditional Plan	OPERS Combined Plan	Total	OPERS Traditional Plan
Year Ending December 31:				
2022	($39,096)	($244)	($39,340)	($502)
2023	(11,867)	(151)	(12,018)	(181)
2024	(37,888)	(273)	(38,161)	(339)
2025	(12,676)	(121)	(12,797)	(113)
2026	0	(45)	(45)	0
Thereafter	0	(70)	(70)	0
Total	($101,527)	($904)	($102,431)	($1,135)

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2020, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2020, are presented below:

	OPERS Traditional Plan	OPERS Combined Plan
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	.5 percent, simple through 2021, then 2.15 percent, simple	.5 percent, simple through 2021, then 2.15 percent, simple
Investment Rate of Return	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

In October 2020, the OPERS Board adopted a change in COLA for Post-January 7, 2013, retirees, changing it from 1.4 percent simple through 2020 then 2.15 simple to .5 percent simple through 2021 then 2.15 percent simple.

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic real rates of return were provided by the Board's investment consultant. For each major

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asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	25.00 %	1.32 %
Domestic Equities	21.00	5.64
Real Estate	10.00	5.39
Private Equity	12.00	10.42
International Equities	23.00	7.36
Other investments	9.00	4.75
Total	100.00 %	5.43 %

Discount Rate. The discount rate used to measure the total pension liability was 7.2 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan and member-directed plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's and MSD's Proportionate Shares of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following table presents the County's and MSD's proportionate shares of the net pension liability (asset) calculated using the current period discount rate assumption of 7.2 percent, as well as what the County's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
County's proportionate share of the net pension liability (asset)			
OPERS Traditional Plan	$454,867	$238,462	$58,521
OPERS Combined Plan	(2,481)	(3,564)	(4,370)
MSD's proportionate share of the net pension liability			
OPERS Traditional Plan	$4,065	$2,131	$523

Changes between the Measurement Date and the Reporting Date. During 2021, the OPERS Board lowered the investment rate from 7.2 percent to 6.9 percent along with certain other changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

H. City of Cincinnati Retirement System (CRS)

Plan Description. MSD Employees who do not participate in OPERS participate in the Retirement System of the City of Cincinnati (CRS). CRS is accounted for as a single-employer defined benefit pension plan. CRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CRS is considered part of the City of Cincinnati's financial reporting entity and is included in the City's financial report as a pension trust fund.

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The financial report that includes financial statements, required supplementary information, and detailed information about CRS's fiduciary net position may be obtained by visiting https://www.cincinnati-oh.gov/finance/financial-reports/. Article XV of the Administrative Code of the City of Cincinnati provides the statutory authority vesting the general administration and responsibility for the proper operation of CRS in the Board of Trustees of the City of Cincinnati Retirement System.

Information in the remainder of this footnote is provided for MSD's portion, being reported as a custodial fund of the City, which also participates and contributes to CRS, with a measurement date of June 30, 2021.

A major plan revision was approved by the City Council on March 16, 2011, and adopted by the CRS's Board. The plan allows for a two-and-a-half year transition period from July 1, 2011, to January 1, 2014. Active members who are eligible or become eligible to retire and elect to retire during this transition period can retire with 30 years of creditable service or at age 60 with at least five years of creditable service and will receive benefits according to the current plan as described below.

A Collaborative Settlement Agreement (CSA) was executed on May 7, 2015, and approved by the U.S. District Court on October 5, 2015. The CSA impacts employees who were retired on or before July 1, 2011, and employees who were in service on July 1, 2011, and who were vested (had 5 years of service credit) on that date. Employees who are members of the Cincinnati Retirement System who did not meet those criteria remained subject to the plan provisions adopted in Ordinances No. 84-2011 and 85-2011.

The CSA implemented a number of changes to the CRS, including but not limited to the following:

- normal retirement eligibility
- early retirement eligibility
- retiree health care eligibility
- cost-of-living adjustments payable to retirees
- establishment of a Deferred Retirement Option Program (DROP)
- creation of a 115 Trust for retiree health care benefits
- changes to the composition of the Board of Trustees
- payoff of the 2007 Early Retirement Incentive Program (ERIP) liability

Groups C & D Eligible to retire on or before July 1, 2011; or December 31, 2013	**Group E** Eligible to retire on or before December 31, 2013	**Group F** Hired before January 1, 2010, and not eligible for other groups	**Group G** Hired on or after January 1, 2010
Normal Retirement: Age 60 with 5 years of service, or any age with 30 years of service	**Normal Retirement:** Age 60 with 5 years of service, or any age with 30 years of service.	**Normal Retirement:** Age 60 with 5 years of service, or any age with 30 years of service.	**Normal Retirement:** Age 67 with 5 years of service, or age 62 with 30 years of service.
Early Retirement: Age 55 with 25 years of service	**Early Retirement:** Age 55 with 25 years of service	**Early Retirement:** Age 55 with 25 years of service	**Early Retirement:** Age 57 with 15 years of service
Benefit Formula: 2.5% of AHC times years of service	**Benefit Formula:** 2.5% of AHC times years of service up to greater of 20 years or years of service as of July 1, 2011, and 2.2% thereafter	**Benefit Formula:** 2.5% of AHC times years of service up to greater of 20 years or years of service as of July 1, 2011, and 2.2% thereafter	**Benefit Formula:** 2.2% of AHC times years of service; 2.0% over 30 years

Average Highest Compensation (AHC) represents the average of the highest three consecutive years of earnings for Groups C and D. Group E will have an AHC with two separate components based upon the average of the highest three consecutive years of earnings for service through December 31, 2013, and the highest five consecutive years of earnings for service after January 1, 2014. Group F will have an AHC with two components based upon the average of the highest three consecutive years of earnings for service through June 30, 2011, and the highest five consecutive years of earnings for service after July 1, 2011. Group G is based on the average of

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the highest five consecutive years of earnings. Upon retirement, members will not receive a cost-of-living-adjustment (COLA) for the first three retirement anniversary dates. Thereafter, a 3 percent simple COLA benefit will be provided. A COLA poverty exception is available for members who meet certain financial requirements.

In fiscal year 2021, an Early Retirement Incentive Program (ERIP) was offered to employees who met certain eligibility requirements. The ERIP provided two additional years of membership service credit to full-time employees who had 28 years or more service credit (and were at least age 62 for Group G) or who had at least five years of service credit and were at least age 60 (or at least age 67 for Group G) by December 31, 2020. Only employees in CRS were eligible. The additional actuarial accrued liability associated with the fiscal year 2021 ERIP was approximately $24,671 and is to be funded by separate contributions made by the Plan over a 15-year period. The anticipated first payment is January 1, 2022.

Members of the Active Employee Class, under the Collaborative Settlement Agreement, who have a minimum of 30 years' service credit are eligible to participate in the deferred retirement option plan (DROP). Upon entry into DROP, the member's monthly pension benefit is calculated as if they retired on that date. DROP participants continue to work as a MSD employee and if eligible, may continue to be enrolled in a MSD sponsored employee healthcare plan. Maximum participation in the DROP is five years. Members who participate in DROP continue to contribute 9% of their pensionable earnings to CRS. The participant's monthly pension benefit amount (calculated as described above), as well as 75% of the participant's required CRS employee contributions, and interest earnings on their DROP account balance, accumulate tax-deferred in an account held in trust by the CRS. Participants do not have access to the funds in their DROP account while employed and participating in the DROP. The balance of the participant's DROP account is paid out in a lump sum or to another tax-qualified account (such as an IRA or 457 Deferred Compensation Plan) selected by the participant within 120 days of their retirement effective date.

Membership in CRS as of the June 30, 2021, valuation date was as follows:

Retired participant and beneficiaries currently receiving benefits	4,225
Terminated participants and beneficiaries entitled to benefits but not yet receiving benefits	222
Deferred retirement option plan (DROP) Participants	234
Inactive participants**	9,234
Active participants	
Full-time	2,631
Part-time	1,078
Total	17,624

** Participants who are former employees who have an employee account balance in the plan but are not otherwise vested in an employee provided benefit.

Funding Policy. Each member contributed at a rate of 9 percent of their pensionable wages for 2021. The percent contributed by employees is provided by Chapter 203 Section 73 of the Cincinnati Municipal Code.

MSD makes employer contributions based on a percentage of the covered payroll of all CRS members. For 2021, the contribution rate was 16.25 percent. MSD's contributions to the City of Cincinnati Retirement System's Pension Fund for the year ending December 31, 2021, were $6,400.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to CRS. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. MSD reported a net pension liability of $115,415 and negative pension expense of $56,441.

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At December 31, 2021, MSD reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
MSD contributions subsequent to the measurement date	$ 3,902	$ -	$ 3,902
Differences between expected and actual experience	7,553	-	7,553
Net difference between projected and actual investment earnings	-	(34,808)	(34,808)
Change in proportion	-	(3,181)	(3,181)
Change in assumptions	-	(123,604)	(123,604)
	$ 11,455	$ (161,593)	$ (150,138)

The $3,902 reported as deferred outflows of resources related to pension resulting from MSD contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31:	Net Deferred Outflows/ (Inflows) of Resources
2022	$ (126,019)
2023	(6,258)
2024	(8,178)
2025	(13,585)
	$ (154,040)

Actuarial Assumptions. Total pension liability was determined by the following actuarial valuations, using the following actuarial assumptions, applied to applicable periods included in the measurement:

	December 31, 2020	December 31, 2019
Inflation	2.75 percent	2.75 percent
Salary increases, including inflation	3.75 to 7.50 percent	3.75 to 7.50 percent
Long-term Investment rate of return, net of pension plan investment expense, including inflation	7.50 percent	7.50 percent
Municipal bond index rate:		
Prior measurement date	2.16 percent	3.50 percent
Measurement date	2.21 percent	2.21 percent
Single equivalent interest rate, net of pension plan investment expense, including inflation	7.50 percent	3.56 percent
Mortality tables	RP-2014	RP-2014

Active member mortality rates were based on the RP-2014 Employees Mortality Table with a generational approach using the MP-2017 projection scale. Health inactive mortality rates were based on the RP-2014 Mortality Table with a generational approach using the MP-2017 projection scale and set forward two years for both males and females. Disabled mortality rates were based on the RP-2014 Disabled Retiree Mortality Table with a generational approach using the MP-2017 projection scale.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of the last actuarial experience study performed for the period January 1, 2012 to December 31, 2016, adopted on February 28, 2018.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension

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plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Core Bond	12.00 %	1.89 %
High Yield Bonds	2.00	4.18
Private Debt	3.00	9.54
All Cap U.S. Equity	18.50	7.48
Large-Cap Value Equity	3.50	7.18
Mid-Cap Value Equity	2.00	7.56
Small-Cap Value Equity	3.50	8.24
Non-U.S. All Cap	20.00	7.93
Emerging Markets Small-Cap	3.00	8.47
Real Estate Core Equity	7.50	6.07
Infrastructure	10.00	7.05
Risk Parity	5.00	4.94
Private Equity	10.00	11.34
Total	100.00 %	

*Geometric mean

Discount Rate. The discount rate used to measure the total pension liability was 7.50 percent as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made as set out in the CSA. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Projected benefit payments are discounted at the long-term expected return on assets of 7.50%. By comparison, the single equivalent rate used to determine the total pension liability as of June 30, 2020 was 3.56%.

Sensitivity of MSD's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following chart represents MSD's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.50 percent, as well as the sensitivity to a 1 percent increase and 1 percent decrease in the current discount rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
MSD's Net Pension Liability	$ 164,082	$ 115,415	$ 74,194

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Change in the Net Pension Liability. Changes in MSD's net pension liability for the year ended June 30, 2021, were as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at June 30, 2020	$ 696,598	$ 270,841	$ 425,757
Changes for the Year:			
Service Cost	11,344	-	11,344
Interest	24,870	-	24,870
Benefit Changes	4,537		4,537
Difference between expected and actual experience	15,853	-	15,853
Change in assumptions	(259,433)	-	(259,433)
Contributions—employer	-	6,400	(6,400)
Contributions—employee	-	3,723	(3,723)
Net investment income	-	88,994	(88,994)
Benefit payments, including refunds of employee contributions	(34,438)	(34,438)	-
Administrative expense	-	(334)	334
Other changes	-	8,730	(8,730)
Net changes	(237,267)	73,075	(310,342)
Balances at June 30, 2021	$ 459,331	$ 343,916	$ 115,415

The total pension liability (TPL) at the end of the measurement year, June 30, 2021, is measured as of the valuation date of December 31, 2020 and projected to June 30, 2021. Valuations will be completed every year. Each valuation will be rolled forward six months to provide the GAAP basis liability, There were assumption changes during the period, which are reflected in the amounts. The TPL and service cost have been determined using the entry age actuarial cost method as required by GASB Statement No. 67.

I. Postemployment Benefits—Ohio Public Employees Retirement System (OPERS)

Plan Description. The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit postemployment health care trust, which funds multiple health care plans, including medical coverage, prescription drug coverage, and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional and combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses, and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

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Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS-covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS.

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member-directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2020, measurement date health care valuation.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have 20 or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 75. See OPERS's Annual Comprehensive Financial Report referenced below for additional information.

The Ohio Revised Code permits, but does not mandate, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting https://www.opers.org/financial/reports.shtml, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy. The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by the OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2021, OPERS did not allocate any employer contributions to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2021 was 4.0 percent.

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Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The County's contractually required contribution was $358 for 2021. Of this amount, $7 is reported as an intergovernmental payable.

OPEB Liabilities (Assets), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The County's proportion of the net OPEB liability (asset) was based on the County's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	County OPERS	MSD OPERS
Proportion of the Net OPEB Liability (Asset):		
Current Measurement Date	1.59082080%	0.01403706%
Prior Measurement Date	1.56728526%	0.01497864%
Change in Proportionate Share	0.02353554%	-0.00094158%
Proportionate Share of the Net		
OPEB Liability		$250
OPEB Asset	($28,342)	
OPEB Expense	($172,037)	($1,620)

At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	County OPERS	MSD OPERS
Deferred Outflows of Resources		
Differences between expected and actual experience	$0	$0
Changes of assumptions	13,933	123
Changes in proportion and differences between County/MSD contributions and proportionate share of contributions	1,993	0
County/MSD contributions subsequent to the measurement date	358	3
Total Deferred Outflows of Resources	$16,284	$126
Deferred Inflows of Resources		
Differences between expected and actual experience	$25,578	($226)
Changes of assumptions	45,922	(405)
Net difference between projected and actual earnings on OPEB plan investments	15,095	(134)
Changes in proportion and differences between County/MSD contributions and proportionate share of contributions	1,355	(116)
Total Deferred Inflows of Resources	$87,950	($881)

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The $358 and $3 reported as deferred outflows of resources related to OPEB resulting from County and MSD contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or increase to the net OPEB asset in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	County OPERS	MSD OPERS
2022	($38,069)	($415)
2023	(25,616)	(269)
2024	(6,560)	(58)
2025	(1,779)	(16)
Total	($72,024)	($758)

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage inflation	3.25 percent
Projected salary increases, including inflation	3.25 to 10.75 percent including wage inflation
Single discount rate:	
Current measurement date	6.00 percent
Prior measurement date	3.16 percent
Investment rate of return	6.00 percent
Municipal bond rate	
Current measurement date	2.00 percent
Prior measurement date	2.75 percent
Health care cost trend rate	
Current measurement date	8.5 percent, initial 3.50 percent, ultimate in 2035
Prior measurement date	10.5 percent, initial 3.50 percent, ultimate in 2030
Actuarial cost method	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

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The most recent experience study was completed for the five year period ended December 31, 2015.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS's primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by OPERS' investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	1.07 %
Domestic Equities	25.00	5.64
Real Estate Investment Trust	7.00	6.48
International Equities	25.00	7.36
Other investments	9.00	1.02
Total	100.00 %	4.43 %

Discount Rate. A single discount rate of 6.0 percent was used to measure the OPEB liability on the measurement date of December 31, 2020. A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.00 percent (Fidelity Index's "20-Year Municipal GO AA Index"). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2120. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2120, the duration of the projection period through which projected health care payments are fully funded.

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Sensitivity of the County's and MSD's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate. The following table presents the County's proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 6.00 percent, as well as what the County's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (5.00 percent) or one-percentage-point higher (7.00 percent) than the current rate:

	1% Decrease 5.00%	Current Discount Rate 6.00%	1% Increase 7.00%
County's proportionate share of the net OPEB liability (asset)	($7,074)	($28,342)	($45,847)
MSD's proportionate share of the net OPEB liability	$62	$250	$405

Sensitivity of the County's and MSD's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Health Care Cost Trend Rate. Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability (asset). The following table presents the net OPEB liability (asset) calculated using the assumed trend rates, and the expected net OPEB liability (asset) if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries' project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
County's proportionate share of the net OPEB liability (asset)	($29,032)	($28,342)	($27,569)
MSD's proportionate share of the net OPEB liability	$256	$250	$243

Changes between Measurement Date and Reporting Date. During 2021, the OPERS Board made various changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

J. Postemployment Benefits—Cincinnati Retirement System (CRS)

Plan Description. The CRS is accounted for as a single-employer defined benefit pension plan. CRS provides health care coverage to eligible retirees, their spouses and their dependent children. Active members in Group C who have earned 15 years of membership service at the time of termination are eligible upon retirement. Other active members are eligible for retiree health care upon their retirement after reaching age 60 with 20 years of membership service, or any age with 30 years of service, of which 20 years must be earned with CRS. Active members whose most recent membership enrollment date is on or after January 1, 2016, are not eligible for retiree health care benefits upon retirement.

CRS offers medical and prescription benefits to retirees before and during Medicare eligibility. Prescription benefits for Medicare eligible participants are provided through a Medicare Part D Employer Group Waiver Plan. CRS administers three health care plans that differ by deductibles, co-pays and out-of-pocket maximums. Two plans are closed groups. The third plan for eligible members who retire on or after January 1, 2016, follows the most advantageous plan offered to active MSD employees.

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Membership in CRS as of the June 30, 2021, valuation date was as follows:

Retired members and surviving spouses currently receiving retiree health benefits	5,110
Terminated vested members and retired members eligible for retiree health benefits, not currently receiving benefits but may elect to enroll for coverage in the future	249
Active participants	
Full-time and part-time employees	2,046
DROP participants	209
Total	7,614

CRS is considered part of the City' of Cincinnati's financial reporting entity and is included in the City's financial report as part of the pension trust fund. The financial report that includes the financial statements, required supplementary information and detailed information about CRS' fiduciary net position may be obtained by visiting https://cincinnati-oh.gov/finance/financial-reports/. Information in the remainder of this footnote is provided for the MSD's portion, being reported as a custodial fund of the City, which also participates in and contributes to the CRS, with a measurement date of June 30, 2021.

Funding Policy. Most retirees are subject to premiums that range from 0 percent to 10 percent. Other retiree premiums range from 5 percent to 75 percent depending on their date of hire, years of service and age at retirement. All members electing to participate in the dental and/or vision plan are required to pay the full cost of coverage. As such, it was assumed that CRS has no liability under GASB Statement No. 74 for these benefits.

OPEB Liabilities (Assets), OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEB—CRS. MSD's net OPEB liability (asset) was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of December 31, 2020. MSD reported a net OPEB asset of $31,407 and negative OPEB expense of $2,091.

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	$571	($5,322)	($4,751)
Net difference between projected and actual investment earnings	0	(10,332)	(10,332)
Change in proportion	226	(261)	(35)
Changes of assumptions	5,497	(5,470)	27
Total Deferred Outflows of Resources	$6,294	($21,385)	($15,091)

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Amounts reported as deferred inflows of resources will be recognized in OPEB expense as follows:

Year Ending December 31:	Net Deferred Outflows/ (Inflows) of Resources
2022	($4,175)
2023	(4,644)
2024	(2,291)
2025	(3,981)
Total	($15,091)

Actuarial Assumptions. The total OPEB liability in the following actuarial valuations were determined using the following actuarial assumptions, applied to the applicable periods included in the measurement:

	December 31, 2020	December 31, 2019
Inflation:		
CPI	2.75%	2.75%
Medical CPI	3.25%	3.25%
Salary increases, including wage inflation	3.75 to 7.50%	3.75 to 7.50%
Long-term Investment rate of return	7.50%	7.50%
Municipal bond index rate:		
Measurement date	2.16%	2.21%
Prior measurement date	2.21%	3.50%
Year of projected depletion:		
Measurement date	Projected future net position will not be depleted	Projected future net position will not be depleted
Prior measurement date	2040	2040
Single equivalent interest rate, net of OPEB plan investment expense, including price inflation:		
Measurement date	7.50%	7.50%
Prior measurement date	7.50%	5.07%
Health care cost trends:		
Medicare supplement claims		
Pre-Medicare	7.73% for 2020, decreasing to an ultimate rate of 4.00% by 2034	8.00% for 2019, decreasing to an ultimate rate of 4.00% by 2034
Post-Medicare	8.73% / 8.80% for Non-Model and Model Plans, respectively for 2019, decreasing to an ultimate rate of 4.00% by 2034	4.87% / 4.79% for Non-Model and Model Plans, respectively for 2019, decreasing to an ultimate rate of 4.00% by 2034
Mortality tables	RP-2014	RP-2014

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The demographic actuarial assumptions used in the December 31, 2019, valuation were based on the results of the most recent actuarial experience study, adopted by the Board on March 1, 2018.

Pre-retirement mortality rates were based on RP-2014 healthy employee dataset mortality with fully generational projected mortality improvements using MP-2017. RP-2014 healthy employee dataset mortality rates for males and females have been set forward two years. Post-retirement mortality rates for health lives were based on RP-2014 total dataset mortality with fully generational projected mortality improvements using MP-2017. RP-2014 total dataset mortality rates for males and females have been set forward two years. For disabled lives, RP-2014 disabled retiree mortality with fully generational projected mortality improvements using MP-2017.

Of the CSA employee members eligible for DROP benefits, 60% are assumed to decline participation and 40% are assumed to be elect participation. Those electing to participate are assumed to remain in DROP for 3 years.

Of the vested members who terminate, it is assumed that 60% will leave their contributions in the plan in order to be eligible for a benefit at their normal retirement date while the remaining 40% will elect to withdraw their contributions.

Long Term Expected Rate of Return. The long-term expected rate of return on pension plan investments was determine used expected return and volatility figures which were developed by Marquette Associates using their asset allocation software. The program simulates a variety of economic environments based on macroeconomic variables, and this simulation allows for modeling of the underlying probabilities of capital market returns. By running the monthly simulations over a ten-year basis and performing 1,000 trials, they develop results for expectations of capital market performance. Expected risk and return values for all asset classes are updated every six months, as the underlying data and assumptions reflect current market values and trends.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Core Bond	12.00 %	1.89 %
High Yield	2.00	4.18
Private Debt	3.00	9.54
All-Cap U.S Equity	18.50	7.48
Large-Cap Value Equity	3.50	7.18
Mid-Cap Value Equity	2.00	7.56
Small-Cap Value Equity	3.50	8.24
Non-U.S. All Cap	20.00	7.93
Emerging Markets Small-Cap	3.00	8.47
Real Estate Core Equity	7.50	6.07
Infrastructure	10.00	7.05
Risk Parity	5.00	4.94
Private Equity	10.00	11.34
Total	100.00 %	

*Geometric mean

Discount Rate (SEIR). The plan uses the Bond Buyer G.O. 20 Year Bond Municipal Bond Index to satisfy the requirements under paragraph 48 of GASB Statement No. 74. As this Index is issued weekly, the value closest to, but after the reporting date is used in determining the appropriate rate. Based on this practice, the municipal bond index rate at June 24, 2021 was 2.16% and 2.21% at June 25, 2020.

The discount rate used to measure the total OPEB liability as of June 30, 2021, was 7.50%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB Statement No. 75. The projection's basis was an actuarial valuation performed as of December 31, 2020. In addition to the actuarial

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methods and assumptions of the December 31, 2020, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- No future employee contributions were assumed to be made.
- No future employer contributions were assumed to be made.

Based on these assumptions, CRS's fiduciary net position was projected to never be depleted; as a result, the municipal bond index rate was used in the determination of the single equivalent interest rate (SEIR). Here, the long-term expected rate of return of 7.50% on CRS investments was applied to all periods, resulting in a SEIR at the measurement date of 7.50%.

Sensitivity of the Net OPEB (Asset) to Changes in the Discount Rate and Health Care Cost Trend Rates. The following presents the net OPEB asset of MSD, as well as what MSD's net OPEB asset would be if it were calculated using a discount rate that is 1 percent lower or 1 percent higher than the current discount rate. Similarly, the following also presents what the MSD's net OPEB asset would be if it were calculated using a health care cost trend rate that is 1 percent lower or 1 percent higher than the current rate (amounts in thousands):

	Health Care Cost Trend Rates		
MSD's Net OPEB (Asset)	1% Decrease	Current Rate	1% Increase
1% increase (8.50%)		$ (38,147)	
Current discount rate (7.50%)	$ (38,914)	$ (31,407)	$ (22,545)
1% decrease (6.50%)		$ (23,471)	

Change in the Net OPEB Liability (Asset). Changes in MSD's net OPEB liability (asset) for the measurement year ended June 30, 2021, were as follows:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balances at June 30, 2020	$ 67,997	$ 82,697	$ (14,700)
Changes for the Year:			
Service Cost	584	-	584
Interest	5,096	-	5,096
Benefit Changes	3,035		3,035
Difference between expected and actual experience	255	-	255
Change in assumptions	-	-	-
Net investment income (loss)	-	26,077	(26,077)
Benefit payments, including refunds of employee contributions	(4,814)	(4,814)	-
Administrative expense	-	(98)	98
Other changes	-	(302)	302
Net changes	4,156	20,863	(16,707)
Balances at June 30, 2021	$ 72,153	$ 103,560	$ (31,407)

The total OPEB liability as of June 30, 2021 is based on the actuarial valuation results as of December 31, 2020. The total OPEB liability as of June 30, 2021 was determined using standard projection (roll forward) techniques. The roll forward calculation adds the normal cost (also called the service cost) for the projection period—for experience and assumption changes, the first half of 2021, subtracts the expected net benefit payments for the period, and then applies the SEIR used to measure the total OPEB liability as of the valuation date. The roll forward calculation for the expected change is determined using a similar procedure, except that the total OPEB liability and service cost are based on GASB Statement No. 75 results as of the prior measurement date, one year projection period used, and actual net benefit payments are subtracted. The difference between this expected total

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OPEB liability and the projected total OPEB liability as of June 30, 2021 before reflecting any changes of assumptions or other inputs is the experience (gain) or loss for the period.

K. Tax Abatements

The County receives reduced property tax revenues as a result of agreements granted by cities and townships within the County for Enterprise Zone (EZ) programs and Community Reinvestment Area (CRA) programs. These program agreements are for the purpose of establishing, expanding, renovating or occupying facilities and hiring new employees and preserving jobs within said zones or areas in exchange for specified local tax incentives. Under the EZ program, businesses may apply for tax reductions on real property investments. The amount of the tax exemption is negotiated on an individual project basis and varies according to the size of the investment and the number of jobs created or retained. Under the CRA program, real property investment incentives are available for projects involving the renovation of existing or the construction of new buildings for residential, commercial or industrial projects.

For fiscal year 2021, the County's property tax revenues were reduced by $175 under EZ programs and $7,343 under CRA programs. The names of the governments that entered into the agreements are as follows:

Cities				Townships
Blue Ash	Cheviot	Cincinnati	Cleves	Colerain
Deer Park	Evendale	Fairfax	Forest Park	Columbia
Green Hills	Harrison	Lockland	Loveland	Symmes
Madeira	Mariemont	Mt. Healthy	Newtown	
North College Hill	Norwood	St. Bernard	Sharonville	
Silverton	Springdale	Woodlawn		

The County does not have any abatement agreements.

L. COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021, while the national state of emergency continues. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the County, MSD and CFA. The impact on future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

The County has received funding from the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the American Rescue Plan Act, and Emergency Rental Assistance grants totaling $245,690. During 2021, $33,900 was subgranted or transferred to other governments and organizations. These amounts are reflected as general government expenditures in the Public Emergency Grants special revenue fund on the accompanying financial statements.

M. Subsequent Events

- In February 2022, the County issued $445 in Building Improvement Limited Tax General Obligation Bonds for the purpose of financing the costs to acquire, construct, equip and install certain building improvements.
- Also in February 2022, the County purchased property for $1,823. This is to be used for the new 911/Emergency Management Agency center.

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- In April 2022, MSD entered into a loan and refinancing agreement in the amount of $134,605 to provide for the issuance of Taxable Convertible Sewer System Refunding Bonds to refund 2013A bonds.

- There is a Consent Decree for the Cincinnati Retirement System Plan court case, which may require an additional employer share of pension contribution payments from MSD; however, the exact dollar amount is unknown at this time.

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COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM–TRADITIONAL PLAN
LAST EIGHT YEARS [1]

(Dollar Amounts in Thousands)

	CALENDAR YEAR							
	2021	2020	2019	2018	2017	2016	2015	2014
County's Proportion of the Net Pension Liability	1.61037792%	1.58334264%	1.63284659%	1.62657457%	1.61492487%	1.60348178%	1.66151589%	1.66151589%
County's Proportionate Share of the Net Pension Liability	$ 238,462	$ 312,959	$ 447,204	$ 255,178	$ 366,722	$ 277,743	$ 200,397	$ 195,871
County's Covered Payroll	$ 220,730	$ 215,162	$ 212,953	$ 207,211	$ 201,255	$ 191,890	$ 197,745	$ 182,463
County's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	108.03%	145.45%	210.00%	123.15%	182.22%	144.74%	101.34%	107.35%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

[1] Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

Amounts presented as of the County's measurement date, which is the prior year-end.

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COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE METROPOLITAN SEWER DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM–TRADITIONAL PLAN
LAST EIGHT YEARS[1]
(Dollar Amounts in Thousands)

	FISCAL YEAR							
	2021	2020	2019	2018	2017[2]	2016	2015	2014
MSD's Proportion of the Net Pension Liability	0.01439087%	0.01564887%	0.01599242%	0.01708312%	0.01727562%	0.01475990%	0.01517751%	0.014994790%
MSD's Proportionate Share of the Net Pension Liability	$ 2,131	$ 3,093	$ 4,380	$ 2,680	$ 3,923	$ 2,541	$ 1,825	$ 1,766
MSD's Covered Payroll	$ 2,136	$ 2,136	$ 2,257	$ 2,377	$ 2,200	$ 2,336	$ 2,479	$ 2,443
MSD's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	99.77%	144.80%	194.06%	112.75%	178.32%	108.78%	73.62%	72.29%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

[1]Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

[2]2017's proportion percentage was updated to the appropriate amount.

Amounts presented as of the County's measurement date, which is the prior year-end.

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COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM–COMBINED PLAN
LAST FOUR YEARS [1]

(Dollar Amounts in Thousands)

	CALENDAR YEAR			
	2021	**2020**	**2019**	**2018**
County's Proportion of the Net Pension Liability	1.23456384%	1.25756329%	1.28291521%	1.30918669%
County's Proportionate Share of the Net Pension Asset	($3,564)	$ (2,622)	$ (1,435)	$ (1,782)
County's Covered Payroll	$ 5,498	$ 5,598	$ 5,487	$ 5,174
County's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	64.82%	46.84%	26.15%	34.44%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	157.67%	145.28%	126.64%	137.28%

[1] Amounts for the combined plan are not presented prior to 2018 as the County's participation in this plan was considered immaterial in previous years.

Amounts presented for each year were determined as of the County's measurement date which is the prior year-end.

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COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM–OPEB PLAN
LAST FIVE YEARS[1]

(Dollar Amounts in Thousands)

	CALENDAR YEAR				
	2021	2020	2019	2018	2017
County's Proportion of the Net OPEB Liability	1.59082080%	1.56728526%	1.61118261%	1.60394400%	1.59441800%
County's Proportionate Share of the Net OPEB Liability	($28,342)	$ 216,483	$ 210,060	$ 174,176	$ 161,042
County's Covered Payroll	$ 234,689	$ 229,183	$ 226,142	$ 219,802	$ 213,568
County's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	-12.08%	94.46%	92.89%	79.24%	75.41%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	115.57%	47.80%	46.33%	54.14%	54.04%

[1]Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

Amounts presented for each year were determined as of the County's measurement date, which is the prior year-end.

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COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE METROPOLITAN SEWER DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM–OPEB PLAN
LAST FIVE YEARS[1]

(Dollar Amounts in Thousands)

	FISCAL YEAR				
	2021	2020	2019	2018	2017
MSD's Proportion of the Net OPEB Liability	0.01403706%	0.01497864%	1.55012700%	0.01664978%	0.01786139%
MSD's Proportionate Share of the Net OPEB Liability	$ (250)	$ 2,069	$ 2,021	$ 1,808	$ 1,804
MSD's Covered Payroll	$ 2,136	$ 2,136	$ 2,257	$ 2,377	$ 2,200 #
MSD's Proportionate Share of the Net OPEB Liability as a Percentage of Its Covered Payroll	-11.70%	96.86%	89.54%	76.06%	82.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	115.57%	47.80%	46.33%	54.14%	54.04%

[1]Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

Amounts presented as of the County's measurement date, which is the prior year-end.

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COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM–TRADITIONAL AND COMBINED PLANS
LAST NINE YEARS[1]

(Dollar Amounts in Thousands)

NET PENSION LIABILITY - TRADITIONAL PLAN	CALENDAR YEAR								
	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	$ 32,674	$ 32,064	$ 31,174	$ 30,871	$ 27,963	$ 25,116	$ 23,910	$ 24,557	$ 24,485
Contributions in Relation to the Contractually Required Contribution	(32,674)	(32,064)	(31,174)	(30,871)	(27,963)	(25,116)	(23,910)	(24,557)	(24,485)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's Covered Payroll	$ 225,029	$ 220,730	$ 215,162	$ 212,953	$ 207,211	$ 201,253	$ 191,890	$ 197,745	$ 182,463
Contributions as a Percentage of Covered Payroll	14.52%	14.53%	14.49%	14.50%	13.49%	12.48%	12.46%	12.42%	13.42%

NET PENSION LIABILITY - COMBINED PLAN	CALENDAR YEAR					
	2021	2020	2019	2018	2017	2016
Contractually Required Contribution	$ 832	$ 770	$ 784	$ 768	$ 673	$ 620
Contributions in Relation to the Contractually Required Contribution	(832)	(770)	(784)	(768)	(673)	(620)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -
County's Covered Payroll	$ 5,942	$ 5,498	$ 5,598	$ 5,487	$ 5,174	$ 5,169
Contributions as a Percentage of Covered Payroll	14.00%	14.01%	14.01%	14.00%	13.01%	11.99%

(continued)

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NET OPEB LIABILITY - OPEB PLAN

	CALENDAR YEAR[2][3]					
	2021	2020	2019	2018	2017	2016
Contractually Required Contribution	$ 358	$ 338	$ 337	$ 308	$ 2,421	$ 4,414
Contributions in Relation to the Contractually Required Contribution	(358)	(338)	(337)	(308)	(2,421)	(4,414)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -
County's Covered Payroll	$ 239,927	$ 234,689	$ 229,183	$ 226,142	$ 219,802	$ 213,568
Contributions as a Percentage of Covered Payroll	0.15%	0.14%	0.15%	0.14%	1.10%	2.07%

[1] Information prior to 2013 is not available for the traditional plan. Information prior to 2016 is not available for the combined plan.

[2] Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented.

[3] The OPEB plan includes the members from the traditional plan, the combined plan and the member-directed plan. The member-directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

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COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE METROPOLITAN SEWER DISTRICT'S CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM–TRADITIONAL PLAN
LAST TEN YEARS
(Dollar Amounts in Thousands)

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NET PENSION LIABILITY—TRADITIONAL PLAN	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually Required Contribution	$ 273	$ 299	$ 299	$ 316	$ 309	$ 264	$ 280	$ 297	$ 318	$ 275
Contributions in Relation to the Contractually Required Contribution	(273)	(299)	(299)	(316)	(309)	(264)	(280)	(297)	(318)	(275)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MSD Covered Payroll	$ 1,950	$ 2,136	$ 2,136	$ 2,257	$ 2,377	$ 2,200	$ 2,336	$ 2,479	$ 2,443	$ 2,750
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%	10.00%

NET OPEB LIABILITY—OPEB PLAN	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually Required Contribution	$ 3	$ -	$ -	$ -	$ 24	$ 44	$ 47	$ 50	$ 24	$ 110
Contributions in Relation to the Contractually Required Contribution	(3)	-	-	-	(24)	(44)	(47)	(50)	(24)	(110)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
MSD's Covered Payroll	$ 1,950	$ 2,136	$ 2,136	$ 2,257	$ 2,377	$ 2,200	$ 2,336	$ 2,479	$ 2,443	$ 2,750
Contributions as a Percentage of Covered Payroll	0.15%	0.00%	0.00%	0.00%	1.01%	2.00%	2.01%	2.02%	0.98%	4.00%

COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE METROPOLITAN SEWER DISTRICT'S CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
CINCINNATI RETIREMENT SYSTEM
LAST EIGHT YEARS[1][2]

(Dollar Amounts in Thousands)

	FISCAL YEAR							
	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service Cost	$ 11,344	$ 7,108	$ 4,489	$ 4,260	$ 3,764	$ 5,639	$ 5,346	$ 4,919
Interest	24,870	30,825	32,602	30,470	29,256	25,454	28,680	28,146
Benefit Changes	4,537	-	-	-	5,344	(13,545)	-	-
Difference between Expected and Actual Experience	15,853	5,073	8,698	5,577 #	649	734	(2,698)	-
Changes of Assumptions	(259,433)	151,500	101,687	9,403	-	(111,431)	30,007	(3,381)
Benefit Payments and Refunds	(34,438)	(33,311)	(32,110)	(31,436)	(30,612)	(29,102)	(31,057)	(29,953)
Other	-	-	-	-	-	(35,654)		
Net Change in Total Pension Liability	(237,267)	161,195	115,366	18,274	8,401	(157,905)	30,278	(269)
Total Pension Liability—Beginning	696,598	535,403	420,037	401,763	393,362	551,267	520,989	521,258
Total Pension Liability—Ending (a)	459,331	696,598	535,403	420,037	401,763	393,362	551,267	520,989
Plan Net Position								
Contributions—Employer	6,400	6,531	6,381	6,080	5,647	4,639	5,596	7,252
Contributions—Member	3,723	3,775	3,677	3,521	3,246	1,599	3,115	2,761
Contributions—ERIP Payoff	-	-	-	-	-	8,723	-	-
Net Investment Income	88,994	(3,973)	14,394	26,180	38,292	(2,065)	9,455	49,002
Benefit Payments	(34,438)	(33,311)	(32,110)	(31,436)	(30,612)	(29,102)	(31,057)	(29,953)
Administrative Expense	(334)	(355)	(278)	(277)	(288)	(962)	(302)	(261)
Other	8,730	(1,005)	(1,439)	(1,893)	(3,065)	24,110	-	-
Net Change in Plan Net Position	73,075	(28,338)	(9,375)	2,175	13,220	6,942	(13,193)	28,801
Plan Net Position—Beginning	270,841	299,179	308,554	306,379	293,159	286,217	299,410	270,609
Plan Net Position—Ending (b)	343,916	270,841	299,179	308,554	306,379	293,159	286,217	299,410
Net Pension Liability—Ending (a) - (b)	$ 115,415	$ 425,757	$ 236,224	$ 111,483	$ 95,384	$ 100,203	$ 265,050	$ 221,579
Ratio of Plan Net Position to Total Pension Liability	74.87%	38.88%	55.88%	73.46%	76.26%	74.53%	51.92%	57.47%
Covered Payroll	$ 40,549	$ 41,462	$ 40,764	$ 37,809	$ 34,942	$ 31,809	$ 31,232	$ 30,550
Net Pension Liability as a Percentage of Covered Payroll	284.63%	1026.86%	579.49%	294.86%	272.98%	315.01%	848.65%	725.30%

[1]Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

[2]Measurement year is from July 1 through June 30.

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COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE METROPOLITAN SEWER DISTRICT'S CHANGES IN NET OPEB LIABILITY OR ASSET AND RELATED RATIOS
CINCINNATI RETIREMENT SYSTEM
LAST FOUR YEARS[1][2]

(Dollar Amounts in Thousands)

	FISCAL YEAR			
	2021	2020	2019	2018
Total OPEB Liability				
Service Cost	$ 584	$ 1,381	$ 1,155	$ 945
Interest	5,096	6,168	6,480	5,841
Benefit changes	3,035	(32,814)	-	-
Difference between Expected and Actual Experience	255	(10,869)	475	3,030
Changes of Assumptions	-	(11,168)	12,822	7,173
Benefit Payments	(4,814)	(5,104)	(5,881)	(4,962)
Net Change in Total OPEB Liability	4,156	(52,406)	15,051	12,027
Total OPEB Liability—Beginning	67,997	120,403	105,352	93,325
Total OPEB Liability—Ending (a)	72,153	67,997	120,403	105,352
Plan Net Position				
Net Investment Income	26,077	(1,139)	4,080	7,354
Benefit Payments	(4,814)	(5,104)	(5,881)	(4,962)
Administrative Expense	(98)	(102)	(79)	(78)
Other	(302)	(132)	(206)	(78)
Net Change in Plan Net Position	20,863	(6,477)	(2,086)	2,236
Plan Net Position—Beginning	82,697	89,174	91,260	89,024
Plan Net Position—Ending (b)	103,560	82,697	89,174	91,260
Net OPEB Liability or Asset—Ending (a) - (b)	$ (31,407)	$ (14,700)	$ 31,229	$ 14,092
Ratio of Plan Net Position to Total OPEB Liability	143.53%	121.62%	74.06%	86.62%
Covered Payroll	$ 28,755	$ 31,926	$ 33,066	$ 33,158
Net OPEB Liability as a Percentage of Covered Payroll	-109.22%	-46.04%	94.44%	42.50%

[1]Although this schedule is intended to reflect information for ten years, information prior to 2018 is not available. An additional column will be added each year.

[2]Measurement year is from July 1 through June 30.

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COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE METROPOLITAN SEWER DISTRICT'S CONTRIBUTIONS
CINCINNATI RETIREMENT SYSTEM
LAST TEN YEARS
(Dollar Amounts in Thousands)

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NET PENSION LIABILITY—CRS	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially Determined Employer Contributions	$12,927	$12,226	$ 11,541	$ 10,879	$ 8,541	$ 12,356	$ 13,756	$ 16,087	$13,051	$ 9,923
Actual Employer Contributions	(6,498)	(6,521)	(6,455)	(6,226)	(5,941)	(5,169)	(4,328)	(5,303)	(6,179)	(6,676)
Contribution Deficiency (Excess)	$ 6,429	$ 5,705	$ 5,086	$ 4,653	$ 2,600	$ 7,187	$ 9,428	$ 10,784	$ 6,872	$ 3,247
Covered Payroll	$40,339	$40,289	$ 40,053	$ 38,536	$ 34,942	$ 31,809	$ 31,232	$ 30,550	$31,369	$ 33,671
Actual Contributions as a Percentage of Covered Payroll	16.11%	16.19%	16.12%	16.16%	17.00%	16.25%	13.86%	17.36%	19.70%	19.83%

NET PENSION LIABILITY—OPEB[1]	FISCAL YEAR					
	2021	2020	2019	2018	2017	2016
Actuarially Determined Employer Contributions	$ -	$ 537	$ 974	$ 534	$ 714	$ 248
Actual Employer Contributions	-	-	-	-	-	-
Contribution Deficiency (Excess)	$ -	$ 537	$ 974	$ 534	$ 714	$ 248
Covered Payroll	$29,652	$31,951	$ 32,794	$ 32,440	$ 32,369	$ 31,387
Actual Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

[1]Although this schedule is intended to reflect information for ten years, information prior to 2016 is not available. An additional column will be added each year.

Changes in Assumptions – OPERS Pension – Traditional Plan

Amounts reported beginning in 2019 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

	2019	2018 and 2017	2016 and prior
Wage Inflation	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below
Investment Rate of Return	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

The assumptions related to COLA or Ad Hoc COLA for Post-January 7, 2013, retirees are as follows:

COLA or Ad Hoc COLA, Post-January 7, 2013 Retirees:	
2021	0.5 percent, simple through 2021 then 2.15 percent, simple
2020	1.4 percent, simple through 2020 then 2.15 percent, simple
2017 through 2019	3.0 percent, simple through 2018 then 2.15 percent, simple
2016 and prior	3.0 percent, simple through 2018 then 2.80 percent, simple

Amounts reported beginning in 2017 use pre-retirement mortality rates based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

Changes in Assumptions – OPERS Pension – Combined Plan

For 2021 and 2020, the Combined Plan had the same change in COLA or Ad Hoc COLA for Post-January 2, 2013, retirees as the Traditional Plan. For 2019, the investment rate of return changed from 7.5 percent to 7.2 percent.

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Changes in Assumptions – OPERS OPEB

Investment Return Assumption:	
Beginning in 2019	6.00 percent
2018	6.50 percent
Municipal Bond Rate:	
2021	2.00 percent
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent
Single Discount Rate:	
2021	6.00 percent
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent
Health Care Cost Trend Rate:	
2021	8.5 percent, initial 3.5 percent, ultimate in 2035
2020	10.5 percent, initial 3.5 percent, ultimate in 2030
2019	10.0 percent, initial 3.25 percent, ultimate in 2029
2018	7.5 percent, initial 3.25 percent, ultimate in 2028

Changes in Benefit Terms – OPERS OPEB

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in 2021.

Actuarial Assumptions – Cincinnati Retirement System Pension (CRS)

Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are being reported.

Actuarial Cost Method	Entry age
Amortization Method	Level dollar
Amortization Period	Open 30-year period
Asset Valuation Method	Five-year smoothed market value
Inflation	2.75 percent
Salary Increases, Including Wage Inflation	3.75 to 7.50 percent
Investment Rate of Return	7.50 percent, net of pension plan expense and including inflation
Single Equivalent Discount Rate	7.50 percent

Changes of Benefit Terms – Cincinnati Retirement System Pension

In 2017, there were several changes in benefit provisions as a result of Ordinance 336-2016 adopted by the City Council on October 26, 2016. In addition to incorporating many of the changes mandated by the

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Collaborative Settlement Agreement (CSA), the ordinance also

- Established benefit and eligibility provisions for Group E and F members, not covered under the CSA, similar to employees covered under the CSA;
- Established a universal cost-of-living adjustment (COLA) suspension period for all members;
- Established a universal 3 percent simple for all rate members.

In 2016, there were several changes in benefit provisions as a result of the CSA between the City of Cincinnati and various plaintiff groups representing certain active and retired members of CRS, as approved by the Court on October 5, 2015, and generally effective January 1, 2016.

Changes in Actuarial Assumptions and Methods – Cincinnati Retirement System Pension

In 2018, actuarial assumptions and methods were changed based on the results of the actuarial experience study dated February 28, 2018. These changes include reducing the price inflation assumption from 3.00 percent to 2.75 percent; updating the retirement, withdrawal and disability rates; updating the mortality rates for all members to a generational approach using the RP-2014 mortality tables; updating the merit salary scale; increasing the assumed administrative expense as a percentage of payroll added to the normal cost from 0.75 percent to 0.80 percent; updating the assumed proportion of deferred vested members who elect to receive a deferred benefit and who will elect to withdraw their contributions; and updating the assumed percentage of members who are married for the purpose of valuing pre-retirement survivor benefits.

In 2019, the System's fiduciary net position was projected to be available to make projected future benefit payment for current members through 2046. Projected benefit payments beyond 2046 were discounted at the municipal bond rate of 3.50 percent, resulting in a single equivalent discount rate of 5.56 percent.

In 2020, the System's fiduciary net position was projected to be available to make projected future benefit payments for current members through 2041. Projected benefit payments beyond 2041 were discounted at the municipal bond rate of 2.21 percent, resulting in a single equivalent discount rate of 3.56 percent.

In 2021, the expected long-term rate of return of 7.50 percent was used for the discount rate with the projected future fiduciary net position not being depleted.

Actuarial Assumptions – Cincinnati Retirement System OPEB

Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are being reported.

Actuarial Cost Method	Entry age
Amortization Method	Level dollar
Amortization Period	Open 30-year period
Asset Valuation Method	Five-year smoothed market value
Inflation	CPI: 2.75 percent; Medical: 3.25 percent
Salary Increases, Including Wage Inflation	3.75 to 7.50 percent
Investment Rate of Return	7.50 percent, net of pension plan expense and including inflation
Initial Health Care Cost Trend Rates	
Pre-Medicare	7.73 percent
Medicare	8.73 percent (Non-Model plan)/48.80 percent (Model Plan)

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Ultimate Health Care Cost Trend Rates	
Pre-Medicare	4.00 percent
Medicare	4.00 percent
Year Ultimate Health Care Cost Trend Rates Reached	
Pre-Medicare	2034
Medicare	2034

Change of Benefit Terms – Cincinnati Retirement System OPEB

In 2021, the plan offered an early retirement incentive program, which provided to additional years of service that would count toward benefit eligibility. Eligible members were those projected to be eligible for normal retirement as of July 1, 2020, or have earned at least 28 years of service as of July 1, 2020.

In 2020, the plan moved all Medicare Part A and Part B eligible and Medicare Part B only eligible plan participants to the new fully insured Medicare Advantage plan offered by Anthem, effective January 1, 2020.

In 2017, the plan changes included in Ordinance 336-2016 were effective. These changes were adopted by the City Council on October 26, 2016. In addition to incorporating many of the changes mandated by the Collaborative Settlement Agreement (CSA), the ordinance also

- Excluded members hired after December 31, 2015, from eligibility to receive retiree health benefits;
- Established benefit and eligibility provisions for Group E and F members, not covered under the CSA, similar to employees who are covered under the CSA;
- Specified eligibility and postemployment contribution requirements for the retiree health benefits payable to members and beneficiaries entitled to deferred benefits;
- Modified eligibility and postemployment contribution requirements to retiree health benefits paid as the result of an in-service death.

In 2016, there were several changes in benefit provisions as a result of the CSA between the City of Cincinnati and various plaintiff groups representing certain active and retired members of the CRS, as approved by the Court on October 5, 2015, and generally effective January 1, 2016.

Changes in Actuarial Assumptions and Methods – Cincinnati Retirement System OPEB

In 2020, the expected long-term rate of return of 7.50 percent was used for the discount rate with the projected future net position not being depleted. The claims assumptions and retiree contributions were updated to reflect actual 2020 premiums.

The medical trend assumptions were updated to include several factors. First, the initial trends for the Medicare Advantage plans were set at 0% for medical and 7% for drug, while the trends for the contribution rates for the plans were set at a -5.7% to account for the health insurance tax reduction. The ultimate health care trend was set at 4%, with each trend period set at 15 years.

The claim cost curves were updated based on the experience of the retirees in the Secure, Select and Model plans. The data provided claim experience for all covered members (retirees, covered spouses, and covered children) by age. Additional information was provided for the new Medicare Advantage Plans, which were applied to the 2020 claim curves above.

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The percentage of members to not qualify for premium-free Medicare Part A coverage was lowered from 15 percent to 10 percent.

In 2019, the December 31, 2018, valuation included a change in the Municipal Bond Index Rate from 3.89 percent to 3.50 percent, a decrease in the discount rate (SEIR) from 6.13 percent to 5.07 percent, the inclusion of part-time employees in the Plan's population, and an update to the health care cost trend rates to reflect the current market place.

In 2018, actuarial assumptions and methods were changed based on recent plan experience done concurrently with the December 31, 2017, valuation, including a change in the Municipal Bond Index Rate from 3.65 percent to 3.89 percent; a decrease in the discount rate (SEIR) from 6.31 percent to 6.13 percent; a decrease in the price inflation assumption from 3.00 percent to 2.75 percent; an update of the retirement, withdrawal, and disability rates; an update of the mortality rates for all members to a generational approach using the RP-2014 mortality tables; an update of the merit salary scales; and updates to the following to better reflect the anticipated experience of the plan: assumed rates of health care inflation, assumed rates of health benefit plan participation, contribution rates for the Select Plan and the Model Plan, and DROP participation rates.

In 2017, future contribution rates for retiree health benefit recipients became based upon the projected retiree health care costs associated with each projection year's closed group of participants.

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COUNTY OF HAMILTON, OHIO

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

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COUNTY OF HAMILTON, OHIO
NONMAJOR GOVERNMENTAL FUNDS

COMBINING FINANCIAL STATEMENTS

NONMAJOR SPECIAL REVENUE FUNDS

The special revenue funds are used to account for specific governmental revenues (other than major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action and to account for expenditures for specified purposes.

ANNUALLY BUDGETED

Public Assistance	**To account for revenues from federal, State and County governments and expenditures used to provide services to eligible County residents.**
Motor Vehicle Gas Tax	**To account for motor vehicle gas tax federal and State revenues that are distributed to various municipalities and townships for repair and building of streets and bridges.**
Health and Community Services Grants	**To account for revenues from the federal, State and County governments and expenditures thereof as prescribed under the various health and community service functions.**

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MULTIYEAR BUDGETED

Transportation Improvement District	**To account for activity of the Transportation Improvement District, a blended component unit of the County.**
Judicial Services Grants	**To account for revenue from the federal, State and County governments and expenditures used to provide legal services to eligible County residents.**
Public Safety Grants	**To account for revenue from the federal, State and County governments and expenditures thereof as prescribed under the various public safety functions.**
Health Grants	**To account for revenue from the federal, State and County governments and expenditures used to provide health-related services to eligible County residents.**
Environmental Control Grants	**To account for revenue from the federal, State and County governments and expenditures for the purpose of environmental protection for the community.**
Economic Development Grants	**To account for revenue from the federal, State and County governments and expenditures used for economic development.**

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COUNTY OF HAMILTON, OHIO
NONMAJOR GOVERNMENTAL FUNDS

COMBINING FINANCIAL STATEMENTS

NONMAJOR DEBT SERVICE FUNDS

The debt service funds are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest and related costs.

General Obligation Nonvoted	**To account for the retirement of principal and interest of various bond issues not approved by the electorate. The revenue source for this fund is transfers from various other funds.**
Special Assessments	**To account for the retirement of principal and interest on special assessment debt. The revenues are generated from special assessment tax collections.**

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NONMAJOR CAPITAL PROJECTS FUND

The Capital Projects fund is established to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by the proprietary funds).

COUNTY OF HAMILTON, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2021

(Amounts in Thousands)

	Special Revenue Annually Budgeted		
	Public Assistance	Motor Vehicle Gas Tax	Health and Community Services Grants
ASSETS			
Equity in Pooled Cash and Investments	$ 23,370	$ 63,247	$ -
Cash and Cash Equivalents—Segregated Accounts	-	160	-
Accounts Receivable	2	29	-
Intergovernmental Receivable	13,570	25	-
Real and Other Taxes Receivable	-	12,515	-
Advances to Other Funds	1,400	-	-
Due from Other Funds	4,629	8	-
Inventories	-	173	-
Special Assessments Receivable	-	-	-
TOTAL ASSETS	$ 42,971	$ 76,157	$ -
LIABILITIES			
Accounts Payable	$ 3,199	$ 454	$ 651
Accrued Wages and Benefits Payable	1,116	199	-
Matured Compensated Absences Payable	36	48	-
Payroll Withholdings	560	109	-
Intergovernmental Payable	677	348	-
Retainage Payable	14	160	-
Due to Other Funds	1	10	382
Advances from Other Funds	-	-	-
Unearned Revenue	-	10,052	-
TOTAL LIABILITIES	5,603	11,380	1,033
DEFERRED INFLOWS OF REOURCES			
Unavailable Revenue	12,425	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	12,425	-	-
FUND BALANCES (DEFICITS)			
Nonspendable	-	173	-
Restricted	24,943	47,942	-
Committed	-	16,662	-
Unassigned (Deficit)	-	-	(1,033)
TOTAL FUND BALANCES (DEFICITS)	24,943	64,777	(1,033)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 42,971	$ 76,157	$ -

UNAUDITED

Special Revenue							
Multiyear Budgeted							
Transportation Improvement District	Judicial Services Grants	Public Safety Grants	Health Grants	Environmental Control Grants	Economic Development Grants	Total Nonmajor Special Revenue Funds
$ 1,009	$ 5,573	$ 87	$ 5,955	$ 4,139	$ 1,638	$ 105,018
-	-	-	-	-	-	160
-	-	-	-	63	89	183
-	10,087	2,350	6,012	3,094	1,312	36,450
-	-	-	-	-	-	12,515
-	-	-	-	-	-	1,400
-	-	8	-	-	-	4,645
-	-	-	-	-	-	173
-	-	-	-	-	-	-
$ 1,009	$ 15,660	$ 2,445	$ 11,967	$ 7,296	$ 3,039	$ 160,544
$ 8	$ 851	$ 10	$ 1,663	$ 14	$ 479	$ 7,329
-	109	17	21	52	7	1,521
-	42	-	-	-	-	126
-	60	9	9	28	5	780
-	61	15	25	34	214	1,374
-	-	-	-	-	-	174
-	2	753	-	-	-	1,148
-	-	-	-	-	-	-
-	15,472	69	10,310	3,093	-	38,996
8	16,597	873	12,028	3,221	705	51,448
-	1,125	1,618	74	-	88	15,330
-	1,125	1,618	74	-	88	15,330
-	-	-	-	-	-	173
-	-	-	-	4,075	2,246	79,206
1,001	-	-	-	-	-	17,663
-	(2,062)	(46)	(135)	-	-	(3,276)
1,001	(2,062)	(46)	(135)	4,075	2,246	93,766
$ 1,009	$ 15,660	$ 2,445	$ 11,967	$ 7,296	$ 3,039	$ 160,544

(continued)

UNAUDITED

	Debt Service			Capital Projects	
	Annually Budgeted			Multiyear Budgeted	
	General Obligation Nonvoted	Special Assessments	Total Nonmajor Debt Service Funds	Project Accounting	Total Nonmajor Governmental Funds
ASSETS					
Equity in Pooled Cash and Investments	$ 1,095	$ 154	$ 1,249	$ 32,418	$ 138,685
Cash and Cash Equivalents—Segregated Accounts	-	-	-	-	160
Accounts Receivable	-	-	-	-	183
Intergovernmental Receivable	-	-	-	-	36,450
Real and Other Taxes Receivable	-	-	-	-	12,515
Advances to Other Funds	-	-	-	-	1,400
Due from Other Funds	-	-	-	-	4,645
Inventories	-	-	-	-	173
Special Assessments Receivable	-	3,772	3,772	-	3,772
TOTAL ASSETS	$ 1,095	$ 3,926	$ 5,021	$ 32,418	$ 197,983
LIABILITIES					
Accounts Payable	$ -	$ -	$ -	$ 2,898	$ 10,227
Accrued Wages and Benefits Payable	-	-	-	-	1,521
Matured Compensated Absences Payable	-	-	-	-	126
Payroll Withholdings	-	-	-	2	782
Intergovernmental Payable	-	-	-	2	1,376
Retainage Payable	-	-	-	304	478
Due to Other Funds	-	-	-	31	1,179
Advances from Other Funds	-	-	-	20,286	20,286
Unearned Revenue	-	-	-	-	38,996
TOTAL LIABILITIES	-	-	-	23,523	74,971
DEFERRED INFLOWS OF REOURCES					
Unavailable Revenue	-	3,772	3,772	-	19,102
TOTAL DEFERRED INFLOWS OF RESOURCES	-	3,772	3,772	-	19,102
FUND BALANCES (DEFICITS)					
Nonspendable	-	-	-	-	173
Restricted	1,095	154	1,249	-	80,455
Committed	-	-	-	8,895	26,558
Unassigned (Deficit)	-	-	-	-	(3,276)
TOTAL FUND BALANCES (DEFICITS)	1,095	154	1,249	8,895	103,910
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)	$ 1,095	$ 3,926	$ 5,021	$ 32,418	$ 197,983

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COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

	Special Revenue Annually Budgeted		
	Public Assistance	Motor Vehicle Gas Tax	Health and Community Services Grants
REVENUES			
Property Taxes and Special Assessments	$ -	$ 6	$ -
Sales and Use Tax	-	-	-
State Shared Taxes	-	29,656	-
Charges for Services	-	4,615	-
Fines and Forfeitures	-	157	-
Intergovernmental	40,922	2,866	4,527
Investment Earnings	(255)	(583)	-
Other	1,532	309	-
TOTAL REVENUES	42,199	37,026	4,527
EXPENDITURES			
Current:			
General Government	-	928	-
Judicial	-	-	-
Public Safety	-	-	-
Social Services	56,111	-	4,920
Health	-	-	-
Public Works	-	27,209	-
Environmental Control	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	-	318	-
Interest and Fiscal Charges	-	-	-
TOTAL EXPENDITURES	56,111	28,455	4,920
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(13,912)	8,571	(393)
OTHER FINANCING SOURCES (USES)			
Transfers In	606	1,516	-
Transfers Out	-	(10)	-
Proceeds from Sale of Capital Assets	-	-	-
TOTAL OTHER FINANCING SOURCES (USES), NET	606	1,506	-
NET CHANGE IN FUND BALANCES	(13,306)	10,077	(393)
FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR	38,249	54,700	(640)
FUND BALANCES (DEFICITS) AT END OF YEAR	$ 24,943	$ 64,777	$ (1,033)

UNAUDITED

Special Revenue							
Multiyear Budgeted							
Transportation Improvement District	Judicial Services Grants	Public Safety Grants	Health Grants	Environmental Control Grants	Economic Development Grants	Total Nonmajor Special Revenue Funds
$ -	$ -	$ -	$ -	$ -	$ -	$ 6
-	-	-	-	-	-	-
-	-	-	-	-	-	29,656
-	-	-	-	316	-	4,931
-	-	-	-	-	-	157
250	9,446	3,687	21,318	3,247	5,303	91,566
(11)	(47)	(2)	(38)	(42)	(6)	(984)
-	2,168	342	-	295	47	4,693
239	11,567	4,027	21,280	3,816	5,344	130,025
-	-	1,186	-	-	3,946	6,060
-	11,686	-	-	-	-	11,686
-	-	2,375	-	-	-	2,375
-	-	-	-	-	-	61,031
-	-	-	20,917	-	-	20,917
309	-	654	-	-	-	28,172
-	-	-	-	3,504	-	3,504
-	-	-	-	-	-	-
-	-	-	-	-	-	318
-	-	-	-	-	-	-
309	11,686	4,215	20,917	3,504	3,946	134,063
(70)	(119)	(188)	363	312	1,398	(4,038)
-	-	10	-	-	1,000	3,132
-	-	-	-	-	-	(10)
-	-	-	-	-	-	-
-	-	10	-	-	1,000	3,122
(70)	(119)	(178)	363	312	2,398	(916)
1,071	(1,943)	132	(498)	3,763	(152)	94,682
$ 1,001	$ (2,062)	$ (46)	$ (135)	$ 4,075	$ 2,246	$ 93,766

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UNAUDITED

	Debt Service			Capital Projects	
	Annually Budgeted			Multiyear Budgeted	
	General Obligation Nonvoted	Special Assessments	Total Nonmajor Debt Service Funds	Project Accounting	Total Nonmajor Governmental Funds
REVENUES					
Property Taxes and Special Assessments	$ -	$ 349	$ 349	$ -	$ 355
Sales and Use Tax	1,048	-	1,048	-	1,048
State Shared Taxes	-	-	-	-	29,656
Charges for Services	-	-	-	-	4,931
Fines and Forfeitures	-	-	-	-	157
Intergovernmental	69	-	69	-	91,635
Investment Earnings	-	-	-	(254)	(1,238)
Other	181	-	181	90	4,964
TOTAL REVENUES	1,298	349	1,647	(164)	131,508
EXPENDITURES					
Current:					
General Government	-	-	-	-	6,060
Judicial	-	-	-	-	11,686
Public Safety	-	-	-	-	2,375
Social Services	-	-	-	-	61,031
Health	-	-	-	-	20,917
Public Works	-	-	-	-	28,172
Environmental Control	-	-	-	-	3,504
Capital Outlay	-	-	-	16,507	16,507
Debt Service:					
Principal Retirement	5,434	234	5,668		5,986
Interest and Fiscal Charges	3,603	137	3,740		3,740
TOTAL EXPENDITURES	9,037	371	9,408	16,507	159,978
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(7,739)	(22)	(7,761)	(16,671)	(28,470)
OTHER FINANCING SOURCES (USES)					
Transfers In	7,756	10	7,766	11,402	22,300
Transfers Out	-	(100)	(100)	(340)	(450)
Proceeds from Sale of Capital Assets	-	-	-	3,400	3,400
TOTAL OTHER FINANCING SOURCES (USES), NET	7,756	(90)	7,666	14,462	25,250
NET CHANGE IN FUND BALANCES	17	(112)	(95)	(2,209)	(3,220)
FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR	$ 1,078	$ 266	$ 1,344	$ 11,104	107,130
FUND BALANCES (DEFICITS) AT END OF YEAR	$ 1,095	$ 154	$ 1,249	$ 8,895	$ 103,910

UNAUDITED

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Property Taxes and Special Assessments	$ 39,467	$ 39,467	$ 44,762	$ 5,295
Sales and Use Tax	122,800	122,800	138,752	15,952
State Shared Taxes	13,200	13,200	15,512	2,312
Charges for Services	57,443	56,806	64,387	7,581
Licenses and Permits	2,781	2,781	2,608	(173)
Fines and Forfeitures	7,189	7,189	6,478	(711)
Intergovernmental	30,108	30,108	33,741	3,633
Investment Earnings	6,611	6,611	8,335	1,724
Other	13,157	13,157	36,766	23,609
TOTAL REVENUES	292,756	292,119	351,341	59,222
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
County Commissioners/County Administration				
Personnel Services	4,599	4,599	4,273	326
Other Expenditures	1,242	1,758	1,620	138
Capital Outlay	11	11	-	11
Total County Commissioners/County Administration	5,852	6,368	5,893	475
County Facilities				
Personnel Services	6,685	6,685	6,612	73
Other Expenditures	18,423	18,610	18,361	249
Capital Outlay	154	154	147	7
Total County Facilities	25,262	25,449	25,120	329
Non-Departmentals				
Personnel Services	2,044	4,144	2,583	1,561
Other Expenditures	4,621	4,925	4,291	634
Total Non-Departmentals	6,665	9,069	6,874	2,195
Contracts and Subsidies				
Other Expenditures	1,057	1,087	1,020	67
Total Contracts and Subsidies	1,057	1,087	1,020	67

(Continued)

UNAUDITED

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Auditor				
Personnel Services	$ 1,416	$ 1,416	$ 1,410	$ 6
Other Expenditures	674	675	671	4
Total Auditor	2,090	2,091	2,081	10
Treasurer				
Personnel Services	416	416	409	7
Other Expenditures	745	745	745	-
Total Treasurer	1,161	1,161	1,154	7
Recorder				
Personnel Services	1,230	1,230	1,213	17
Other Expenditures	29	29	19	10
Total Recorder	1,259	1,259	1,232	27
Board of Elections				
Personnel Services	4,518	4,797	4,728	69
Other Expenditures	2,892	4,019	3,978	41
Total Board of Elections	7,410	8,816	8,706	110
Planning and Development				
Personnel Services	3,753	3,803	3,450	353
Other Expenditures	1,235	1,235	1,097	138
Capital Outlay	395	395	338	57
Total Planning and Development	5,383	5,433	4,885	548
TOTAL GENERAL GOVERNMENT	56,139	60,733	56,965	3,768
JUDICIAL				
Juvenile Court				
Personnel Services	17,260	18,690	18,439	251
Other Expenditures	3,930	3,073	3,019	54
Total Juvenile Court	21,190	21,763	21,458	305
Court of Appeals				
Other Expenditures	56	71	70	1
Total Court of Appeals	56	71	70	1

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UNAUDITED

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Court of Common Pleas				
Personnel Services	$ 5,363	$ 5,363	$ 5,179	$ 184
Other Expenditures	7,411	6,897	6,558	339
Capital Outlay	10	10	9	1
Total Court of Common Pleas	12,784	12,270	11,746	524
Municipal Court				
Personnel Services	6,623	6,623	6,497	126
Other Expenditures	35	38	38	-
Capital Outlay	-	99	99	-
Total Municipal Court	6,658	6,760	6,634	126
Domestic Relations				
Personnel Services	3,839	3,809	3,747	62
Other Expenditures	189	219	174	45
Capital Outlay	5	5	-	5
Total Domestic Relations	4,033	4,033	3,921	112
Probate Court				
Personnel Services	3,020	3,189	3,149	40
Other Expenditures	561	485	474	11
Total Probate Court	3,581	3,674	3,623	51
Clerk of Courts				
Personnel Services	10,526	10,376	10,039	337
Other Expenditures	2,638	2,093	2,079	14
Capital Outlay	92	92	89	3
Total Clerk of Courts	13,256	12,561	12,207	354
Public Defender				
Personnel Services	13,680	13,680	13,137	543
Other Expenditures	10,193	10,161	9,295	866
Capital Outlay	20	20	-	20
Total Public Defender	23,893	23,861	22,432	1,429
Court Reporters				
Personnel Services	2,763	2,639	2,541	98
Other Expenditures	121	145	141	4
Total Court Reporters	2,884	2,784	2,682	102

(Continued)

UNAUDITED

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Adult Probation				
Personnel Services	$ 9,059	$ 9,059	$ 8,827	$ 232
Other Expenditures	1,595	1,589	1,544	45
Capital Outlay	34	34	-	34
Total Adult Probation	10,688	10,682	10,371	311
TOTAL JUDICIAL	99,023	98,459	95,144	3,315
PUBLIC SAFETY				
Communications Center				
Personnel Services	578	578	529	49
Other Expenditures	967	965	962	3
Total Communications Center	1,545	1,543	1,491	52
Sheriff				
Personnel Services	81,322	81,622	81,059	563
Other Expenditures	8,123	7,897	7,674	223
Capital Outlay	1,304	1,304	1,293	11
Total Sheriff	90,749	90,823	90,026	797
Prosecutor				
Personnel Services	14,744	15,334	15,191	143
Other Expenditures	478	478	372	106
Capital Outlay	6	6	-	6
Total Prosecutor	15,228	15,818	15,563	255
Coroner				
Personnel Services	6,119	6,149	6,135	14
Other Expenditures	430	500	438	62
Total Coroner	6,549	6,649	6,573	76
Emergency Management				
Personnel Services	119	119	78	41
Other Expenditures	771	783	782	1
Total Emergency Management	890	902	860	42
TOTAL PUBLIC SAFETY	114,961	115,735	114,513	1,222

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UNAUDITED

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
SOCIAL SERVICES				
Veterans Service Commission				
Personnel Services	$ 695	$ 695	$ 666	$ 29
Other Expenditures	591	586	274	312
Total Veterans Service Commission	1,286	1,281	940	341
TOTAL SOCIAL SERVICES	1,286	1,281	940	341
PUBLIC WORKS				
Metropolitan Sewer District				
Personnel Services	313	313	240	73
Other Expenditures	5,115	4,025	3,883	142
Total Engineer	5,428	4,338	4,123	215
TOTAL PUBLIC WORKS	5,428	4,338	4,123	215
ECONOMIC DEVELOPMENT				
Economic Development				
Other Expenditures	5,901	6,390	6,314	76
Total Economic Development	5,901	6,390	6,314	76
TOTAL ECONOMIC DEVELOPMENT	5,901	6,390	6,314	76
DEBT SERVICE				
Debt Service				
Interest and Fiscal Charges	50	40	37	3
Total Debt Service	50	40	37	3
TOTAL DEBT SERVICE	50	40	37	3
TOTAL EXPENDITURES	282,788	286,976	278,036	8,940
EXCESS OF REVENUES OVER EXPENDITURES	9,968	5,143	73,305	68,162

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UNAUDITED

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
OTHER FINANCING SOURCES (USES)				
Transfers In	$ 1,780	$ 1,880	$ 1,693	$ (187)
Transfers Out	(25,107)	(48,226)	(46,921)	1,305
Advances Out	-	-	(25,275)	(25,275)
TOTAL OTHER FINANCING SOURCES (USES), NET	(23,327)	(46,346)	(70,503)	(24,157)
NET CHANGE IN FUND BALANCE	(13,359)	(41,203)	2,802	44,005
FUND BALANCE AT BEGINNING OF YEAR	116,296	116,296	116,296	-
Prior-Year Encumbrances Appropriated	14,088	14,088	14,088	-
FUND BALANCE AT END OF YEAR	$ 117,025	$ 89,181	$ 133,186	$ 44,005

UNAUDITED

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Property Taxes and Special Assessments	$ 247,434	$ 247,434	$ 257,355	$ 9,921
Charges for Services	1,781	1,781	957	(824)
Intergovernmental	84,625	84,625	84,010	(615)
Other	905	905	3,318	2,413
TOTAL REVENUES	334,745	334,745	345,640	10,895
EXPENDITURES				
Current:				
JUDICIAL				
Juvenile Court				
Other Expenditures	1,405	1,405	1,392	13
Total Juvenile Court	1,405	1,405	1,392	13
Municipal Court				
Personnel Services	273	273	221	52
Other Expenditures	573	559	533	26
Total Municipal Court	846	832	754	78
Probation				
Other Expenditures	866	566	566	-
Total Probation	866	566	566	-
TOTAL JUDICIAL	3,117	2,803	2,712	91
PUBLIC SAFETY				
Sheriff				
Personnel Services	7,313	8,438	8,073	365
Other Expenditures	8,527	8,527	8,416	111
Total Sheriff	15,840	16,965	16,489	476
CLEAR				
Other Expenditures	6,672	4,961	4,912	49
Capital Outlay	582	582	582	-
Total CLEAR	7,254	5,543	5,494	49
TOTAL PUBLIC SAFETY	23,094	22,508	21,983	525

(Continued)

UNAUDITED

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
SOCIAL SERVICES				
Job and Family Services				
Other Expenditures	$ 116,653	$ 110,644	$ 107,364	$ 3,280
Total Job and Family Services	116,653	110,644	107,364	3,280
Senior Services				
Personnel Services	13	14	14	-
Other Expenditures	35,036	34,859	34,750	109
Total Senior Services	35,049	34,873	34,764	109
TOTAL SOCIAL SERVICES	151,702	145,517	142,128	3,389
HEALTH				
Health and Hospitalization Tax				
Personnel Services	459	461	453	8
Other Expenditures	22,930	22,873	17,118	5,755
Total Health and Hopitalization Tax	23,389	23,334	17,571	5,763
Developmental Disabilities Services				
Personnel Services	29,611	29,612	28,431	1,181
Other Expenditures	64,876	59,333	57,860	1,473
Capital Outlay	741	724	450	274
Total Developmental Disabilities Services	95,228	89,669	86,741	2,928
Mental Health and Recovery Services				
Personnel Services	2,133	2,114	2,074	40
Other Expenditures	57,895	56,403	55,297	1,106
Capital Outlay	21	-	-	-
Total Mental Health and Recovery Services	60,049	58,517	57,371	1,146
TOTAL HEALTH	178,666	171,520	161,683	9,837

(Continued)

UNAUDITED

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
RECREATIONAL ACTIVITIES				
Zoological Gardens				
Personnel Services	$ 5	$ 6	$ 5	$ 1
Other Expenditures	7,106	7,106	7,096	10
Total Zoological Gardens	7,111	7,112	7,101	11
TOTAL RECREATIONAL ACTIVITIES	7,111	7,112	7,101	11
TOTAL EXPENDITURES	363,690	349,460	335,607	13,853
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(28,945)	(14,715)	10,033	24,748
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	2,166	2,166
Transfers Out	(1,254)	(1,434)	(875)	559
TOTAL OTHER FINANCING SOURCES (USES), NET	(1,254)	(1,434)	1,291	2,725
NET CHANGE IN FUND BALANCE	(30,199)	(16,149)	11,324	27,473
FUND BALANCE AT BEGINNING OF YEAR	256,612	256,612	256,612	-
Prior-Year Encumbrances Appropriated	44,903	44,903	44,903	-
FUND BALANCE AT END OF YEAR	$ 271,316	$ 285,366	$ 312,839	$ 27,473

UNAUDITED

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Sales and Use Tax	$ 10,666	$ 10,666	$ 10,861	$ 195
Charges for Services	26,338	26,854	28,804	1,950
Licenses and Permits	4,570	4,581	4,770	189
Fines and Forfeitures	3,288	3,288	2,994	(294)
Intergovernmental	10,247	10,452	10,145	(307)
Investment Earnings	55	55	26	(29)
Other	7,930	8,668	5,994	(2,674)
TOTAL REVENUES	63,094	64,564	63,594	(970)
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
Auditor				
Personnel Services	4,245	4,245	3,703	542
Other Expenditures	6,118	5,743	5,099	644
Capital Outlay	200	200	93	107
Total Auditor	10,563	10,188	8,895	1,293
Treasurer				
Personnel Services	1,173	1,173	1,155	18
Other Expenditures	2,349	2,835	2,808	27
Capital Outlay	20	20	7	13
Total Treasurer	3,542	4,028	3,970	58
Recorder				
Personnel Services	198	200	199	1
Other Expenditures	201	198	136	62
Capital Outlay	33	33	-	33
Total Recorder	432	431	335	96
Law Library				
Personnel Services	402	408	392	16
Other Expenditures	573	508	424	84
Total Law Library	975	916	816	100
TOTAL GENERAL GOVERNMENT	15,512	15,563	14,016	1,547

(Continued)

UNAUDITED

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND FOR THE YEAR ENDED DECEMBER 31, 2021

(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
JUDICIAL				
Juvenile Court				
Other Expenditures	$ 164	$ 164	$ 149	$ 15
Total Juvenile Court	164	164	149	15
Court of Common Pleas				
Personnel Services	883	883	598	285
Other Expenditures	5,650	5,638	3,799	1,839
Capital Outlay	920	898	419	479
Total Court of Common Pleas	7,453	7,419	4,816	2,603
Municipal Court				
Personnel Services	453	453	396	57
Other Expenditures	650	640	555	85
Total Municipal Court	1,103	1,093	951	142
Court of Domestic Relations				
Personnel Services	301	301	1	300
Total Court of Domestic Relations	301	301	1	300
Probate Court				
Other Expenditures	1,479	1,471	404	1,067
Total Probate Court	1,479	1,471	404	1,067
Clerk of Courts				
Personnel Services	2,698	2,698	2,584	114
Other Expenditures	599	584	476	108
Capital Outlay	102	100	-	100
Total Clerk of Courts	3,399	3,382	3,060	322
Probation				
Personnel Services	629	629	571	58
Other Expenditures	254	264	191	73
Total Probation	883	893	762	131
TOTAL JUDICIAL	14,782	14,723	10,143	4,580
PUBLIC SAFETY				
Dog Warden				
Other Expenditures	4,560	4,560	4,427	133
Total Dog Warden	4,560	4,560	4,427	133

(Continued)

UNAUDITED

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND FOR THE YEAR ENDED DECEMBER 31, 2021

(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Sheriff				
Personnel Services	$ 172	$ 177	$ 177	$ -
Other Expenditures	347	291	224	67
Total Sheriff	519	468	401	67
Prosecutor				
Personnel Services	493	505	500	5
Other Expenditures	452	444	296	148
Capital Outlay	3	3	-	3
Total Prosecutor	948	952	796	156
Coroner				
Personnel Services	40	40	40	-
Other Expenditures	224	224	186	38
Capital Outlay	150	150	89	61
Total Coroner	414	414	315	99
Communications Center				
Personnel Services	363	363	191	172
Other Expenditures	452	350	243	107
Capital Outlay	275	197	47	150
Total Communications Center	1,090	910	481	429
TOTAL PUBLIC SAFETY	7,531	7,304	6,420	884
SOCIAL SERVICES				
Job and Family Services				
Personnel Services	8,754	8,754	8,133	621
Other Expenditures	6,918	6,398	5,690	708
Total Job and Family Services	15,672	15,152	13,823	1,329
TOTAL SOCIAL SERVICES	15,672	15,152	13,823	1,329
HEALTH				
Mental Health and Recovery Services				
Personnel Services	76	73	67	6
Other Expenditures	9,932	9,967	6,932	3,035
Capital Outlay	90	90	90	-
Total Mental Health and Recovery Services	10,098	10,130	7,089	3,041
Health and Hospitalization Tax				
Other Expenditures	129	123	62	61
Total Health and Hospitalization Tax	129	123	62	61
TOTAL HEALTH	10,227	10,253	7,151	3,102

(Continued)

UNAUDITED

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND FOR THE YEAR ENDED DECEMBER 31, 2021

(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
ENVIRONMENTAL CONTROL				
Environmental Services				
Personnel Services	$ 861	$ 841	$ 758	$ 83
Other Expenditures	3,327	3,179	2,925	254
Capital Outlay	35	35	-	35
Total Environmental Services	4,223	4,055	3,683	372
TOTAL ENVIRONMENTAL CONTROL	4,223	4,055	3,683	372
ECONOMIC DEVELOPMENT				
Economic Development				
Personnel Services	64	64	51	13
Other Expenditures	19,252	16,961	12,380	4,581
Total Economic Development	19,316	17,025	12,431	4,594
TOTAL ECONOMIC DEVELOPMENT	19,316	17,025	12,431	4,594
TOTAL EXPENDITURES	87,263	84,075	67,667	16,408
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(24,169)	(19,511)	(4,073)	15,438
OTHER FINANCING SOURCES (USES)				
Transfers In	5,149	5,149	4,590	(559)
Transfers Out	(500)	(550)	(50)	500
TOTAL OTHER FINANCING SOURCES (USES), NET	4,649	4,599	4,540	(59)
NET CHANGE IN FUND BALANCE	(19,520)	(14,912)	467	15,379
FUND BALANCE AT BEGINNING OF YEAR	59,795	59,795	59,795	-
Prior-Year Encumbrances Appropriated	12,748	12,748	12,748	-
FUND BALANCE AT END OF YEAR	$ 53,023	$ 57,631	$ 73,010	$ 15,379

UNAUDITED

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
PUBLIC ASSISTANCE—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for Services	$ 34,809	$ 34,809	$ 31,248	$ (3,561)
Intergovernmental	63,836	63,836	51,865	(11,971)
Other	1,990	1,990	1,856	(134)
TOTAL REVENUES	100,635	100,635	84,969	(15,666)
EXPENDITURES				
Current:				
SOCIAL SERVICES				
Job and Family Services				
Personnel Services	58,553	58,553	54,655	3,898
Other Expenditures	57,296	49,217	40,106	9,111
Capital Outlay	899	893	618	275
Total Job and Family Services	116,748	108,663	95,379	13,284
TOTAL SOCIAL SERVICES	116,748	108,663	95,379	13,284
TOTAL EXPENDITURES	116,748	108,663	95,379	13,284
DEFICIENCY OF REVENUES OVER EXPENDITURES	(16,113)	(8,028)	(10,410)	(2,382)
OTHER FINANCING SOURCES (USES)				
Transfers In	606	606	606	-
Advances Out	-	-	(900)	(900)
TOTAL OTHER FINANCING SOURCES (USES), NET	606	606	(294)	(900)
NET CHANGE IN FUND BALANCE	(15,507)	(7,422)	(10,704)	(3,282)
FUND BALANCE AT BEGINNING OF YEAR	11,561	11,561	11,561	-
Prior-Year Encumbrances Appropriated	11,597	11,597	11,597	-
FUND BALANCE AT END OF YEAR	$ 7,651	$ 15,736	$ 12,454	$ (3,282)

UNAUDITED

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
MOTOR VEHICLE GAS TAX—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Property Taxes and Special Assessments	$ 5	$ 6	$ 6	$ -
State Shared Taxes	28,530	28,530	29,441	911
Charges for Services	4,050	4,050	4,613	563
Fines and Forfeitures	187	187	157	(30)
Intergovernmental	4,059	6,888	2,842	(4,046)
Investment Earnings	226	244	22	(222)
Other	83	297	424	127
TOTAL REVENUES	37,140	40,202	37,505	(2,697)
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
Planning and Development				
Personnel Services	1,011	1,011	782	229
Other Expenditures	500	500	85	415
Capital Outlay	348	348	176	172
Total Planning and Development	1,859	1,859	1,043	816
TOTAL GENERAL GOVERNMENT	1,859	1,859	1,043	816
PUBLIC WORKS				
County Engineer				
Personnel Services	12,796	12,796	9,857	2,939
Other Expenditures	9,734	8,816	8,039	777
Capital Outlay	27,514	39,188	24,072	15,116
Total County Engineer	50,044	60,800	41,968	18,832
TOTAL PUBLIC WORKS	50,044	60,800	41,968	18,832
DEBT SERVICE				
Debt Service				
Principal Retirement	447	347	346	1
Total Debt Service	447	347	346	1
TOTAL DEBT SERVICE	447	347	346	1
TOTAL EXPENDITURES	52,350	63,006	43,357	19,649
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(15,210)	(22,804)	(5,852)	16,952
OTHER FINANCING SOURCES (USES)				
Transfers In	13,293	26,434	17,039	(9,395)
Transfers Out	(11,455)	(15,684)	(15,533)	151
TOTAL OTHER FINANCING SOURCES (USES), NET	1,838	10,750	1,506	(9,244)
NET CHANGE IN FUND BALANCE	(13,372)	(12,054)	(4,346)	7,708
FUND BALANCE AT BEGINNING OF YEAR	37,765	37,765	37,765	-
Prior-Year Encumbrances Appropriated	15,503	15,503	15,503	-
FUND BALANCE AT END OF YEAR	$ 39,896	$ 41,214	$ 48,922	$ 7,708

UNAUDITED

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES GRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 5,921	$ 7,245	$ 4,527	$ (2,718)
TOTAL REVENUES	5,921	7,245	4,527	(2,718)
EXPENDITURES				
Current:				
SOCIAL SERVICES				
Job and Family Services				
Other Expenditures	5,921	7,245	4,527	2,718
Total Job and Family Services	5,921	7,245	4,527	2,718
TOTAL SOCIAL SERVICES	5,921	7,245	4,527	2,718
TOTAL EXPENDITURES	5,921	7,245	4,527	2,718
DEFICIENCY OF REVENUES OVER EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-	-
FUND BALANCE AT END OF YEAR	$ -	$ -	$ -	$ -

UNAUDITED

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL OBLIGATION NONVOTED—DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Sales and Use Tax	$ 1,050	$ 1,050	$ 1,048	$ (2)
Intergovernmental	69	69	69	-
Other	181	181	181	-
TOTAL REVENUES	1,300	1,300	1,298	(2)
EXPENDITURES				
Current:				
DEBT SERVICE				
Debt Service				
Principal Retirement	5,595	5,595	5,434	161
Interest and Fiscal Charges	3,648	3,631	3,620	11
TOTAL DEBT SERVICE	9,243	9,226	9,054	172
TOTAL EXPENDITURES	9,243	9,226	9,054	172
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,943)	(7,926)	(7,756)	170
OTHER FINANCING SOURCES				
Transfers In	7,741	7,741	7,756	15
TOTAL OTHER FINANCING SOURCES	7,741	7,741	7,756	15
NET CHANGE IN FUND BALANCE	(202)	(185)	-	185
FUND BALANCE AT BEGINNING OF YEAR	1,078	1,078	1,078	-
Prior-Year Encumbrances Appropriated	17	17	17	-
FUND BALANCE AT END OF YEAR	$ 893	$ 910	$ 1,095	$ 185

UNAUDITED

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
SPECIAL ASSESSMENTS—DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

(Amounts in Thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Property Taxes and Special Assessments	$ 449	$ 449	$ 437	$ (12)
TOTAL REVENUES	449	449	437	(12)
EXPENDITURES				
Current:				
DEBT SERVICE				
Debt Service				
Principal Retirement	322	322	322	-
Interest and Fiscal Charges	172	157	137	20
TOTAL DEBT SERVICE	494	479	459	20
TOTAL EXPENDITURES	494	479	459	20
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(45)	(30)	(22)	8
OTHER FINANCING SOURCES (USES)				
Transfers In	30	30	10	(20)
Transfers Out	-	(100)	(100)	-
TOTAL OTHER FINANCING SOURCES (USES), NET	30	(70)	(90)	(20)
NET CHANGE IN FUND BALANCE	(15)	(100)	(112)	(12)
FUND BALANCE AT BEGINNING OF YEAR	250	250	250	-
Prior-Year Encumbrances Appropriated	15	15	15	-
FUND BALANCE AT END OF YEAR	$ 250	$ 165	$ 153	$ (12)

UNAUDITED

COUNTY OF HAMILTON, OHIO
NONMAJOR ENTERPRISE FUNDS

COMBINING FINANCIAL STATEMENTS

The enterprise funds are established to account for operations that are financed and operated in a manner similar to business in the private sector. The expenses (including depreciation) of providing goods and services primarily or solely to the general public are financed or recovered primarily through user charges.

Parking	**To account for financial activity relating to the construction and operations of parking facilities.**
Sales Tax Reserve	**To account for financial activity relating to the ½ percent sales tax for stadia and other riverfront development.**
Communications Center	**To account for the financial activity relating to emergency 911 services for Hamilton County.**

UNAUDITED

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2021
(Amounts in Thousands)

	Business-Type Activities			
	Parking	Sales Tax Reserve	Communications Center	Total Nonmajor Enterprise Funds
ASSETS				
Current Assets:				
Equity in Pooled Cash and Investments	$ 63,412	$ 36,751	$ 4,938	$ 105,101
Accounts Receivable	253	-	-	253
Prepaid Expenses	83	-	-	83
Total Current Assets	63,748	36,751	4,938	105,437
Noncurrent Assets:				
Capital Assets:				
Nondepreciable Capital Assets:				
Land and Improvements	20,768	-	-	20,768
Construction in Progress	1,905	-	121	2,026
Total Nondepreciable Capital Assets	22,673	-	121	22,794
Depreciable Capital Assets, Net:				
Depreciable Land Improvements	320	-	-	320
Buildings, Structures and Improvements	283,462	-	21,662	305,124
Furniture, Fixtures and Equipment	1,701	-	25,424	27,125
Less Accumulated Depreciation	(134,299)	-	(28,235)	(162,534)
Total Depreciable Capital Assets, Net	151,184	-	18,851	170,035
Total Capital Assets, Net	173,857	-	18,972	192,829
Total Noncurrent Assets	173,857	-	18,972	192,829
TOTAL ASSETS	237,605	36,751	23,910	298,266
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charge on Refunding	-	-	217	217
TOTAL DEFERRED OUTFLOWS OF RESOURCES	-	-	217	217
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 237,605	$ 36,751	$ 24,127	$ 298,483
LIABILITIES				
Current Liabilities:				
Accounts Payable	$ 1,970	$ -	$ 76	$ 2,046
Accrued Wages and Benefits Payable	18	-	128	146
Payroll Withholdings	8	-	60	68
Intergovernmental Payable	10,074	-	62	10,136
Accrued Interest Payable	76	-	44	120
Retainage Payable	278	-	-	278
Accrued Compensated Absences	-	-	43	43
Current Portion of State Loans Payable	296	-	-	296
Current Portion of Long-Term Debt	2,144	-	1,315	3,459
Total Current Liabilities	14,864	-	1,728	16,592
Noncurrent Liabilities:				
Accrued Compensated Absences	-	-	565	565
Advances from Other Funds	12,800	-	-	12,800
Interfund Payable	18,895	-	-	18,895
State Loans Payable	1,230	-	-	1,230
Long Term Debt	58,949	-	10,783	69,732
Total Noncurrent Liabilities	91,874	-	11,348	103,222
TOTAL LIABILITIES	106,738	-	13,076	119,814
NET POSITION				
Net Investment in Capital Assets	114,387	-	7,091	121,478
Unrestricted	16,480	36,751	3,960	57,191
TOTAL NET POSITION	$ 130,867	$ 36,751	$ 11,051	$ 178,669

UNAUDITED

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

UNAUDITED

	Business-Type Activities			
	Parking	Sales Tax Reserve	Communications Center	Total Nonmajor Enterprise Funds
OPERATING REVENUES				
Charges for Services	$ 10,187	$ -	$ 1,931	$ 12,118
Other	3,625	-	2	3,627
TOTAL OPERATING REVENUES	13,812	-	1,933	15,745
OPERATING EXPENSES				
Personnel Services	798	-	5,869	6,667
Utilities, Fuel and Supplies	2,184	-	378	2,562
Purchased Services	3,417	1	1,735	5,153
Depreciation and Amortization	9,994	-	2,193	12,187
Other	1,724	-	432	2,156
TOTAL OPERATING EXPENSES	18,117	1	10,607	28,725
OPERATING (LOSS)	(4,305)	(1)	(8,674)	(12,980)
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	(350)	(273)	(46)	(669)
Sales and Use Tax	2,032	14,966	-	16,998
Federal Subsidy	1,250			1,250
Interest Expense	(2,487)		(371)	(2,858)
Settlements to Taxing Authority		(5,014)		(5,014)
TOTAL NONOPERATING REVENUES (EXPENSES)	445	9,679	(417)	9,707
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(3,860)	9,678	(9,091)	(3,273)
Transfers In	9,000	220	9,800	19,020
Transfers Out	(247)	-	(1,253)	(1,500)
CHANGE IN NET POSITION	4,893	9,898	(544)	14,247
NET POSITION—BEGINNING	125,974	26,853	11,595	164,422
TOTAL NET POSITION—ENDING	$ 130,867	$ 36,751	$ 11,051	$ 178,669

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

	Business-Type Activities			
	Parking	Sales Tax Reserve	Communications Center	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers and Users	$ 10,415	$ -	$ 1,933	$ 12,348
Cash Payments to Suppliers for Goods and Services	(4,542)	(2)	(2,067)	(6,611)
Cash Payments for Personnel Costs	(792)	-	(5,837)	(6,629)
Other Operating Revenue	3,694	-	-	3,694
Other Operating Expenses	(2,896)	-	(461)	(3,357)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	5,879	(2)	(6,432)	(555)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Sales and Use Tax	2,032	14,966	-	16,998
Federal Subsidy	1,250	-	-	1,250
Transfer In	-	-	9,800	9,800
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	3,282	14,966	9,800	28,048
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Settlements to Taxing Authority	-	(5,014)	-	(5,014)
Principal Payments on Long-Term Debt and Interfund Payable	(3,783)	-	(60)	(3,843)
Interest Payments on Long-Term Debt and Interfund Payable	(2,860)	-	(536)	(3,396)
Fiscal Charges on Long-Term Debt	(442)		-	(442)
Bond/Loan Proceeds	36,920		-	36,920
Premium from Sale of Refunding Bonds	10,634		-	10,634
Transfer In	9,000	220	-	9,220
Transfer Out	(247)	-	(1,253)	(1,500)
Advance from Other Fund	12,800	7,000	-	19,800
Repayment of Advance from Other Fund	(7,000)		-	(7,000)
Acquisition and Construction of Property, Plant and Equipment	(18,201)	-	(523)	(18,724)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	36,821	2,206	(2,372)	36,655
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Earnings	(350)	(270)	(46)	(666)
NET CASH (USED) BY INVESTING ACTIVITIES	(350)	(270)	(46)	(666)
Net Increase in Cash and Equity in Pooled Cash and Investments	45,632	16,900	950	63,482
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	17,780	19,851	3,988	41,619
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 63,412	$ 36,751	$ 4,938	$ 105,101
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating (Loss)	$ (4,305)	$ (1)	$ (8,674)	$ (12,980)
Adjustments to Reconcile Operating (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation and Amortization	9,994	-	2,193	12,187
Net Changes in Operating Assets and Liabilities:	-	-	-	
Accounts Receivable	297	-	-	297
Operating Accounts Payable	(151)	(1)	17	(135)
Accrued Payroll and Other Related Withholdings	5	-	51	56
Intergovernmental Payable	39	-	17	56
Compensated Absences	-	-	(36)	(36)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 5,879	$ (2)	$ (6,432)	$ (555)
RECONCILIATION OF CASH AND CASH EQUIVALENTS				
Equity in Pooled Cash and Investments	$ 63,412	$ 36,751	$ 4,938	$ 105,101
TOTAL CASH AND CASH EQUIVALENTS	$ 63,412	$ 36,751	$ 4,938	$ 105,101

UNAUDITED

COUNTY OF HAMILTON, OHIO
INTERNAL SERVICE FUNDS

COMBINING FINANCIAL STATEMENTS

The internal service funds are established to account for the financing of goods or services provided by one department of the County to other departments of the County on a cost-reimbursement basis.

Workers' Compensation Reserve	**To provide self-insurance to the County through a prospectively billed program with the State of Ohio for workers' compensation.**
Auditor's Computer Center	**To account for the financial activity relating to the data processing center.**
Medical Self-Insurance	**To account for the financial activity of the County's health-care coverage for its employees.**

UNAUDITED

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF FUND NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2021
(Amounts in Thousands)

	Governmental Activities			
	Workers' Compensation Reserve	Auditor's Computer Center	Medical Self-Insurance	Total Governmental Activities
ASSETS				
Current Assets:				
Equity in Pooled Cash and Investments	$ 11,105	$ 821	$ 18,507	$ 30,433
Accounts Receivable	16	-	400	416
Total Current Assets	11,121	821	18,907	30,849
Depreciable Capital Assets, Net:				
Buildings, Structures and Improvements	-	41	-	41
Furniture, Fixtures and Equipment	-	1,088	-	1,088
Less Accumulated Depreciation	-	(858)	-	(858)
Total Depreciable Capital Assets, Net	-	271	-	271
Total Capital Assets, Net	-	271	-	271
Total Noncurrent Assets	-	271	-	271
TOTAL ASSETS	11,121	1,092	18,907	31,120
LIABILITIES				
Current Liabilities:				
Accounts Payable	-	13	364	377
Accrued Wages and Benefits Payable	4	26	6	36
Payroll Withholdings	2	14	6	22
Intergovernmental Payable	2	14	6	22
Claims Payable	224	-	5,879	6,103
Compensated Absences	-	6	-	6
Total Current Liabilities	232	73	6,261	6,566
Noncurrent Liabilities:				
Claims Payable—Net of Current Portion	41	-	-	41
Accrued Compensated Absences	-	173	-	173
Total Noncurrent Liabilities	41	173	-	214
TOTAL LIABILITIES	273	246	6,261	6,780
NET POSITION				
Net Investment in Capital Assets	-	271	-	271
Unrestricted	10,848	575	12,646	24,069
TOTAL NET POSITION	$ 10,848	$ 846	$ 12,646	$ 24,340

UNAUDITED

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

UNAUDITED

	Governmental Activities			
	Workers' Compensation Reserve	Auditor's Computer Center	Medical Self-Insurance	Total Governmental Activities
OPERATING REVENUES				
Charges for Services	$ 1,254	$ 1,730	$ 64,707	$ 67,691
Other	79	-	387	466
TOTAL OPERATING REVENUES	1,333	1,730	65,094	68,157
OPERATING EXPENSES				
Personnel Services	177	1,359	620	2,156
Purchased Services	965	283	8,532	9,780
Utilities, Fuel and Supplies	-	49	3	52
Claims	203	-	47,585	47,788
Change in Estimate	61	-	-	61
Depreciation	-	95	-	95
Other	-	111	18	129
TOTAL OPERATING EXPENSES	1,406	1,897	56,758	60,061
OPERATING INCOME (LOSS)	(73)	(167)	8,336	8,096
NONOPERATING REVENUES				
Investment Earnings	(122)	(10)	(124)	(256)
TOTAL NONOPERATING REVENUES	(122)	(10)	(124)	(256)
INCOME (LOSS)	(195)	(177)	8,212	7,840
CHANGE IN NET POSITION	(195)	(177)	8,212	7,840
NET POSITION—BEGINNING	11,043	1,023	4,434	16,500
NET POSITION—ENDING	$ 10,848	$ 846	$ 12,646	$ 24,340

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

UNAUDITED

	Governmental Activities			
	Workers' Compensation Reserve	Auditor's Computer Center	Medical Self-Insurance	Total Governmental Activities
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Interfund Services Provided	$ 1,254	$ 1,730	$ 64,694	$ 67,678
Cash Payments to Suppliers for Goods and Services	(885)	(260)	(8,388)	(9,533)
Cash Payments for Claims	(562)	-	(46,446)	(47,008)
Cash Payments for Personnel Costs	(176)	(1,350)	(617)	(2,143)
Other Operating Expenses	-	(216)	(18)	(234)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(369)	(96)	9,225	8,760
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Property, Plant and Equipment	-	(81)	-	(81)
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	-	(81)	-	(81)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Earnings	(122)	(10)	(124)	(256)
NET CASH PROVIDED BY INVESTING ACTIVITIES	(122)	(10)	(124)	(256)
Net Increase (Decrease) in Cash and Cash Equivalents	(491)	(187)	9,101	8,423
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	11,596	1,008	9,406	22,010
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 11,105	$ 821	$ 18,507	$ 30,433
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating Income (Loss)	$ (73)	$ (167)	$ 8,336	$ 8,096
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	-	95	-	95
Net Changes in Operating Assets and Liabilities:				
Accounts Receivable	1	-	(399)	(398)
Accounts Payable	(1)	(33)	146	112
Intergovernmental Payable	-	1	1	2
Claims Payable	(212)	-	1,139	927
Accrued Payroll and Other Related Withholdings	2	4	2	8
Compensated Absences	-	4	-	4
Estimated Future Claims	(86)	-	-	(86)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ (369)	$ (96)	$ 9,225	$ 8,760

COUNTY OF HAMILTON, OHIO
FIDUCIARY FUNDS

COMBINING FINANCIAL STATEMENTS

The fiduciary funds account for resources held for the benefit of parties outside the County. The County's only fiduciary funds are custodial funds. These funds do not account for the County's own source revenue.

CUSTODIAL FUNDS

Undivided Moneys	**To account for various taxes, special assessments, and State undivided moneys collected and distributed for the benefit of other governments.**
Other Custodial	**To account for moneys received and disbursed by the County as fiscal agent for the benefit of legally separate entities and for moneys held by the County to be distributed for the benefit of others**

UNAUDITED

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2021
(Amounts in Thousands)

	Undivided Moneys	Other Custodial	Total Custodial Funds
ASSETS			
Equity in Pooled Cash and Cash Equivalents	$ 45,664	$ 12,052	$ 57,716
Cash and Cash Equivalents—Segregated Accounts	-	15,839	15,839
Accounts Receivable	-	137	137
Intergovernmental Receivable	626	1,037	1,663
Property Taxes Receivable	1,210,812	-	1,210,812
TOTAL ASSETS	1,257,102	29,065	1,286,167
LIABILITIES			
Accounts Payable	-	17,819	17,819
Accrued Wages and Benefits Payable	-	340	340
Payroll Withholdings	-	163	163
Due to Other Governments	58,818	608	59,426
TOTAL LIABILITIES	58,818	18,930	77,748
DEFERRED INFLOWS OF RESOURCES			
Property Taxes Not Levied to Finance Current Year Operations	1,183,244	-	1,183,244
NET POSITION			
Restricted for Individuals, Organizations and Other Governments	$ 15,040	$ 10,135	$ 25,175

UNAUDITED

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands)

	Undivided Moneys	Other Custodial	Total Custodial Funds
ADDITIONS			
Intergovernmental	$ 21,705	$ 107	$ 21,812
Amounts Received as Fiscal Agent	-	30,449	30,449
Licenses, Permits and Fees for Other Governments	-	1,636	1,636
Property Tax Collections for Other Governments	1,498,279	-	1,498,279
Excise Tax Collections for Other Governments	3,081	-	3,081
Amounts Received for Others	-	12,237	12,237
Miscellaneous	-	5,798	5,798
TOTAL ADDITIONS	1,523,065	50,227	1,573,292
DEDUCTIONS			
Distributions of State Funds to Other Governments	21,705	-	21,705
Licenses, Permits and Fees Distributions to Other Governments	-	1,262	1,262
Property Tax Distributions to Other Governments	1,492,136	-	1,492,136
Excise Tax Distributions to Other Governments	3,081	-	3,081
Distributions to Other Governments	-	100	100
Sheriff Sales Distributions to Others	-	12,038	12,038
Distributions as Fiscal Agent	-	29,956	29,956
Other Distributions	-	1,161	1,161
Refunds	25,067	8	25,075
Miscellaneous	-	5,964	5,964
TOTAL DEDUCTIONS	1,541,989	50,489	1,592,478
Net (Decrease) in Fiduciary Net Position	(18,924)	(262)	(19,186)
NET POSITION—BEGINNING	33,965	10,396	44,361
TOTAL NET POSITION—ENDING	$ 15,041	$ 10,134	$ 25,175

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Statistical Section

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The County of Hamilton, Ohio

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COUNTY OF HAMILTON, OHIO
STATISTICAL SECTION

STATISTICAL SCHEDULES

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

CONTENTS

Financial Trends 175

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity 180

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity 186

These schedules represent information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information 195

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information 197

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

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COUNTY OF HAMILTON, OHIO
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(Amounts in Thousands)

UNAUDITED

	FISCAL YEAR									
	2012	2013[1]	2014[1]	2015	2016	2017[1]	2018	2019[1]	2020	2021
GOVERNMENTAL ACTIVITIES										
Net Investment in Capital Assets	$ 287,912	$ 279,328	$ 273,507	$ 267,343	$ 268,488	$ 264,167	$ 277,939	$ 279,505	$ 274,490	$ 269,110
Restricted	319,813	310,768	354,056	374,383	409,235	476,201	460,776	507,052	518,646	580,621
Unrestricted	37,346	39,327	(130,415)	(123,873)	(140,941)	(425,582)	(465,047)	(473,873)	(416,548)	(160,300)
TOTAL GOVERNMENTAL ACTIVITIES NET POSITION	$ 645,071	$ 629,423	$ 497,148	$ 517,853	$ 536,782	$ 314,786	$ 273,668	$ 312,684	$ 376,588	$ 689,431
BUSINESS-TYPE ACTIVITIES										
Net Investment in Capital Assets	$ 557,819	$ 501,198	$ 561,056	$ 650,739	$ 709,308	$ 786,866	$ 848,231	$ 951,610	$ 1,068,681	$ 1,120,089
Restricted	7,994	8,423	8,454	8,238	8,313	6,973	7,063	7,172	8,989	8,898
Unrestricted	335,165	410,079	237,565	201,922	335,163	398,659	375,280	302,093	134,291	214,826
TOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	$ 900,978	$ 919,700	$ 807,075	$ 860,899	$ 1,052,784	$ 1,192,498	$ 1,230,574	$ 1,260,875	$ 1,211,961	$ 1,343,813
PRIMARY GOVERNMENT										
Net Investment in Capital Assets	$ 845,731	$ 780,526	$ 834,563	$ 918,082	$ 977,796	$ 1,051,033	$ 1,126,170	$ 1,231,115	$ 1,343,171	$ 1,389,199
Restricted	327,807	319,191	362,510	382,621	417,548	483,174	467,839	514,224	527,635	589,519
Unrestricted	372,511	449,406	107,150	78,049	194,222	(26,923)	(89,767)	(171,780)	(282,257)	54,526
TOTAL PRIMARY GOVERNMENT NET POSITION	$ 1,546,049	$ 1,549,123	$ 1,304,223	$ 1,378,752	$ 1,589,566	$ 1,507,284	$ 1,504,242	$ 1,573,559	$ 1,588,549	$ 2,033,244

Source: Hamilton County Auditor's Finance Department.

[1]As restated.

COUNTY OF HAMILTON, OHIO
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(Amounts in Thousands)

	FISCAL YEAR									
	2012	2013[1]	2014	2015	2016	2017	2018	2019	2020	2021
EXPENSES										
Governmental Activities										
General Government	$ 139,552	$ 82,046	$ 68,133	$ 62,983	$ 66,004	$ 66,040	$ 80,097	$ 67,760	$ 184,689	$ 144,919
Judicial	89,903	89,524	94,281	92,282	100,607	108,570	115,323	130,031	227,132	179,855
Public Safety	106,958	101,155	104,530	98,236	112,227	139,361	141,578	157,858	111,046	62,020
Social Services	143,950	146,298	143,149	154,406	165,182	191,541	193,248	217,975	199,607	158,831
Health	226,480	189,604	185,594	171,507	169,802	170,544	160,861	172,475	162,850	150,141
Public Works	37,656	40,973	42,979	36,411	31,648	31,627	31,771	37,490	32,466	23,483
Environmental Control	6,337	5,943	6,889	6,470	6,221	6,849	6,630	7,649	6,858	4,593
Economic and Community Development	8,248	8,867	9,014	11,785	24,006	19,299	18,929	19,958	16,993	17,887
Recreational Activities	7,834	8,179	7,159	19,765	35,122	58,446	48,285	42,621	35,918	6,596
Interest and Fiscal Charges	4,769	3,667	3,118	2,987	2,202	2,066	3,664	2,755	2,293	2,347
Total Governmental Activities Program Expenses	771,687	676,256	664,846	656,832	713,021	794,343	800,386	856,572	979,852	750,672
Indirect Expenses Allocation	3,016	3,194	3,400	3,620	3,080	3,371	4,210	4,363	5,972	5,985
Indirect Expenses Reimbursement	(3,016)	(3,194)	(3,400)	(3,620)	(3,080)	(3,371)	(4,210)	(4,363)	(5,972)	(5,985)
Total Governmental Activities Expenses	771,687	676,256	664,846	656,832	713,021	794,343	800,386	856,572	979,852	750,672
Business-Type Activities										
Metropolitan Sewer District	190,006	245,379	219,566	208,063	109,163	162,072	226,840	302,723	335,650	155,110
Paul Brown Stadium	44,364	44,642	44,276	43,924	41,670	38,642	37,955	39,954	41,405	37,320
Baseball Stadium	29,873	29,731	30,276	29,674	26,553	25,966	25,746	25,928	31,816	37,117
Riverfront Development[3]	14,356	14,984	14,876	16,772	16,995	16,330	20,377	-	-	-
Main Street Parking Garage[3]	861	798	883	771	790	745	781	-	-	-
Parking[3]	-	-	-	-	-	-	-	22,061	24,097	20,604
Sales Tax Stabilization	-	-	-	-	-	-	30,066	-	8,529	5,015
Rotary Funds[2]	8,224	8,866	9,829	12,782	12,146	157	-	-	-	-
Communications Center	7,448	6,645	7,367	7,992	7,499	10,770	11,212	11,340	8,671	10,978
Total Business-Type Activities Expenses	295,132	351,045	327,073	319,978	214,816	254,682	352,977	402,006	450,168	266,144
Total Primary Government Expenses	$ 1,066,819	$ 1,027,301	$ 991,919	$ 976,810	$ 927,837	$ 1,049,025	$ 1,153,363	$ 1,258,578	$ 1,430,020	$ 1,016,816
PROGRAM REVENUES										
Governmental Activities										
Charges for Services										
General Government	$ 51,993	$ 49,759	$ 44,309	$ 45,546	$ 44,499	$ 44,917	$ 50,225	$ 54,082	$ 80,727	$ 89,823
Judicial	28,335	27,438	26,321	25,964	24,626	25,871	28,498	28,167	31,641	33,643
Public Safety	15,407	16,685	17,123	10,613	10,311	19,173	21,566	24,810	29,367	25,772
Social Services	5,850	6,054	5,438	5,198	6,321	5,323	5,903	9,273	7,191	5,922
Health	11,091	8,328	9,534	2,437	2,576	3,675	4,257	3,238	10,420	9,656
Public Works	3,388	2,839	4,156	8,372	7,497	9,288	4,075	3,175	19,131	6,498
Environmental Control	3,198	2,764	2,743	2,772	3,304	3,524	3,959	4,024	4,593	4,332
Economic and Community Development	42	64	32	161	1,084	990	547	4,864	4,977	-
Recreational Activities	112	-	-	-	-	-	62	-	-	-
Operating Grants and Contributions	273,318	195,344	231,749	199,893	206,429	202,880	196,139	223,018	309,015	307,402
Capital Grants and Contributions	563	627	595	5,050	5,723	5,411	4,110	1,167	648	402
Total Governmental Activities Program Revenues	393,297	309,902	342,000	306,006	312,370	321,052	319,341	355,818	497,710	483,450

UNAUDITED

	FISCAL YEAR									
	2012	2013[1]	2014	2015	2016	2017	2018	2019	2020	2021
Business-Type Activities										
Charges for Services										
Metropolitan Sewer District	$ 245,614	$ 250,382	$ 257,465	$ 272,507	$ 276,623	$ 287,594	$ 269,274	$ 268,451	$ 253,841	$ 261,461
Paul Brown Stadium	831	831	997	1,325	1,305	1,238	1,288	1,356	1,631	1,248
Baseball Stadium	1,211	1,278	1,458	1,419	1,271	1,270	1,394	1,258	809	791
Riverfront Development[3]	8,895	12,181	11,322	12,664	13,069	14,300	13,859	-	-	-
Main Street Parking Garage[3]	913	840	951	983	1,005	1,187	1,115	-	-	-
Parking[3]	-	-	-	-	-	-	-	16,544	7,717	10,187
Communications Center	5,675	5,620	5,311	5,954	5,441	4,711	4,683	4,999	3,368	1,931
Operating Grants and Contributions	-	-	-	-	-	-	269	28	9	1,250
Capital Grants and Contributions	7,175	14,921	9,679	9,673	8,553	4,920	5,152	6,195	4,381	4,134
Total Business-Type Activities Program Revenues	278,275	294,005	297,395	316,746	317,796	315,954	297,034	298,831	271,756	281,002
Total Primary Government Program Revenues	$ 671,572	$ 603,907	$ 639,395	$ 622,752	$ 630,166	$ 637,006	$ 616,375	$ 654,649	$ 769,466	$ 764,452
NET EXPENSE										
Governmental Activities	$ (378,390)	$ (366,354)	$ (322,846)	$ (350,826)	$ (400,651)	$ (473,291)	$ (481,045)	$ (500,754)	$ (482,142)	$ (267,222)
Business-Type Activities	(16,857)	(57,040)	(29,678)	(3,232)	102,980	61,272	(55,943)	(103,175)	(178,412)	14,858
Total Primary Government Net Expense	$ (395,247)	$ (423,394)	$ (352,524)	$ (354,058)	$ (297,671)	$ (412,019)	$ (536,988)	$ (603,929)	$ (660,554)	$ (252,364)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities										
Taxes										
Property Taxes	$ 226,392	$ 228,717	$ 235,070	$ 231,836	$ 234,973	$ 240,921	$ 248,753	$ 288,829	$ 290,609	$ 308,367
Sales and Use Taxes	72,929	77,921	81,242	114,860	141,013	137,837	141,606	145,267	133,767	155,546
Other Taxes	36,919	33,306	35,356	34,945	35,105	35,406	36,390	41,345	112,831	131,233
Grants and Entitlements not Restricted to Specific Programs	15,787	11,264	11,263	9,055	5,082	2,623	1,505	660	119	-
Gifts and Donations	86	82	186	92	196	169	243	219	224	216
Unrestricted Investment Earnings	7,443	3,648	3,742	6,023	6,978	6,621	15,416	25,673	15,139	(1,324)
Gain on Sale of Capital Assets	12,551	24	37	58	37	19	18	77	23	3,447
Other Revenue	2,280	1,619	497	448	220	258	286	93	158	127
Extraordinary Item	-	-	-	(22,500)	-	-	-	-	-	-
Transfers	(18)	(5,875)	(5,508)	(3,286)	(4,024)	(14,074)	(4,290)	(3,880)	(6,824)	(17,547)
Total Governmental Activities	374,369	350,706	361,885	371,531	419,580	409,780	439,927	498,283	546,046	580,065
Business-Type Activities										
Sales and Use Taxes	49,981	56,063	59,764	65,973	68,845	64,444	65,549	71,416	72,733	91,657
Unrestricted Investment Earnings	7,698	4,208	42,505	(19,508)	9,307	8,686	14,832	18,535	13,926	(893)
Gain on Sale of Capital Assets	181	546	-	-	465	-	-	-	-	-
Other Revenue	3,782	9,070	8,162	7,305	6,264	5,991	9,348	13,990	36,014	8,683
Transfers	18	5,875	5,508	3,286	4,024	14,074	4,290	3,880	6,824	17,547
Total Business-Type Activities	61,660	75,762	115,939	57,056	88,905	93,195	94,019	107,821	129,497	116,994
Total Primary Government	$ 436,029	$ 426,468	$ 477,824	$ 428,587	$ 508,485	$ 502,975	$ 533,946	$ 606,104	$ 675,543	$ 697,059
CHANGE IN NET POSITION										
Governmental Activities	$ (4,021)	$ (15,648)	$ 39,039	$ 20,705	$ 18,929	$ (63,511)	$ (41,118)	$ (2,471)	$ 63,904	$ 312,843
Business-Type Activities	44,803	18,722	86,261	53,824	191,885	154,467	38,076	4,646	(48,915)	131,852
Total Primary Government	$ 40,782	$ 3,074	$ 125,300	$ 74,529	$ 210,814	$ 90,956	$ (3,042)	$ 2,175	$ 14,989	$ 444,695

Source: Hamilton County Auditor's Finance Department.

[1] As restated.

[2] Transitoned to General Fund during 2017.

[3] Beginning in 2019, activities of Riverfront Development and Main Street Parking are reported as Parking.

UNAUDITED

COUNTY OF HAMILTON, OHIO
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)
(Amounts in Thousands)

UNAUDITED

	FISCAL YEAR									
	2012	2013[1]	2014	2015	2016	2017	2018	2019[1]	2020	2021
GENERAL FUND										
Nonspendable	$ 9,244	$ 7,962	$ 8,804	$ 4,542	$ 5,992	$ 5,348	$ 5,277	$ 5,909	$ 11,110	$ 36,712
Committed	203	217	302	275	286	218	262	314	324	386
Assigned	13,110	13,524	16,514	19,821	12,909	12,127	9,251	7,967	10,577	26,916
Unassigned	49,763	54,699	52,403	57,993	59,096	52,970	61,382	106,447	165,777	161,398
TOTAL GENERAL FUND	$ 72,320	$ 76,402	$ 78,023	$ 82,631	$ 78,283	$ 70,663	$ 76,172	$ 120,637	$ 187,788	$ 225,412
ALL OTHER GOVERNMENTAL FUNDS										
Nonspendable	$ 4,889	$ 4,961	$ 293	$ 115	$ 120	$ 153	$ 160	$ 168	$ 179	$ 173
Restricted	266,517	266,882	303,190	328,157	358,916	363,294	352,293	425,456	470,488	515,162
Committed	19,996	15,375	8,309	9,579	14,736	89,803	84,721	51,183	27,738	26,558
Unassigned	(1,821)	(4,257)	(5,470)	(1,652)	(1,193)	(3,739)	(3,723)	(1,989)	(8,676)	(8,230)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	$ 289,581	$ 282,961	$ 306,322	$ 336,199	$ 372,579	$ 449,511	$ 433,451	$ 474,818	$ 489,729	$ 533,663

Source: Hamilton County Auditor's Finance Department.

[1]As restated.

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)

(Amounts in Thousands)

	FISCAL YEAR									
	2012	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
REVENUES										
Property Taxes and Assessments	$ 229,347	$ 232,710	$ 235,796	$ 235,254	$ 236,461	$ 239,892	$ 248,186	$ 287,169	$ 292,672	$ 304,625
Sales and Use Tax	72,929	77,921	81,242	114,860	141,013	137,837	141,606	145,267	133,767	155,546
State Shared Taxes	36,919	33,306	35,356	34,945	35,105	35,406	36,390	41,345	112,831	131,233
Charges for Services	68,330	71,503	68,557	65,988	65,303	76,336	81,210	96,027	102,798	99,615
Licenses and Permits	6,973	7,561	7,257	7,559	7,916	7,812	7,436	7,474	6,996	7,424
Fines and Forfeitures	13,361	12,803	12,618	12,852	12,180	11,137	11,932	12,073	15,737	18,786
Intergovernmental	282,812	206,533	222,841	216,069	215,744	209,423	210,791	221,208	315,910	293,384
Investment Earnings	7,388	3,719	3,757	5,965	6,894	6,478	15,212	25,379	15,044	(1,068)
Other	32,405	25,274	21,863	15,378	15,309	16,843	17,579	17,516	62,840	50,083
TOTAL REVENUES	750,464	671,330	689,287	708,870	735,925	741,164	770,342	853,458	1,058,595	1,059,628
EXPENDITURES										
Current:										
General Government	115,470	64,317	54,301	53,532	55,183	52,088	65,696	49,881	163,451	144,136
Judicial	91,480	89,933	94,216	92,188	96,854	99,121	104,791	109,273	220,820	230,957
Public Safety	106,009	100,370	104,198	98,953	106,182	120,870	127,224	127,027	102,079	132,233
Social Services	142,046	149,918	145,870	151,481	159,307	179,482	182,198	198,375	191,912	196,251
Health	227,912	190,558	185,251	170,966	168,458	168,773	157,252	163,073	160,464	170,801
Public Works	26,046	26,295	32,998	34,301	36,053	35,976	37,746	42,489	33,741	31,784
Environmental Control	6,620	6,824	6,597	6,189	5,738	6,021	5,943	6,486	6,458	6,465
Economic and Community Development	8,234	8,878	9,042	11,785	24,005	19,293	18,915	19,945	16,997	17,925
Recreational Activities	7,845	7,670	7,687	20,273	35,641	58,945	48,754	43,119	36,404	7,101
Capital Outlay	8,431	9,431	5,363	2,129	1,782	4,189	6,688	21,308	29,291	16,507
Debt Service:										
Principal Retirement	11,439	11,790	11,369	8,827	8,516	7,937	5,174	5,967	5,537	5,986
Interest and Fiscal Charges	3,968	3,421	2,966	2,817	2,451	2,628	5,870	4,984	4,015	3,777
TOTAL EXPENDITURES	755,500	669,405	659,858	653,441	700,170	755,323	766,251	791,927	971,169	963,923
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,036)	1,925	29,429	55,429	35,755	(14,159)	4,091	61,531	87,426	95,705
OTHER FINANCING SOURCES (USES)										
Transfers In	5,787	13,761	16,043	21,298	15,278	18,725	15,405	15,700	14,156	29,419
Transfers Out	(5,805)	(18,406)	(21,353)	(24,584)	(19,302)	(32,795)	(19,695)	(33,200)	(20,980)	(46,966)
Issuance of Refunding Debt	-	-	-	5,485	-	8,832	-	-	-	-
Premium on Debt Issued	175	-	-	1,734	-	17,363	-	-	-	-
Payment to Refunded Bonds Escrow Agent	(7,112)	-	-	(8,280)	-	(1,819)	(10,352)	-	-	-
Proceeds from Issuance of Bonds	9,773	182	326	5,345	-	73,165	-	-	-	-
Issuance of Loans	-	-	537	558	301	-	-	341	1,460	-
Proceeds from Sale of Capital Assets	15,000	-	-	-	-	-	-	-	-	3,400
TOTAL OTHER FINANCING SOURCES (USES), NET	17,818	(4,463)	(4,447)	1,556	(3,723)	83,471	(14,642)	(17,159)	(5,364)	(14,147)
EXTRAORDINARY ITEM	-	-	-	(22,500)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	$ 12,782	$ (2,538)	$ 24,982	$ 34,485	$ 32,032	$ 69,312	$ (10,551)	$ 44,372	$ 82,062	$ 81,558
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	2.1%	2.3%	2.2%	1.8%	1.6%	1.4%	1.5%	1.4%	1.0%	1.0%

Source: Hamilton County Auditor's Finance Department.

UNAUDITED

COUNTY OF HAMILTON, OHIO
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

(Amounts in Thousands)

	ASSESSED VALUES										
	REAL PROPERTY					PERSONAL PROPERTY		TOTAL			
Tax Year/ Collection Year	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Public Utility Property	Public Utility Property	Tax Exempt Property	Taxable Assessed Value[1]	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value[1]
2011/2012	$ 12,700,329	$ 3,827,089	$ 940,474	$ 49,068	$ 8,448	$ 723,511	$ 4,940,025	$ 18,248,919	19.03	$ 51,519,616	35.42%
2012/2013	12,671,139	3,717,857	932,521	47,004	9,026	773,714	5,075,748	18,151,261	19.03	51,197,562	35.45%
2013/2014	12,659,012	3,678,998	931,342	46,724	9,600	843,929	5,305,713	18,169,605	19.03	51,189,789	35.49%
2014/2015	12,724,934	3,688,759	887,143	57,051	9,999	899,654	5,406,076	18,267,540	18.85	51,421,839	35.52%
2015/2016	12,773,715	3,694,211	887,127	56,447	9,608	927,266	5,595,125	18,348,374	18.85	51,629,126	35.54%
2016/2017	12,796,935	3,753,498	875,044	58,630	12,171	966,586	5,813,194	18,462,864	18.85	51,922,538	35.56%
2017/2018	13,490,060	3,874,693	899,929	56,752	11,939	1,009,993	6,145,198	19,343,366	19.16	54,401,052	35.56%
2018/2019	13,572,733	3,818,007	902,793	56,289	11,630	1,084,391	6,399,843	19,445,842	21.14	54,630,073	35.60%
2019/2020	13,686,637	3,872,068	905,841	55,208	11,802	1,157,539	6,687,977	19,689,095	21.14	55,262,381	35.63%
2020/2021	15,654,995	4,258,444	1,029,830	56,512	14,133	1,259,789	6,942,466	22,273,703	19.16	62,559,332	35.60%

Source: Hamilton County Auditor's Finance Department.

Note: Property in Hamilton County is reassessed every six years. In Ohio, taxable assessed value is 35% of appraised market value. Estimated actual value is calculated by dividing assessed value by that percent. Tax rates are per $1,000 of assessed valuation. According to Ohio law, tax exempt property is classified separately and is not included in residential, commercial or industrial poperties until it is no longer exempt and its use is determined at a later date.

[1]Excludes tax-exempt property.

UNAUDITED

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COUNTY OF HAMILTON, OHIO
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

	TAX YEAR/COLLECTION YEAR									
	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
HAMILTON COUNTY DIRECT RATES:										
General Operating	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26
For University of Cincinnati Hospital	4.07	4.07	4.07	4.07	4.07	4.07	4.07	4.07	4.07	4.07
For County Police Information Center	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54
For Developmental Disabilities Board	4.13	4.13	4.13	4.13	4.13	4.13	4.13	4.13	4.13	4.13
For Community Mental Health	2.99	2.99	2.99	2.99	2.99	2.99	2.99	2.99	2.99	2.99
For Support of Children Services	2.77	2.77	2.77	2.77	2.77	2.77	2.77	4.75	4.75	2.77
For Recreation/Zoological Purposes	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46
For Senior Services	1.29	1.29	1.29	1.29	1.29	1.29	1.60	1.60	1.60	1.60
For Family Treatment & Services	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34
For Museum Center	0.18	0.18	0.18	-	-	-	-	-	-	-
Total Direct Rate	19.03	19.03	19.03	18.85	18.85	18.85	19.16	21.14	21.14	19.16
TOWNSHIP RATES[1]:										
Anderson	14.57	14.57	14.57	14.57	14.57	18.12	18.12	18.12	18.12	18.12
Anderson Township Park District	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28
Colerain	18.26	18.26	18.26	20.21	20.21	20.21	20.21	20.21	20.21	23.21
Columbia	17.01	17.01	17.01	17.01	18.61	18.61	22.01	22.01	22.01	22.01
Crosby	10.24	10.24	10.24	10.24	10.24	10.24	10.24	10.24	10.24	10.24
Delhi	26.34	26.34	28.09	30.58	30.58	31.12	31.12	34.57	34.57	34.57
Green	11.71	11.71	11.71	14.66	14.66	14.66	14.66	14.66	14.66	14.66
Harrison	5.24	5.24	5.24	5.24	5.24	5.24	5.24	5.24	5.24	5.24
Miami	9.91	10.91	11.91	13.41	13.41	13.41	13.41	13.41	15.91	15.91
Springfield	22.80	23.80	23.80	23.80	23.80	23.80	23.80	23.80	23.80	28.80
Sycamore	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75
Symmes	14.50	14.50	14.50	14.50	15.00	15.00	15.00	15.40	15.40	18.00
Whitewater	11.44	11.44	11.44	11.44	11.44	16.81	16.81	16.81	16.81	16.81
SCHOOL DISTRICT RATES[1]:										
Cincinnati	70.76	71.34	71.49	70.65	70.15	77.91	77.23	76.61	76.50	73.10
Deer Park	78.63	78.63	86.53	86.53	86.53	91.94	92.03	92.03	92.03	92.03
Finneytown	94.90	96.88	96.88	96.88	96.93	97.58	97.78	97.78	105.47	105.47
Forest Hills	61.65	65.55	65.55	70.50	70.50	68.81	68.81	68.81	73.36	73.16
Indian Hill	45.87	45.99	46.06	44.81	46.06	46.16	46.16	44.37	44.30	44.30
Lockland	48.59	48.59	47.19	47.09	47.09	47.09	47.09	47.09	48.09	48.09
Loveland	77.64	77.98	78.08	83.68	82.09	82.09	82.09	81.94	81.54	81.49
Madeira	101.27	101.94	101.82	101.82	101.55	107.77	107.07	106.82	106.32	106.22
Mariemont	106.97	107.77	107.77	113.92	113.92	113.92	113.92	121.98	121.98	121.98
Milford	75.05	75.05	79.65	79.65	80.00	80.00	80.00	80.00	80.00	80.00
Mt. Healthy	75.74	76.47	76.87	74.81	75.26	75.47	75.47	75.41	74.91	74.91
North College Hill	66.07	66.77	66.77	66.77	66.77	67.03	67.03	67.03	67.03	67.03
Northwest	54.22	59.57	59.57	59.57	58.87	58.87	58.48	58.00	65.35	63.96
Norwood	59.09	58.97	59.02	59.66	59.98	67.29	65.80	65.75	65.67	63.58
Oak Hills	46.02	46.05	50.97	51.15	51.15	51.15	51.51	51.29	51.28	50.56
Princeton	50.83	61.28	61.28	62.58	62.58	62.58	62.58	62.18	65.43	65.43
Reading	70.67	70.67	70.67	70.67	78.15	78.15	78.15	77.99	77.95	77.23
St. Bernard	58.68	58.28	57.34	58.46	58.56	64.07	66.12	68.59	67.07	65.44
Southwest	44.18	44.18	44.18	44.18	44.18	44.18	48.67	48.32	48.16	48.16
Sycamore	66.45	66.45	66.45	66.45	66.37	72.87	72.87	72.45	74.85	74.70
Three Rivers	49.87	49.87	49.87	49.87	49.22	49.22	50.00	50.00	50.00	50.00
Winton Woods	87.32	87.41	87.41	87.41	87.81	94.76	94.76	93.92	93.76	91.94
Wyoming	88.58	93.37	93.37	93.37	93.28	93.28	102.73	101.78	101.78	101.55
Great Oaks Joint Vocational	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70
Butler Tech Joint Vocational	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93

UNAUDITED

COUNTY OF HAMILTON, OHIO
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

(RATE PER $1,000 OF ASSESSED VALUE)

	TAX YEAR/COLLECTION YEAR									
	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
CITY & VILLAGE RATES[1]:										
Addyston	7.59	7.59	7.59	8.09	8.09	8.09	8.09	8.09	8.09	8.09
Amberley	7.00	17.00	17.00	17.00	17.00	17.00	15.00	15.00	15.00	15.00
Arlington Heights	11.52	11.52	11.52	11.52	20.52	20.52	20.52	20.52	20.52	20.52
Blue Ash	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
Cheviot	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13
Cincinnati	10.50	10.85	12.20	12.10	12.10	12.04	12.04	12.42	12.45	12.45
Cleves	10.09	10.09	13.99	13.99	13.99	13.99	14.40	14.40	16.90	16.90
Deer Park	10.45	10.45	10.45	10.45	10.45	12.45	12.45	12.45	12.45	12.45
Elmwood Place	17.78	17.78	17.78	17.78	17.78	17.78	17.78	17.78	17.78	17.78
Evendale	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fairfax	2.76	2.76	2.76	2.76	1.80	2.76	2.76	2.76	2.76	2.76
Fairfield	5.94	5.94	5.94	5.94	5.94	8.44	8.44	8.44	8.44	8.44
Forest Park	12.76	12.76	12.76	12.76	18.51	18.51	16.83	16.83	16.83	16.83
Glendale	20.08	21.58	21.58	21.58	21.58	21.58	21.58	21.58	21.58	21.58
Golf Manor	38.52	38.52	38.52	38.52	43.52	43.52	43.52	32.52	32.52	32.52
Greenhills	33.58	33.58	33.58	33.58	30.86	30.15	29.23	32.73	32.73	32.73
Harrison	14.50	14.50	14.50	14.50	16.90	15.09	15.09	15.09	15.09	15.09
Indian Hill	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96
Lincoln Heights	40.73	48.73	48.73	48.73	48.73	42.83	57.83	57.83	57.83	57.83
Lockland	7.52	7.52	7.52	7.52	7.52	11.52	11.52	11.52	11.52	11.52
Loveland	10.35	10.35	10.35	12.10	12.10	12.10	12.10	12.10	12.10	12.10
Madeira	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Mariemont	14.37	14.37	14.37	14.37	14.37	14.37	16.35	16.35	16.35	16.35
Milford	11.80	11.80	11.80	13.80	13.80	13.80	13.80	13.80	13.80	18.30
Montgomery	10.05	10.05	10.05	10.05	10.05	10.05	10.05	14.59	14.59	14.59
Mt. Healthy	11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11	24.01
Newtown	2.37	2.37	2.37	2.37	2.37	12.64	12.54	12.04	12.03	11.97
North Bend	10.09	10.09	11.38	11.38	9.44	9.44	9.44	9.09	11.94	13.94
North College Hill	7.98	7.98	12.88	12.88	11.58	11.58	14.78	14.78	14.78	14.78
Norwood	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40
Reading	3.52	3.52	3.52	3.52	3.52	3.52	3.52	3.52	3.52	3.52
St. Bernard	11.28	11.28	11.28	11.28	11.28	11.28	11.28	11.28	11.28	11.28
Sharonville	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Silverton	8.15	8.15	8.15	8.15	8.15	8.15	8.15	8.15	8.15	8.15
Springdale	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
Terrace Park	11.34	11.34	13.84	13.84	13.84	13.84	13.28	13.28	13.28	13.28
Woodlawn	5.08	5.08	5.08	10.08	10.08	10.08	10.08	10.08	10.08	10.08
Wyoming	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
SPECIAL DISTRICT RATES[1]:										
Deer Park/Silverton Joint Fire District	6.40	6.4	7.90	7.90	7.90	7.90	7.90	7.90	7.90	7.90
Little Miami Joint Fire District	12.05	12.05	12.05	12.05	12.05	12.05	12.05	12.05	14.05	12.05
Western Joint Ambulance District	2.25	2.25	2.25	2.25	2.25	2.25	2.28	2.25	2.25	2.25
Hamilton County Park District	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03
Public Library of Cincinnati & Hamilton County	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00

Source: Hamilton County Auditor's Finance Department—Tax Year Data.

Note: The Ohio Constitution permits local governments, as a group within a taxing district, to levy up to 10 mills without a vote of the electorate. These levies, collectively called inside millage levies because they fall within the 10-mill limit, are also known as unvoted levies. The allocation of inside millage between entities is set by statute.
The County's special revenue levy property tax rates may be increased only by a majority vote of the County's residents.
The bond retirement rate is adjusted annually to meet the principal and interest payments required each year.
A state-mandated County-wide property reappraisal was implemented in 2017.

[1]Overlapping rates are those of local governments that apply to property owners within Hamilton County. Not all overlapping rates apply to all Hamilton County property owners.

UNAUDITED

COUNTY OF HAMILTON, OHIO
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

(Amounts in Thousands)

UNAUDITED

	COLLECTION YEAR 2021			COLLECTION YEAR 2012		
Name of Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Duke Energy Ohio, Inc.	$1,340,985	1	6.02%	$597,829	1	3.28%
City of Cincinnati	89,916	2	0.40%	85,130	2	0.47%
Procter & Gamble Company	69,879	3	0.31%	77,774	3	0.43%
Port of Greater Cincinnati Development Authority	67,122	4	0.30%	–	–	–
Hines Global REIT II, Inc. (HGREIT)	53,450	5	0.24%			
Fifth Third Bank	33,413	6	0.15%	27,252	6	0.15%
FFC Realty LLC	28,546	7	0.13%	–	–	–
Texas Gas Transmission	28,478	8	0.13%	–	–	–
Acabay Atrium Two LP	26,425	9	0.12%	–	–	–
312 Walnut LLC	24,465	10	0.11%	–	–	–
Duke Realty Ohio	–		–	30,026	4	0.16%
4600 Smith Road Holdings	–		–	29,677	5	0.16%
Emery Realty Inc.	–		–	26,646	7	0.15%
OTR	–		–	21,525	8	0.12%
Dayton Power & Light	–		–	20,294	9	0.11%
Columbia Development Corp.	–		–	20,448	10	0.11%
Total	$1,762,679		7.91%	$936,601		5.14%

Source: Hamilton County Auditor's Finance Department.

COUNTY OF HAMILTON, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
REAL, UTILITY AND TANGIBLE TAXES
LAST TEN YEARS
(Amounts Not in Thousands)

Tax Year/ Collection Year	Current Levy	Delinquent Levy	Total Levy	Current Collection	Current Levy Collected	Delinquent Collection	Total Collection	Total Collections as a Percent of Current Levy
2011/2012	$ 258,680,233	$ 20,673,734	$ 279,353,967	$ 247,079,287	95.52%	$ 11,218,173	$ 258,297,460	99.85%
2012/2013	260,889,847	21,610,582	282,500,429	252,048,232	96.61%	8,612,038	260,660,270	99.91%
2013/2014	262,546,004	15,031,820	277,577,824	254,197,080	96.82%	8,252,965	262,450,045	99.96%
2014/2015	261,800,887	14,700,657	276,501,544	253,810,047	96.95%	7,477,900	261,287,947	99.80%
2015/2016	262,581,917	13,256,291	275,838,208	255,949,464	97.47%	6,948,426	262,897,890	100.12%
2016/2017	264,597,590	12,666,450	277,264,040	257,379,587	97.27%	6,542,891	263,922,478	99.74%
2017/2018	274,317,312	17,578,742	291,896,054	266,879,506	97.29%	7,431,453	274,310,959	100.00%
2018/2019	315,369,857	19,248,776	334,618,633	307,314,646	97.45%	8,039,959	315,354,605	100.00%
2019/2020	319,957,091	20,586,699	340,543,790	312,219,981	97.58%	8,958,337	321,178,318	100.38%
2020/2021	331,372,712	20,814,582	352,187,294	320,478,271	96.71%	8,502,650	328,980,921	99.28%
Totals	**$ 2,812,113,450**	**$ 176,168,333**	**$ 2,988,281,783**	**$ 2,727,356,101**		**$ 81,984,792**	**$ 2,809,340,893**	

Source: Hamilton County Auditor's Finance Department.

Includes the rollback, homestead and $10K personal property reimbursements from the State of Ohio.

Note: Delinquent collections of property taxes are not separable by tax year because the tax tracking system does not differentiate between tax years.

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COUNTY OF HAMILTON, OHIO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Amounts in Thousands, Except Per Capita Amount)

	GOVERNMENTAL ACTIVITIES				BUSINESS-TYPE ACTIVITIES								
Fiscal Year	General Obligation Bonds Unvoted	Special Assessment Bonds	Loan Contracts	State Loans	Metropolitan Sewer District Revenue Bonds	Parking Facility Revenue Bonds	Sales Tax Bonds	General Obligation Bonds	Metropolitan Sewer District Loans	Riverfront Development State Loans	Total Primary Government	Percentage of Personal Income[1]	Per Capita[1]
2012	$ 76,997	$ 4,193	$ 3,778	$ 1,896	$ 742,131	$ 18,145	$ 581,698	$ 6,383	$ 217,365	$ 16,415	$ 1,669,001	4.21%	$ 2,081
2013	65,390	3,804	3,603	1,547	832,965	17,280	565,969	5,960	231,406	14,885	1,742,809	4.30% [2]	2,166
2014	54,479	3,456	3,340	1,613	799,475	16,365	548,099	25,876	235,134	13,310	1,701,147	4.02%	2,109
2015	50,484	3,107	3,165	2,090	748,749	15,395	526,293	41,383	234,885	11,203	1,636,754	3.78%	2,027
2016	42,010	2,758	2,989	2,265	701,535	14,365	494,703	39,501	259,823	9,027	1,568,976	3.51% [3]	1,939
2017	131,308	2,429	2,814	2,118	652,958	-	465,959	39,744	303,726	6,512	1,607,568	3.53%	1,975
2018	114,062	2,120	2,639	1,970	620,227	-	435,838	37,081	354,150	4,153	1,572,240	3.28%	1,842
2019	90,552	1,842	2,732	2,155	586,426	-	404,042	49,322	385,633	2,668	1,525,372	2.87%	1,784
2020	83,747	1,583	2,558	3,533	549,916	-	379,164	45,924	388,502	2,105	1,457,032	2.72%	1,816
2021	76,891	1,349	2,374	3,215	514,035	-	351,814	87,782	374,403	1,526	1,413,389	2.47%	1,766

Source: Hamilton County Auditor's Finance Department.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

[1]See the Schedule of Demographic and Economic Statistics on page 195 for personal income and population data.
[2]2013-2015: Estimated figure using prior-year state and county figures; current-year data not available.
[3]2016: Estimated figure using state figure. County data not available.

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COUNTY OF HAMILTON, OHIO
LEGAL DEBT MARGIN INFORMATION—TOTAL DEBT LIMIT
LAST TEN FISCAL YEARS

(Amounts in Thousands)

	FISCAL YEAR									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limitation of Assessed Valuation	$ 454,723	$ 452,282	$ 455,189	$ 457,209	$ 460,072	$ 482,084	$ 484,646	$ 490,727	$ 534,027	$ 555,343
Total Net Debt Applicable to Debt Limitation	69,648	66,892	76,894	107,098	97,299	155,189	149,749	141,233	133,959	160,804
Legal Debt Margin Remaining	$ 385,075	$ 385,390	$ 378,295	$ 350,111	$ 362,773	$ 326,895	$ 334,897	$ 349,494	$ 400,068	$ 394,539
Total Net Debt Applicable to Debt Limitation as a Percentage of Debt Limitation	15.32%	14.79%	16.89%	23.42%	21.15%	32.19%	30.90%	28.78%	25.08%	28.96%

Legal Debt Margin Calculation for Fiscal Year 2021—Total Debt Limit

Assessed Valuation	$ 22,273,703
Debt Limitation of Assessed Valuation[1]	555,343
Debt Applicable to Limit:	
Outstanding Debt	1,281,279
Less: Debt Exempt from Calculation	
Metropolitan Sewer District Bonds	438,785
Metropolitan Sewer District Loans	366,997
Special Assessments	3,018
Sales Tax Supported Bonds	308,900
Urban Redevelopment	1,526
Total Debt Exempt from Calculation	1,119,226
Less: Available Funds in Debt Service Funds as of December 31, 2021	(1,249)
Total Net Debt Applicable to Debt Limitation	160,804
Legal Debt Margin Remaining	$ 394,539

Source: Hamilton County Auditor's Finance Department.

[1]The debt limitation is the sum of the following:

three percent (3%) of the first $100,000,000 of the assessed valuation	$ 3,000
plus one and a half precent (1.5%) of such valuation of $100,000,000	3,000
and not in excess of $300,000,000 plus two and a half percent (2.5%)	549,343
of such valuation in excess of $300,000,000	$ 555,343

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COUNTY OF HAMILTON, OHIO
LEGAL DEBT MARGIN INFORMATION—UNVOTED DEBT LIMIT
LAST TEN FISCAL YEARS
(Amounts in Thousands)

	FISCAL YEAR									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limitation of Assessed Valuation	$ 182,489	$ 181,513	$ 182,675	$ 183,484	$ 184,629	$ 193,434	$ 194,458	$ 196,891	$ 214,211	$ 222,737
Total Net Debt Applicable to Debt Limitation	69,648	66,892	76,894	107,098	97,299	155,189	149,749	141,233	133,959	160,804
Legal Debt Margin Remaining	$ 112,841	$ 114,621	$ 105,781	$ 76,386	$ 87,330	$ 38,245	$ 44,709	$ 55,658	$ 80,252	$ 61,933
Total Net Debt Applicable to Debt Limitation as a Percentage of Debt Limitation	38.17%	36.85%	42.09%	58.37%	52.70%	80.23%	77.01%	71.73%	62.54%	72.19%

Legal Debt Margin Calculation for Fiscal Year 2021—Total Debt Limit

Assessed Valuation	$ 22,273,703
Debt Limitation of Assessed Valuation[1]	222,737
Debt Applicable to Limit:	
Outstanding Debt	1,281,279
Less: Debt Exempt from Calculation	
Metropolitan Sewer District Bonds	438,785
Metropolitan Sewer District Loans	366,997
Special Assessments	3,018
Sales Tax Supported Bonds	308,900
Urban Redevelopment	1,526
Total Debt Exempt from Calculation	1,119,226
Less: Available Funds in Debt Service Funds as of December 31, 2021	(1,249)
Total Net Debt Applicable to Debt Limitation	160,804
Legal Debt Margin Remaining	$ 61,933

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COUNTY OF HAMILTON, OHIO
PLEDGED REVENUE COVERAGE—METROPOLITAN SEWER DISTRICT
LAST TEN FISCAL YEARS

(Amounts in Thousands)

	SEWER REVENUE BONDS						
Fiscal Year	Sewerage Charges and Other	Less: Operating Expenses	Revenues Transferred to Surplus[1]	Net Revenue Available for Debt Service	Debt Service Principal	Debt Service Interest	Coverage
2012	$ 260,388	$ 101,418	$ 36,535	$ 195,505	$ 35,250	$ 38,553	2.65
2013	270,919	126,289	28,024	144,630 [2]	37,115	37,423	1.94
2014	276,941	120,018	33,513	156,923	42,435	35,211	2.02
2015	290,431	115,271	70,757	175,160	40,920	38,262	2.21
2016	292,553	11,347	85,680	281,206	43,125	35,375	3.58
2017[3]	304,821	78,631	50,697	226,190	29,050	31,685	3.72
2018	290,216	125,216	82,711	165,000	30,475	30,260	2.72
2019	289,639	125,343	64,881	164,296	31,500	29,237	2.71
2020	270,264	125,252	61,485	145,012	31,500	22,028	2.71
2021	273,096	119,506	66,352	153,590	30,000	23,169	2.89

Source: Audited MSD financial reports.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements. Sewerage Charges and Other includes sewerage service charges, sewer surcharges, all other operating revenues, interest income, capitalized interest income and tap-in/connection fees. Operating expenses do not include interest, depreciation or amortization expenses.

[1]Half of pledged revenues are transferred to a surplus account.
[2]Revised formula per trust agreement.
[3]As restated.

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COUNTY OF HAMILTON, OHIO
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

(Amounts in Thousands)

ADJUSTABLE RATE PARKING SYSTEM REVENUE BONDS

Fiscal Year	Parking Service Charges and Other[1]	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2012	$ 9,179	$ 6,032	$ 3,147	$ 815	$ 33	3.71
2013	12,221	6,408	5,813	865	39	6.43
2014	11,434	6,780	4,654	915	60	4.77
2015	12,140	6,363	5,777	970	24	5.81
2016	13,069	6,701	6,368	1,030	77	5.75
2017	14,300	7,176	7,124	14,365 [2]	107	0.49
2018	N/A					
2019	N/A					
2020	N/A					
2021	N/A					

Source: Audited Hamilton County financial statements and Hamilton County Auditor's Finance Department.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

[1]Parking Service Charges and Other includes charges for services and sales and use tax revenues.
Operating Expenses do not include interest, depreciation or amortization expenses.

[2]Total outstanding bonds of $14,365 were paid in 2017.

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SPECIAL ASSESSMENT BONDS				SALES TAX BONDS[3]					
Special Assessment Collections	Debt Service[4] Principal	Debt Service[4] Interest	Coverage	Sales Tax Collections[3]	Paul Brown Stadium Debt Service Principal	Paul Brown Stadium Debt Service Interest	Baseball Stadium Debt Service Principal	Baseball Stadium Debt Service Interest	Coverage
$ 502	$ 374	$ 216	0.85	$ 66,642	$ 180	$ 16,843	$ 945	$ 8,339	2.53
543	402	212	0.88	69,637	7,009	16,896	6,511	8,344	1.80
571	368	200	1.01	74,141	10,590	16,485	5,125	7,976	1.85
556	379	201	0.96	77,982	15,110	15,966	4,610	7,719	1.80
400	349	189	0.74	80,441	16,458	11,608	5,662	5,441	2.05
462	329	169	0.93	80,474	13,490	11,872	8,580	6,343	2.00
552	376	185	0.98	78,639	14,594	11,430	9,136	6,082	1.91
498	352	173	0.95	83,111	15,974	10,730	9,886	5,646	1.97
493	344	168	0.96	84,359	10,474	12,626	8,989	10,549	1.98
447	322	137	0.97	92,639	11,080	11,130	9,488	10,981	2.17

[3]On March 19, 1996, voters of Hamilton County approved a ½% increase in the County's general sales tax. The County Commissioners approved by resolution that this additional tax be used for the development of the riverfront area, including construction of the football and baseball stadiums—Paul Brown Stadium and Great American Ball Park. The sales tax bonds are not a general obligation of the County. They are secured by the County's pledge and assignment of the revenue from the additional ½% sales tax.

[4]Includes manuscript bonds for 2012 and after.

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COUNTY OF HAMILTON, OHIO
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

(Amounts in Thousands, Except Per Capita Amount)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property[1][3]	Per Capita[2][3]
2012	$ 82,652	$ 5,303	$ 77,349	0.15%	$ 96.44
2013	70,839	132	70,707	0.14%	87.89
2014	78,572	105	78,467	0.15%	97.28
2015	86,385	216	86,169	0.17%	106.70
2016	77,004	218	76,786	0.15%	94.90
2017	153,472	13,537	139,935	0.27%	171.95
2018	151,143	2,022	149,121	0.27%	182.59
2019	139,875	1,826	138,049	0.25%	168.87
2020	129,671	1,061	128,610	0.23%	157.33
2021	164,673	1,095	163,578	0.26%	198.00

Source: Hamilton County Auditor's Finance Department.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

[1]See the schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 180 for property value data.
[2]Population data can be found in the Schedule of Demographic and Economic Statistics on page 195.
[3]Updated information provided.

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COUNTY OF HAMILTON, OHIO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population[1]	Personal Income[2][5] (Amounts in Thousands)	Per Capita Personal Income	Annual Average Unemployment Rate[3]	Median Age
2012	802,038	39,631,501	49,413	7.00%	37.3
2013	804,520	40,522,891	50,369	7.10%	37.1
2014	806,631	42,299,608	52,440	5.30%	37.4
2015	807,598	43,277,897	53,588	4.50%	37.1
2016	809,099	44,667,579	55,207	4.00%	37.0
2017	813,822	45,576,164	56,003	4.40%	37.0
2018	816,684	47,933,702	58,693	4.20%	36.9
2019	817,473	53,175,384	65,048	3.30%	36.6
2020	817,473 [4]	53,595,776	65,563	7.80%	36.6
2021	826,139 [4]	57,222,198	69,265	4.90%	36.8

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Data Sources:

[1]U.S. Department of Commerce, Bureau of the Census, 2011–2019.

[2]U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, 2011-2019.

[3]Ohio Department of Job and Family Services, Labor Market Information.

[4]2020: Estimated figure using prior-year data; current-year data not available.

[5]2013-2020: Estimated figure using prior-year state and county figures; current-year data not available.

COUNTY OF HAMILTON, OHIO
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Name of Employer[1][3]	2021 Number of Employees[1]	2021 Rank	2021 Percentage of Total County Employment	2012 Number of Employees[3]	2012 Rank	2012 Percentage of Total County Employment
Kroger Company	18,000	1	4.33%	20,646	1	5.55%
Cincinnati Children's Hospital Medical Center	16,478	2	3.97%	12,564	3	3.38%
TriHealth Incorporated	12,000	3	2.89%	10,400	5	2.80%
University of Cincinnati	10,196	4	2.45%	15,329	2	4.12%
UC Health (fna: Health Alliance of Greater Cincinnati Inc.)	10,112	5	2.43%	8,670	7	2.33%
Procter & Gamble Company	10,000	6	2.41%	12,000	4	3.23%
General Electric	9,000	7	2.17%	7,500	8	2.02%
Bon Secours Mercy Health	7,700	8	1.85%	8,940	6	2.40%
Fifth Third Bank	7,521	9	1.81%	7,180	9	1.93%
Cincinnati Public Schools	6,500	10	1.56%			
Archdiocese of Cincinnati				7,000	10	1.88%
Total Principal Employers	107,507		25.87%	110,229		29.64%
Total County Employed[2]	415,500			371,900		

Data Sources:

[1]Cincinnati Business Courier 2021/2022 Book of Lists

[2]Ohio Department of Job and Family Services, Labor Market Information

[3]Cincinnati Business Courier 2012 Book of Lists

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COUNTY OF HAMILTON, OHIO
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	FISCAL YEARS									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function/Program										
General Government[2]	417.02	359.78	359.53	358.84	348.40	350.60	357.61	347.30	358.31	358.16
Judicial[2][7]	1,109.65	1,023.12	1,050.80	1,051.04	1,071.11	1,076.48	1,077.86	1,081.05	1,097.35	1,098.74
Public Safety[1][2]	1,045.23	1,065.80	1,083.74	1,088.53	1,157.51	1,166.51	1,184.96	1,157.96	1,159.82	1,165.46
Social Services[1][2]	801.56	823.56	874.25	854.27	894.27	974.30	981.30	986.30	986.30	986.30
Health[2]	630.84	621.31	628.28	607.96	588.94	527.63	398.12	402.68	404.18	383.34
Public Works[1]	210.20	206.84	209.90	210.55	230.04	205.41	186.80	186.20	186.87	187.00
Environmental Control[2]	9.06	8.52	7.69	7.80	7.83	7.94	9.14	9.68	10.73	11.48
Economic and Community Development[2]	-	-	0.75	0.65	0.65	0.65	0.75	0.75	0.75	0.75
Recreational Activities	5.20	4.51	4.01	6.42	5.97	5.89	5.24	5.39	5.49	5.49
Metropolitan Sewer District[3]	-	-	-	-	-	-	-	-	-	-
Paul Brown Stadium[4]	26.60	25.61	25.34	26.98	27.34	27.33	28.78	28.53	28.53	28.43
Baseball Stadium[5]	-	-	-	-	-	-	-	-	-	-
Riverfront Development[6][8]	0.87	1.02	0.87	1.25	1.45	1.45	1.40	-	-	-
Main Street Parking Garage[6][8]	-	-	0.52	0.55	0.55	0.55	0.65	-	-	-
Parking[6][8]	-	-	-	-	-	-	-	2.65	2.55	2.65
Communications Center	76.42	79.42	75.42	74.42	74.42	82.42	79.42	85.42	87.67	87.67
Total	4,332.65	4,219.49	4,321.10	4,289.26	4,408.48	4,427.16	4,312.03	4,293.91	4,328.55	4,315.47

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Sources: Hamilton County, Ohio 2012-2021 Budgets, Budgeted FTEs
Hamilton County, Ohio, Department of Budget and Strategic Initiatives

Method: An FTE is the equivalent of one full-time employee. To calculate a percentage of an FTE, for each employee a ratio is derived by dividing expected hours to be worked by 2,080 hours per year.

[1]Employees of certain agencies subsidized by the General Fund are included.

[2]Employees funded by grants are included in certain departmental FTE counts.

[3]Personnel in this agency are employed by the City of Cincinnati.

[4]Paul Brown Stadium personnel are managed in part by Hamilton County and in part by Paul Brown Stadium, Ltd.

[5]Great American Ball Park baseball stadium personnel are managed by the Cincinnati Reds.

[6]Additional parking facilities personnel services are provided via management contract.

[7]Court of Appeals staff are employees of the State of Ohio.

[8]Beginning in 2019, activities of Riverfront Development and Main Street Parking are reported as Parking.

COUNTY OF HAMILTON, OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	FISCAL YEAR									
FUNCTION/PROGRAM	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
General Government										
Auditor										
Non-Exempt Property Conveyances	14,333	17,554	16,331	17,538	18,500	18,504	22,139	18,152	17,325	21,028
Exempt Property Conveyances	10,688	11,603	11,466	11,656	11,349	11,718	11,581	13,222	10,907	14,860
Parcels Assessed or Reappraised at Market Value	348,362	347,492	348,535 (1)	348,885	351,286	351,286 (2)	352,503	352,601	352,672 (1)	352,931
Dog and Kennel Licenses Issued	59,045	58,051	55,414	50,638	47,204	45,965	43,037	42,212	40,475	36,880
Board of Elections										
Voter Registrations and Changes Processed	146,758 (4)	94,519	84,081	88,788	206,077 (4)	116,434	108,888	65,577	144,885 (4)	99,696
Building Inspections										
Building Inspections Performed	12,699	13,340	13,255	13,219	14,539	14,628	13,125	13,856	14,536	14,757
Building Permits Issued	4,033 (3)	4,589 (3)	4,651 (3)	4,935 (3)	5,238 (3)	5,034	5,378	5,682	5,131	5,616
Recorder										
Deeds Filed	24,053	28,413	26,637	27,646	28,376	28,879	32,891	35,800	32,253	38,106
Mortgages Filed	42,425	40,612	28,453	31,191	33,503	35,556	33,491	33,920	47,408	52,587
Treasurer										
Tax Bills Processed	294,700	294,000	293,700	292,350	295,775	296,270	298,150	297,900	294,700	295,140
Judicial										
Court of Appeals										
Overall New Cases[5]	915	877	809	817	940	718	704	758	465 (10)	682
Criminal New Cases[5]	506	457	440	412	381	366	297	294	183 (10)	334
Civil New Cases[5]	266	420	346	381	534	315	369	399	256 (10)	330
Court of Common Pleas										
Overall New Cases[5]	22,447	19,457	18,064	15,866	16,504	15,775	15,175	14,016	12,553 (10)	12,121 (10)
Criminal New Cases[5]	8,920	8,182	7,981	6,684	6,797	6,639	6,644	6,064	6,236 (10)	5,596 (10)
Civil New Cases[5]	13,527	11,275	10,083	9,182	9,707	9,136	9,136	7,952	6,317 (10)	6,525 (10)
Court of Domestic Relations										
Overall New Cases[5]	6,061	6,239	6,035	5,989	5,729	6,447	6,365	5,797	5,066	5,347
Juvenile Court										
Overall New Cases[5]	28,109	30,379	24,816	16,468	14,919	26,272	24,004	23,919	22,887	26,417
Hearings Conducted	118,853	118,800	118,669	128,981	135,649	113,899	105,259	109,625	97,287 (10)	98,443 (10)
Municipal Court										
Overall New Cases[5]	206,611	233,940	214,466	289,727	279,103	270,448	247,456	228,499	161,633 (10)	230,101
Probate Court										
Overall New Cases[5]	6,632	6,552	6,029	6,037	10,808	10,932	10,560	10,356	10,031	11,341
Public Safety						58450				
Coroner										
Autopsies Performed	909	936	796	930	1,181	1,265	1,200	1,522	1,660	1,812
Prosecutor										
Criminal Misdemeanor and Felony Arraignments	39,384	34,410	34,917	32,962	30,730	29,639	27,001	27,934	25,417 (10)	23,517 (10)
Formal Opinions and Letters of Advice to County Agencies	26	48	24	36	20	27	39	25	24	31
Property Foreclosures	5,833	4,262	3,350	2,990	3,028	2,644	2,274	2,075	1,428 (10)	2,280
Sheriff										
Inmates Housed	36,653	32,425	31,872	30,985	30,977	30,198	28,452	26,056	18,605	18,350
Prisoners Transported	3,077	2,820	4,954	3,229	5,697	3,651	3,174	3,090	3,068	3,584
Courtroom Security Provided (Hours)	55,038	49,628	49,202	51,322	93,854	51,893	64,177	58,468	43,721	48,771
Major Crime Cases Investigated	6,260	5,066	4,974	4,442	4,861	4,996	3,740	3,343	3,223	2,523
Social Services										
Job and Family Services—JFS										
Cash Assistance Recipients (Monthly Average)	17,570	15,670	14,062	13,295	12,040	24,353	-	-	-	-
Food Stamp Assistance Recipients (Monthly Average)	135,280	135,898	126,984	125,808	120,449	110,074	98,406	94,442	91,362	114,090
Medicaid Participants (Monthly Average)	171,131	180,295	206,464	225,000	225,206	233,243	216,370	201,313	218,952	242,614
Subsidized Child Care Recipients (Monthly Average)	16,201 (3)	16,563	16,376	16,799	12,928	12,736	8,517	8,102	8,125	8,750
Children's Services Recipients	16,912	16,824	16,101	15,780	17,357	20,204	19,413	18,829	17,522	17,897
Child Support Collections (Millions)	$129.60	$130.00	$127.80	$129.50	$128.00	$127.00	$126.00	$124.00	$124.00	$121.00
Workforce Development Admissions (Includes Reapplications)	28,738	20,212	25,820	29,268	29,094	16,805	19,360	20,488	18,053 (10)	16,160 (10)

UNAUDITED

	FISCAL YEAR									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Health										
Developmental Disability Services										
Eligible Individuals Served[6]	16,689	15,893	13,982	17,219	21,099	19,684	17,654	19,120	15,481 [10]	15,770 [10]
Public Works										
County Engineer										
Bridges Constructed/Repaired	2	2	5	8	9	3	5	5	3	3
Landslides Stabilized	8	3	2	2	3	2	2	4	5	2
Roads Resurfaced (Number)	11	23	9	14	8	17	14	13	16	16
Roads Resurfaced (Miles)	8	26	8	11	6	9	16	11	14	11
Public Works										
Permits Processed for Storm Review and FEMA Regulations	1,732	2,190	1,763	1,853	2,078	1,971	2,117	2,688	2,675	3,060
Environmental Control										
Environmental Services										
Material Recycled (Tons)	43,590	40,935	40,350	38,562	39,777	41,754	40,518	39,193	41,363	32,284
FUNCTION/PROGRAM										
Business-Type Activities										
Metropolitan Sewer District										
Sewer Connections	229,808	227,160	211,631	211,689	226,000	242,000	240,900	248,000	224,717 [10]	225,156
Wastewater Collected and Treated (Millions of Gallons)[8]	54,785	70,147	65,551	71,135	58,384	64,000	202,000	190,000	64,035 [10]	60,845 [10]
Paul Brown Stadium										
Game Attendance (Total)	489,504	593,800	525,372	599,456	456,407	427,442	411,296	350,341	55,963 [10]	562,583
Game Attendance (Average)	61,188	53,982	52,537	54,496	50,712	42,744	41,130	35,011	6,995 [10]	51,149
Baseball Stadium										
Game Attendance (Total)	2,347,251	2,492,059	2,476,664	2,550,410	1,894,085	1,836,917	1,629,365	1,775,396	0 [10]	1,505,024 [10]
Game Attendance (Average)	28,978	31,151	30,576	30,362	23,384	22,678	20,116	22,473	0 [10]	18,580 [10]
Riverfront Development										
Parking Spaces Managed	7,768	7,401	7,085	7,085	7,294	7,292	7,580	7,099	7,099	7,374
Main Street Parking Garage										
Parking Spaces Managed	694	692	693	693	693	690	690	690	690	690
Rotary Funds										
Sheriff's Road Patrol Division										
Jurisdictions Served (townships served)	7	8	8	14	13	14	14	13	13	13
Central Warrants/Identification Division										
Expungements Processed	3,566	3,212	4,352	5,103	3,140	4,173	2,999	8,795	6,873 [10]	7,629
Warrants/Capias Processed	143,354	118,518	114,314	169,442	127,849	100,001	120,605	114,043	76,819 [10]	68,504 [10]
Offender Fingerprints Processed	49,785	40,846	34,962	34,303	38,092	35,913	34,558	32,289	22,744 [10]	21,564 [10]
Public Fingerprint Services Provided	26,240	23,773	20,537	19,256	19,405	18,143	13,935	11,179	10,400 [10]	11,742
Communications Center										
Emergency 911 Telephone Calls Processed	688,817	681,755	658,761	551,960	532,136	251,122	251,972	262,914	249,430	283,490
Police, Fire and Rescue Unit Calls Processed	547,852	555,778	583,312	590,405	523,976	258,125	251,993	238,797	332,910	371,487
Workers' Compensation Reserve for Stadiums										
Claims Managed	4 [9]	-	1 [7]	1 [7]	1 [7]	-	-	-	-	-

Sources:
Hamilton County, Ohio, 2012-2021 Budgets
Hamilton County Auditor
Various Hamilton County Departments
Supreme Court of Ohio
http://www.hcjfs.hamilton-co.org, 2012-2021
http://www.hcso.org/GeneralInformation/AnnualReport.pdf
http://www.sconet.state.oh.us/Publications/default.asp

[1]Triennial reassessment, payable following year. Ohio law requires a mid-cycle value adjustment three years after the mass reappraisal to update the six-year mass reappraisal so values change gradually.
[2]Mass reappraisal, payable following year. Ohio law requires counties to revalue all real property every three years. The Auditor's Office is responsible for setting the value of properties, not the assessment of taxes.
[3]Revised figure.
[4]These are presidential election years.
[5]The number includes new cases docketed, transferred in or reactivated as reported to the Supreme Court of Ohio.
[6]For fiscal years 2011–2016, the number of eligible individuals served includes some individuals who received more than one service per year.
[7]The number represents management of workers' compensation claims for Paul Brown Stadium.
[8]Yearly rainfall levels result in variances in amounts of wastewater collected and treated.
[9]The number represents management of workers' compensation claims for Paul Brown Stadium and Great American Ball Park.
[10]The reduction is due to COVID-19 pandemic.

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COUNTY OF HAMILTON, OHIO
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	FISCAL YEAR									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Properties[1]	5	5	5	5	5	5	5	5	5	5
Judicial										
Properties[1]	10	10	10	10	10	10	10	10	10	10
Public Safety										
Coroner										
Properties[1]	1	1	1	1	1	1	1	1	1	1
Emergency Management										
Office Building	1	1	1	1	1	1	1	1	1	1
Emergency Warning Sirens	199	200	199	194	194	194	190	190	190	190
Sheriff										
District Patrol Headquarters[2]	5	5	5	5	5	5	5	5	5	5
Detention Facilities	3	3	3	3	3	3	3	3	3	3
Social Services										
Job and Family Services										
Properties[1]	3	3	3	3	3	3	3	3	3	3
Health										
Developmental Disabilities Services										
Properties[1]	12	12	12	12	12	12	12	12	12	12
Mental Health and Recovery Services Board										
Properties[1]	63	63	63	63	63	63	63	63	63	63
Public Works										
Planning and Development										
Maintenance Facility	1	1	1	1	1	1	1	1	1	1
Maintenance Vehicles and Equipment	31	30	30	24	27	28	27	27	36	39
County Engineer										
County Roads Maintained (Miles)	504	504	504	504	504	516	514	514	503	503
Maintenance Facilities	6	6	7	7	7	7	7	7	7	7

UNAUDITED

FUNCTION/PROGRAM	FISCAL YEAR									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business-Type Activities										
Metropolitan Sewer District										
Major Wastewater Treatment Plants	7	7	7	7	7	7	7	7	7	7
Combined and Sanitary Sewers (Miles)	2,990	2,991	2,994	2,994	3,000	3,000	3,008	3,012	3,012	3,022
Paul Brown Stadium										
Paul Brown Football Stadium	1	1	1	1	1	1	1	1	1	1
Parking Garage	1	1	1	1	1	1	1	1	1	1
Baseball Stadium										
Great American Ballpark Baseball Stadium	1	1	1	1	1	1	1	1	1	1
Hall of Fame Museum	1	1	1	1	1	1	1	1	1	1
Team Store	1	1	1	1	1	1	1	1	1	1
Riverfront Development										
Parking Garages[3]	4	4	2	2	2	2	2	3	3	5
Surface Parking Lots	5	5	5	5	5	5	5	5	5	6
Main Street Parking Garage										
Alms & Doepke Parkhaus Parking Garage	1	1	1	1	1	1	1	1	1	1
Communications Center										
911 Communications Center	1	1	1	1	1	1	1	1	1	1
Radio Towers[4]	15	15	15	15	15	15	15	15	15	15
Emergency Alert System	1	1	1	1	1	1	1	1	1	1

Sources: Hamilton County, Ohio, 2012-2021 Budgets
Hamilton County Auditor
Various Hamilton County Departments

Note: No capital asset indicators are available for the following functions/programs:
the Environmental Control, Economic Development and Parks and Recreation functions

[1]Improved real properties are primarily buildings, County-owned unless otherwise indicated, presented in the function of the primary use(r).
[2]Three District Patrol Headquarters are owned by townships. The Sheriff provides contracted police services.
[3]Three small garages were combined to become one large one in 2014.
[4]Ten of the Communications Center towers are County-owned; the other five towers are leased.

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APPENDIX A-2
AUDITED FINANCIAL STATEMENTS FOR HAMILTON COUNTY, OHIO
FOR THE YEAR ENDED DECEMBER 31, 2020

The audited financials for the year ended December 31, 2020 are available on the Ohio State Auditor's website at:

https://ohioauditor.gov/auditsearch/Search.aspx

Note: The reference to this website is for the purpose of accessing the audited financials of the County only; the County does not make any representation as to the accuracy of the information appearing on such website. The County does not undertake any obligation to maintain or update such website or such information contained on such website.

APPENDIX A-3
AUDITED FINANCIAL STATEMENTS FOR THE
METROPOLITAN SEWER DISTRICT OF GREATER CINCINNATI
FOR THE YEAR ENDED DECEMBER 31, 2021

[SEE ATTACHED]

METROPOLITAN SEWER DISTRICT OF GREATER CINCINNATI
HAMILTON COUNTY

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2021

OHIO AUDITOR OF STATE
KEITH FABER

METROPOLITAN SEWER OF GREATER CINCINNATI
HAMILTON COUNTY
DECEMBER 31, 2021

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OHIO AUDITOR OF STATE
KEITH FABER

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Columbus, Ohio 43215
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INDEPENDENT AUDITOR'S REPORT

Metropolitan Sewer District of Greater Cincinnati
Hamilton County
1605 Gest Street
Cincinnati, Ohio 45204

To the Hamilton County Board of Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the Metropolitan Sewer District of Greater Cincinnati, Hamilton County, Ohio (the District), as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Metropolitan Sewer District of Greater Cincinnati, Hamilton County, Ohio as of December 31, 2021 and 2020, and the changes in financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 15 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 19, 2022, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Keith Faber
Auditor of State
Columbus, Ohio
May 19, 2022

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MANAGEMENT DISCUSSION AND ANALYSIS
(UNAUDITED)

This section of the Metropolitan Sewer District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal years ended December 31, 2021 and December 31, 2020. Please read it in conjunction with the District's basic financial statements and footnotes, beginning on page XX.

FINANCIAL HIGHLIGHTS FOR THE YEAR

- Assets and deferred outflows exceeded liabilities and deferred inflows by $1,191 million at the close of the 2021 fiscal year.
- The District's net position increased by $114,871 million in 2021, or 10.7%.
- During fiscal year 2021, the District's total assets increased $24.7 million to $2,391 million, a 1.0% increase.
- Total long-term liabilities decreased $368 million to $956 million in fiscal year 2021.
- The District's debt service coverage ratio remains strong at 1.8 for fiscal year 2021.

FINANCIAL STATEMENTS OVERVIEW

Financial Reporting Entity– The Metropolitan Sewer District of Greater Cincinnati is a Hamilton County enterprise fund managed and operated by the City of Cincinnati. The District is operated pursuant to the authority of the Revised Code authorizing the formation of joint sewer districts, agreements between counties and municipal corporations. The District provides sewage treatment within a service area of approximately 400 square miles and encompasses portions of four counties in southwestern Ohio. The District provides wastewater removal and treatment to over 220,000 residential, commercial and industrial sewer connections and operates and maintains over 3,000 miles of sanitary and combined sewers, seven major wastewater treatment plants and 100 pump stations. As an enterprise fund, operations are reported on the full accrual basis of accounting: revenues are recognized when earned, and expenses are recognized when incurred. The County issues a separate Comprehensive Annual Financial Report which includes the District as a separate enterprise fund of the County. The financial statements of the District report information about the District using accounting methods similar to those used by private-sector companies. These statements provide both long-term and short-term information about the District's overall financial status.

Financial Statement Structure --

In addition to the Independent Auditor's Report, the annual financial report consists of three segments:

- The Management's Discussion and Analysis provides explanations for, and analysis of the District's financial activities based upon currently known facts, conditions, and decisions of the District's management. While primarily focused on current year results compared with prior years, this discussion also addresses certain long-term issues, which may, in management's opinion, impact the District's financial performance.
- Basic Financial Statements, which depict the District's financial position as of December 31, 2021 and 2020, along with earnings performance and cash flow information. These statements include

the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position and the Statement of Cash Flows.

- The accompanying notes explain some of the financial statement data and provide more detailed information.

Required Basic Financial Statements -- The Statement of Net Position is the first required statement; it includes the District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and nature and extent of obligations (liabilities) with the difference being reported as net position. It also provides the basis for computing the rates of return, evaluating the capital structure of the District, and assessing the liquidity and financial flexibility of the District. Over time, increases or decreases in the District's net position is one indicator of whether its financial health is improving or deteriorating. Other non-financial factors such as changes in economic conditions, population growth, and new or changed legislation also need to be considered in assessing the District's financial condition. The Statement of Revenues, Expenses, and Change in Net Position is the second required financial statement which demonstrates the changes in net position from one fiscal period to the next by accounting for revenues and expenditures and measuring the financial results of operations. This statement measures the profitability (i.e. change in net position) of the District's operations over the past year and can be used to determine whether the District has successfully recovered all of its costs through its user fees and other charges. The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the District's cash receipts, cash payments, and net changes in cash and cash equivalents resulting from operations, investing, and capital and noncapital financing activities. It also provides information regarding sources of cash, uses of cash, and changes in cash balances during the reporting period.

Notes to the audited financial statements contain information essential to understanding them, such as the District's significant accounting policies and information about certain financial statement account balances.

FINANCIAL ANALYSIS

Table A below shows that in fiscal year 2021, 86.4% of the District's net position reflects its investment in capital assets (e.g., buildings, sewer laterals, and equipment), less related debt still outstanding used to acquire those assets. These capital assets are used primarily in the collection and treatment of wastewater throughout the District's service area.

- The related liabilities will be repaid with resources provided by system users through rates and fees. Long-term debt (net of the current portion) decreased by $53.1 million in 2021, or -5.98%, and decreased by $34.2 million in 2020, or -3.85%.
- Net position increased $114.9 million in 2021 and decreased $59.9 million in 2020. Percentage increase/decreases over the two-year period of 10.7%, and -5.3%, respectively. Total expenses in both years were due to fluctuations attributable to accounting for pensions.

Table A
Condensed Summary of Net Position
(In Thousands)

	2021	Percentage Increase (Decrease) over 2020	2020	Percentage Increase (Decrease) over 2019	2019	Percentage Increase (Decrease over 2018
Current and other assets	$ 94,712	18.8%	$ 79,756	19.6%	$ 66,692	-2.5%
Noncurrent (restricted) Assets	$ 429,415	-6.5%	$ 459,288	-10.9%	$ 515,270	-2.6%
Capital assets, net	$1,867,200	2.2%	$ 1,827,577	4.0%	$ 1,757,052	5.1%
Total assets	2,391,327	1.0%	2,366,621	1.2%	2,339,014	3.6%
Deferred Outflows	$ 24,169	-81.4%	$ 129,753	44.6%	$ 89,737	200.2%
Current liabilities	$ 83,657	9.4%	$ 76,484	-9.7%	$ 84,745	2.8%
Noncurrent liabilities	$ 956,132	-27.8%	$ 1,324,567	10.3%	$ 1,200,583	13.5%
Total liabilities	$1,039,789	-25.8%	$ 1,401,051	9.0%	$ 1,285,328	12.7%
Deferred Inflows	$ 184,994	849.6%	$ 19,481	152.1%	$ 7,756	-53.6%
Net investment in capital assets	$1,029,342	8.9%	$ 944,971	11.6%	$ 847,027	11.2%
Restricted	$ 4,482	-2.0%	$ 4,573	-36.2%	$ 7,172	1.5%
Unrestricted	$ 156,889	24.2%	$ 126,298	-55.1%	$ 281,498	-24.5%
Total Net Position	$1,190,713	10.7%	$ 1,075,842	-5.3%	$ 1,135,697	-5.0%

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Table B below shows total operating revenues for fiscal year 2021 of $266.0 million, an increase of $8.5 million, or 3.3%. Operating revenues were $257.5 million, a decrease of $14.8 million, or -5.4% in 2020. Meanwhile, total expenses decreased $180.5 million, or 53.8%, in 2021 and increased $33 million, or 10.9%, in 2020. Decreases/Increases in total expenses in both those years was due to fluctuations attributable to accounting for pensions.

Table B
Condensed Summary of Revenues
Expenses and Changes in Net Position
(In Thousands)

	2021	Percentage Increase (Decrease) over 2020	2020	Percentage Increase (Decrease) over 2019	2019	Percentage Increase (Decrease) over 2018
Operating revenues	$ 266,026	3.3%	$ 257,484	-5.4%	$ 272,273	-2.0%
Nonoperating revenues	(179)	-101.3%	13,930	-23.1%	18,121	25.0%
Total revenues	265,847	-2.1%	271,414	-6.5%	290,394	1.0%
Depreciation and amortization expense	$ 67,813	2.1%	$ 66,437	-0.3%	$ 66,628	2.3%
Other operating expenses	119,506	-4.6%	125,252	-0.1%	125,343	5.9%
Pension Expense	(59,287)	-152.0%	114,027	52.2%	74,942	992.3%
Nonoperating expenses	27,078	-9.5%	29,934	-16.4%	35,810	-1.9%
Total expenses	$ 155,110	-53.8%	$ 335,650	10.9%	$ 302,723	33.5%
Income from operations	$ 110,737	-272.4%	$ (64,236)	-120.4%	$ (12,329)	-12.0%
Capital contributions	$ 4,134	-5.6%	$ 4,381	-29.3%	$ 6,195	26.6%
Change in net position	$ 114,871	-291.9%	$ (59,855)	875.8%	$ (6,134)	-109.4%
Total Net Position, beginning	1,075,842	-5.3%	1,135,697	-0.5%	1,141,831	6.1%
Total Net Position, ending	$1,190,713	10.7%	$ 1,075,842	-5.3%	$ 1,135,697	-5.0%

- Operating expenses, excluding depreciation, amortization and net pension expense, decreased by $5.7 million to $119.5 million in 2021 from $125.3 million in 2020. The decrease was due to a decrease in Purchased Services and Other Operating expenses. 2020 saw a decrease of $.9 million, or -0.1%, over the prior year. The decrease was due to utilities, fuel, supplies, purchased services and other expenses.
- Salary and wages decreased $2.9 million to $54.8 million in 2021 compared to $57.7 million in 2020. This was a combination of Salary and Wages and Benefits.
- Depreciation expense increased $1.3 million, or 2.1%, in 2021. Depreciation expense decreased $.2 million, -0.3%, in 2020 compared to the prior year.

- Non-operating expenses for 2021 were $27.1 million, a decrease of $2.9 million or -9.5%. 2020 decreased $5.9 million, or -16.4%, due to changes in interest expense and the fair value of investments.
- The City of Cincinnati offered an Early Retirement Incentive Program (ERIP) in 2007. In 2016, District paid the City $8,723,061, its share of the remaining liability to the City Retirement System. This amount represents in full the liability for the years 2015-2021 and is being amortized over 7 years. ERIP amortization expense was $1,273 million in 2021 final year, and $1,250 million in 2020.

Table C reflects year-end capital balances. As of December 31, the District's investment in capital assets (net of accumulated depreciation) amounted to $1,867 million in 2021, $1,828 million in 2020. Capital assets increased $100 million, or 3.4%, on system improvement projects, land acquired for those projects and equipment replacement in 2021. Capital contributions were $4.1 million and $4.4 million in 2021 and 2020, respectively.

Capital construction and sewer improvement projects were 37.3% in 2021 and 33.1% of the program in 2020. Additional information on the District's capital assets can be found in Note 5 to the financial statements.

Table C
Capital Assets
(In Thousands)

	2021	Percentage Increase (Decrease) over 2020	2020	Percentage Increase (Decrease) over 2019	2019	Percentage Increase (Decrease) over 2018
Land	$ 12,313	20.9%	$ 10,188	0.0%	10,188	0.0%
Buildings	356,939	0.1%	356,666	0.0%	356,666	0.2%
Equipment	751,084	3.4%	726,265	4.3%	696,317	2.0%
Sewer Laterals	1,420,974	5.4%	1,348,645	3.0%	1,309,864	1.3%
Construction in progress	489,374	0.2%	488,533	14.1%	428,108	35.7%
Subtotal	$3,030,684	3.4%	$ 2,930,297	4.6%	$ 2,801,143	5.4%
Less accumulated depreciation	1,163,484	5.5%	1,102,720	5.6%	1,044,091	6.0%
Net capital assets	$1,867,200	2.2%	$ 1,827,577	4.0%	$ 1,757,052	5.1%

Bond Issuances

The District finances its construction program through a combination of revenue bonds, state revolving loans through the State of Ohio and cash, with the primary source being tax-exempt revenue bonds. The District's revenue bond rates are:

- Moody's Investors Services Aa2
- Standard & Poor's Corporation AA+

Revenue bond service Debt Coverage in 2021 was 289% and 271% in 2020, compared to an Agency policy of 150% (25% higher than indenture requirements). The total debt coverage for 2021 was 183% and 177% in 2020, compared to the indenture requirement of 125%.

Rate Increase - Hamilton County Commissioners have not approved a rate increase of the District's sewer fee for 2016 - 2022. The District's large capital program to meet Federal EPA requirements will likely necessitate a rate increase in the near future.

GASB 68

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

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

Under the standards required by GASB 68, the net pension liability equals the Metropolitan Sewer District of Greater Cincinnati's proportionate share of each plan's collective:

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

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the

promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the Metropolitan Sewer District of Greater Cincinnati is not responsible for certain key factors affecting the balance of this liability. The Metropolitan Sewer District of Greater Cincinnati employees are covered by two pension systems. They are the City of Cincinnati Retirement System (CRS), and the Ohio Public Employees Retirement System (OPERS). The City of Cincinnati Retirement System (CRS) is accounted for as a single employer defined benefit pension plan. For CRS, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are set by the City of Cincinnati ordinance. The CRS system provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The City of Cincinnati makes employer contributions based on a percentage of covered payroll of all CRS members. For Ohio PERS, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer.* State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

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

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

The COVID-19 Crisis has District reassessing the 2022 budget expenditures.

For additional information on the Management Discussion and Analysis please contact:

Metropolitan Sewer District of Greater Cincinnati
Office of the Director
1600 Gest Street, Cincinnati, OH 45204

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Metropolitan Sewer District
Statement of Net Position
For The Periods Ended December 31, 2021 And December 31, 2020
(All amounts expressed in thousands)

	2021	2020
ASSETS		
Current assets:		
Cash, cash equivalents and pooled investments held by the City of Cincinnati (Note 2)	$ 19,918	$ 20,876
Accounts receivable (Note 3)	41,438	40,575
Prepaid expenses and other (Note 14)	1,543	3,449
Total current assets	62,899	64,900
Noncurrent assets:		
Restricted assets:		
Cash, cash equivalents, and pooled investments held by the City of Cincinnati		
Construction account (Note 2)	57,193	25,610
Amount to be transferred to surplus account (Note 2)	66,352	61,485
Held by trustee: (Note 4)		
Cash and cash equivalents (Note 2)	4,537	69,663
Investments - Held to maturity (Note 2)	301,333	302,530
Total restricted assets	429,415	459,288
Other assets:		
Other	31,813	14,856
Total other assets	31,813	14,856
Capital assets: (Note 5)		
Land	12,313	10,188
Buildings	356,939	356,666
Sewer Laterals	1,420,974	1,348,645
Equipment	751,084	726,265
Construction in progress	489,374	488,533
Total capital assets	3,030,684	2,930,297
Less:		
Accumulated depreciation	(1,163,484)	(1,102,720)
Net capital assets	1,867,200	1,827,577
Total noncurrent assets	2,328,428	2,301,721
Total assets	2,391,327	2,366,621
Deferred outflow of resources		
Deferred charges on refunding	6,021	7,348
Deferred Pension Outflows	18,148	122,405
Total Deferred Outflow of Resources	24,169	129,753

The notes to the financial statements are an integral part of the financial statements

Metropolitan Sewer District
Statement of Net Position
For The Periods Ended December 31, 2021 And December 31, 2020
(All amounts expressed in thousands)

	2021	2020
LIABILITIES		
Current liabilities:		
Payable from current assets:		
Current portion of long-term debt (Note 6)	54,118	51,046
Current portion of compensated absences (Note 8)	4,692	4,123
Accounts payable	6,687	5,880
Accrued payroll expenses	2,638	2,957
Total current liabilities payable from current assets	68,135	64,006
Payable from restricted assets:		
Construction accounts payable	13,694	10,505
Accrued interest payable	1,828	1,973
Total current liabilities payable from restricted assets	15,522	12,478
Total current liabilities	83,657	76,484
Noncurrent liabilities:		
Accrued compensated absences (Note 8)	4,267	6,276
Long-term debt (Note 6)	834,319	887,372
Net Pension Liability CRS (Note 9)	115,415	425,757
Net Pension Liability OPERS	2,131	3,093
Net Other Post Employment Benefit Liability (Note 10)	0	2,069
Total noncurrent liabilities	956,132	1,324,567
Total liabilities	1,039,789	1,401,051
Deferred Inflow of resources		
Deferred Pension Inflows (Note 10)	184,994	19,481
Net position:		
Net investment in capital assets	1,029,342	944,971
Restricted	4,482	4,573
Unrestricted (Note 15)	156,889	126,298
Total Net Position	$ 1,190,713	$ 1,075,842

The notes to the financial statements are an integral part of the financial statements

Metropolitan Sewer District
Statement of Revenue, Expenses and Changes in Fund Net Position
For The Periods Ended December 31, 2021 And December 31, 2020
(All amounts expressed in thousands)

	2021	2020
REVENUES		
Operating revenues:		
Sewerage service charges	$ 243,605	$ 231,510
Sewer surcharges	17,856	22,331
All other revenues	4,565	3,643
Total operating revenues	266,026	257,484
EXPENSES		
Operating expenses:		
Personnel services:		
Salary and Wages	54,812	57,703
Pension Expense	(59,287)	114,027
Purchased services	33,882	35,998
Utilities, fuel and supplies	20,477	20,219
Depreciation and amortization	67,813	66,437
Other expenses	10,335	11,332
Total operating expenses	128,032	305,716
Operating income	137,994	(48,232)
NONOPERATING		
Nonoperating revenues (expenses):		
Interest income	4,463	9,323
Change in fair value of investments	(4,642)	4,607
Interest expense	(27,078)	(29,934)
Total nonoperating revenues (expenses)	(27,257)	(16,004)
Income (loss) before contributions	110,737	(64,236)
-		
Capital contributions	4,134	4,381
Change in net position	114,871	(59,855)
Total net position, beginning	1,075,842	1,135,697
Total net position, ending	$ 1,190,713	$ 1,075,842

The notes to the financial statements are an integral part of the financial statements

Metropolitan Sewer District
Statement of Cash Flows
For The Periods Ended December 31, 2021 And December 31, 2020

	2021	2020
Cash flows from Operating Activities:		
Cash received from customers	$ 258,984	$ 255,121
Cash payments for goods and services	(63,867)	(66,325)
Cash payments for personnel costs	(56,527)	(56,498)
Other operating revenues	3,348	3,136
Net Cash Provided by Operating Activities	141,938	135,434
Cash Flows from Capital and Related Financing Activities:		
Principal and interest payments on long-term debt	(81,043)	(80,624)
Acquisition and construction of capital assets	(97,719)	(126,440)
Loan proceeds	2,936	1,942
Transfer into construction account from trustee investment account	126,366	82,711
Transfer from operating cash account to trustee investment account	(61,485)	(64,881)
Tap-in fees	2,891	2,878
Proceeds from the sale of capital assets	120	285
Net Cash (Used) by Capital and Related Financing Activities	(107,934)	(184,129)
Cash Flows from Investing Activities:		
Purchase of government securities	(60,484)	(25,512)
Net increase (decrease) in fair value of cash and investments	(4,642)	4,607
Interest earned on investments	1,488	3,416
Net Cash Provided (Used) by Investing Activities	(63,638)	(17,489)
Net Increase (Decrease) in Cash and Cash Equivalents	(29,634)	(66,184)
Cash and Cash Equivalents at January 1	177,634	243,818
Cash and Cash Equivalents at December 31	$ 148,000	$ 177,634
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Income from operations	$ 137,994	$ (48,232)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	67,813	66,437
Capital Expenses moved to Operating	40	2,018
Operating Expenses moved to Capital	0	0
Changes in assets and liabilities:		
Net change in customer accounts receivable	(863)	751
Net change in prepaid assets	(633)	(464)
Net change in other assets	(16,957)	(14,700)
Net change in operating accounts payable	807	4
Net change in accrued payroll and related expenses	(2,062)	2,265
Net Pension Liability	(311,304)	188,246
Net Other Post Employment Benefit Liability (Note 10)	(2,069)	(31,181)
Net Change in cash received from customers	(8)	980
Net Change in Deferred Charges on Refunding Outflows	1,327	1,327
Net Change in Deferred Pension Outflows	104,257	(41,343)
Net Change in Deferred Pension Inflows (Note 10)	165,513	11,755
Net Change in Capital Expenses 7600 moved to Fixed Assets in Fund 701	(1,917)	(2,429)
Net Cash Provided by Operating Activities	$ 141,938	$ 135,434
Non-cash Transactions:		
Structures donated as contributed capital in aid of construction	$ 2,546	$ 3,456
Acquisition and construction of capital asset paid directly by WPCLF loan proceeds	3,314	18,142
Construction accounts payable related to acquisition of capital assets	13,694	10,505

The notes to the financial statements are an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 1 - ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the accompanying financial statements follows:

Organization

The Metropolitan Sewer District of Greater Cincinnati (District), an enterprise fund of the County of Hamilton, Ohio, collects and treats industrial and residential wastewater for municipalities and unincorporated areas of Hamilton County. District was formed on April 10, 1968, pursuant to resolutions of the Board of County Commissioners of Hamilton County and Ordinances of the City of Cincinnati, providing for a consolidation of the City Sewer Department and the County Sewer District. The two entities executed an agreement with an initial 50-year term. Per the agreement, the City is responsible for operational management. The original agreement was set to expire in April 2018 but has since been extended indefinitely by the Federal District Court. The parties remain in mediation in Federal District Court to resolve their remaining disputes.

Under a contract with the City of Cincinnati, the Board designated the City as its agent for the maintenance and operation of District. The annual budget, prepared on a non-GAAP budgetary basis of accounting, is approved by the Board and administered by the City. Budgetary control is exercised at the divisional level, and between personnel and all other costs. The County issues a separate Comprehensive Annual Financial Report which includes District as a separate enterprise fund of the County.

Basis of Accounting

The accompanying financial statements were prepared on the accrual basis of accounting, whereby revenues and expenses are recognized in the period earned or incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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.

Statement of Cash Flows

For purposes of the Statements of Cash Flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents. Pooled cash and investments held by the City of Cincinnati are considered cash equivalents by District.

Investments

District is required by Ohio law to invest in only United States obligations; federal agency securities; Ohio bonds and other obligations or such obligations of political subdivisions of the state, provided that the subdivisions are located within Hamilton County; time certificates of deposit or deposit accounts in an eligible institution; and no load money market mutual funds consisting only of investments mentioned above. Investments are required to mature within five years from the date of settlement, unless the investment is matched to a specific obligation or debt of District.

GASB Statement No. 72, *Fair Value Measurement and Application*, addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes for applying fair value to certain investments and disclosures related to all fair value measurements.

Prepaids

Payments made for services that will benefit periods beyond fiscal year end December 31, 2021, are recorded as prepaids using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense is reported in the year in which services are consumed.

Inventory

Supplies and materials are stated at the lower of cost or market on a first-in, first-out (FIFO) basis.

Capital Assets

Capital assets include land, construction in progress, buildings, sewer laterals and mains, studies and equipment. Capital assets are defined as assets with an initial, individual cost of more than $5,000.

Capital assets are stated at historical cost for assets acquired after District's inception in 1968. Assets which were acquired prior to 1968 and not identifiable with specific historical costs are not included in the capital assets balance. Assets acquired by District through contributions, such as contributions from land developers and federal and state grants, are capitalized and recorded in the plant records at the contributors' reported cost. Construction costs include the cost of in-force labor. See Note 5 for more information on capital assets.

Land acquired for District's use is titled to either the City of Cincinnati or Hamilton County. The cost of this land has been recorded on the books of District since it has the full benefit of the land as an economic resource.

Depreciation expense is computed on the straight-line method over the estimated useful lives of the respective assets. The estimated lives are as follows:

Building	40 years
Sewer Laterals	40 years
Equipment	5-25 years

Any gain or loss arising from the disposal of capital assets has been credited or charged to income.

Unamortized Financing Costs

The unamortized financing costs include insurance, consulting and attorney fees incurred in connection with the revenue bond obligations. These amounts are being amortized on the straight-line method over the lives of the revenue bonds. Bond premiums and discounts are being amortized on the interest method over the lives of the revenue bonds.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until then. For District, deferred outflows of resources are reported on the statement of net position for deferred charges on refunding, pension and other postemployment benefits (OPEB). A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB are explained in Notes 9 and 10.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For District, deferred inflows of resources have been recorded in the statement of net position for pension and OPEB, as explained in Notes 9 and 10.

Pension/OPEB Plans

Employees participate in either the City of Cincinnati's Retirement System or the Ohio Public Employees Retirement System. For purposes of measuring net pension liabilities and net OPEB assets, deferred outflows of resources and deferred inflows of resources related to pension and OPEB, and pension and OPEB expense, information about the fiduciary net position of the pension and OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The retirement systems report investments at fair values.

Compensated Absences

Compensated absences include accrued vacation time, sick leave, compensatory time and other related payments. Compensatory time and vacation time are paid out in full upon termination and are expensed in the year earned. Sick leave is paid out at various levels. The liability for sick leave is computed with the Termination Payment Method using an historical average of total years worked and total amount paid. The current amounts are an average of the annual expenditures. The entire compensated absence liability is reported on the financial statements.

Net Position

Net positions are the difference between assets, deferred outflows, deferred inflows, and liabilities. Net investment in capital assets are capital assets less accumulated depreciation and any outstanding long-term debt related to the acquisition, construction or improvement of those assets. Net positions are reported as restricted when there are legal limitations that are imposed on their use by county legislation or external restrictions by other governments, creditors or grantors. Restricted net positions of the District relate to debt service.

District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available. District does not have net position restricted by enabling legislation.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the District, these revenues are charges for services for wastewater treatment. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the fund.

Contributions of Capital

Contributions of capital arise from outside contributions of capital assets or outside contributions of resources restricted to capital acquisition and construction.

Customer Assistance Program (CAP)

A Customer Assistance Program (CAP) was approved by the Board of Commissioners in April 2019 to take effect on July 31, 2019. This program is a 25% discount on sewer bills offered to low-income seniors over the age of 65. Depending on the number of customers that apply, the District estimates this could affect revenue in the amount of $250,000 up to $2.2 million, with 100% participation.

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NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits

State statutes classify monies held by the District into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the District's 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 the District has identified as not required for use within the current two-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 deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by financial institution as security for repayment, by surety company bonds deposited with the finance director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy for deposits is collateral is required for demand deposits and certificates of deposit at 105 percent, or 102 percent if the financial institution participates in the Treasurer of State's Ohio Pooled Collateral System, of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities, school districts, and district corporations. Obligations pledged to secure deposits must be delivered to a bank other than the institution in which the deposit is made. Written custodial agreements are required. The District is required to categorize deposits and investments according to GASB Statement No. 3 *Deposits with Financial Institutions, Investments, and Reverse Purchase Agreements*. The carrying value of the District's cash and cash equivalent deposits was $143,463,000 and $107,971,000 at December 31, 2021 and 2020, respectively.

Amounts held by the City of Cincinnati are invested on District's behalf in accordance with the Cincinnati Municipal Code. Amounts held by the City are collateralized as part of the City's cash and investment balances. For GASB 40 disclosure requirements, refer to the financial statements as of June 30, 2021, for the City of Cincinnati.

Although the pledging bank has an investment and securities pool used to collateralize all public deposits, which are held in the financial institution's name, noncompliance with federal requirements could

potentially subject the District to a successful claim by the FDIC. The deposits not covered by federal depository insurance are considered uninsured and uncollateralized and subject to custodial credit risk.

Investments

State Statute, board of county commissioners resolutions, and the 1985 Trust Indenture as amended authorize the District to invest in obligations of U. S. Treasury, agencies and instrumentalities, certificates of deposit, repurchase agreements, money market deposit accounts, municipal depository funds, super NOW accounts, sweep accounts, separate trading of registered interest and principal of securities, mutual funds, bonds and other obligations of this State, and the State Treasurer's investment pool. Repurchase agreements are limited to 30 days and the market value of the securities must exceed the principal value of the agreement by at least 2 percent and be marked to market daily. Investments in stripped principal or interest obligations reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the finance director or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian. The District has no investment policy that addresses interest rate risk.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Federal National Mortgage Association Notes, Federal Home Loan Mortgage Corporation Notes, and the Federal Home Loan Bank Notes are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the District's name. The District has no investment policy dealing with investment custodial risk beyond the requirement in state statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Funds held by the trustee are eligible investments as defined by the Trust Agreement and are in the name of the trustee for the benefit of District.

Investments made by District are summarized below. Trustee account investments are categorized according to credit risk into the following categories: (1) insured or registered, or securities held by District or its agent (bank trust department) in the District's name; or (2) uninsured and unregistered, with securities held by the counterparty's trust department or agent in the District's name; or (3) uninsured, unregistered securities held by the counterparty, or its trust department or agent but not in District's name. Money market funds are unclassified investments since they are not evidenced by securities that exist in physical or book entry form. As stated in GASB Statement No. 40, obligations of the U. S. government or obligations explicitly guaranteed by the U. S. government are not considered to have credit risk and do not require disclosure of credit quality.

The money market funds are invested in a treasury obligation fund with a Moody's credit rating of Aaa.

Concentration of Credit Risk: The Metropolitan Sewer District uses the City of Cincinnati's Investment Policy which addresses concentration of credit risk by requiring investments to be diversified to reduce risk of loss resulting from over concentration of assets in a specific issue or class of security. The following table includes the percentage of each investment type held by District at December 31, 2021.

Investment Type	Fair Value	% of Total
Deposits held by the City of Cincinnati	$143,463	31.92
U.S. Agency Securities	172,549	38.40
U.S. Treasury Securities	128,829	28.67
Money Market Funds	4,537	1.01
	$449,378	100.00

The classification of cash and cash equivalents and investments on the financial statements is based on criteria set forth in GASB Statement No. 9. A reconciliation between the classifications of cash and investments of the financial statements and the classification per GASB Statement No. 3 is as follows:

(all amounts in thousands)

December 31, 2021	Cash and Cash Equivalents	Investments
GASB Statement No. 9	$148,000	$301,378
Money Market Funds	(4,537)	4,537
Total	$143,463	$305,915

(all amounts in thousands)

December 31, 2020	Cash and Cash Equivalents	Investments
GASB Statement No. 9	$177,636	$302,527
Money Market Funds	(69,665)	69,665
Total	$107,971	$372,192

Fair Value Measurements: District categorizes its fair value measurements within the fair value hierarchy establish by GASB Statement No. 72. District has the following recurring fair value measurements as of December 31, 2021:

Investments by Fair Value Level	Fair Value	Fair Value Measurements Using *(amounts in thousands)* Quoted Price In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
U.S. Treasury Securities	$128,829	128,829	
U.S. Agency Securities	$172,549		172,549
	$301,378	$ 128,829	$ 172,549

U.S. Treasury securities classified in Level 1 of the fair value hierarchy are valued using quoted market prices. U.S. Agency securities classified in Level 2 of the fair value hierarchy are valued using pricing sources as provided by investment managers.

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable consist of the following:

(all amounts in thousands)

	2021	2020
Sewer charges and surcharges:		
Unbilled amount	$21,407	$20,702
Billed amount	33,170	28,015
Less Allowance for doubtful accounts	(14,932)	(10,015)
Other	1,793	1,873
Total	$41,438	$40,575

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NOTE 4 - RESTRICTED ASSETS

The Trust Agreement for the Series A Revenue Bonds (see Long-Term Debt Note) requires the establishment of certain trust accounts including a Bond Account, Bond Reserve Account, and a Surplus Account to be held by the Trustee. The Bond Account will be used to accumulate periodic principal and interest payments. The Bond Reserve Account will be funded in an amount equal to the highest annual future debt service requirement. The Surplus Account is available to be used for any other Sewer System purpose. The Trust Agreement also requires the creation of a Construction Account to be held by the City to pay for project costs. At December 31, 2021 and 2020 the following balances (at fair value) were maintained in the trust accounts:

(all amounts in thousands)

	2021	2020
Held by trustee:		
Reserve	$44,890	$50,163
Bond retirement	4,537	4,573
Surplus	256,443	317,457
Total	$305,870	$372,193

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NOTE 5 - CAPITAL ASSETS

(all amounts in thousands)

December 31, 2021	Beginning Balance	Increase	Decrease	Ending Balance
Capital Assets, not being depreciated:				
Land	$ 10,188	$ 2,125		$ 12,313
Construction in progress	488,533	104,032	(103,191)	489,374
	$ 498,721	$ 106,157	$(103,191)	$ 501,687
Capital Assets, being depreciated:				
Buildings	356,666	273	-	356,939
Equipment	726,265	25,554	(735)	751,084
Sewer Laterals	1,348,645	78,642	(6,313)	1,420,974
	2,431,576	104,469	(7,048)	2,528,997
Total Capital Assets	2,930,297	210,626	(110,239)	3,030,684
Less accumulated depreciation:				
Buildings	170,678	7,285		177,963
Equipment	366,400	20,507	(735)	386,172
Sewer Laterals	565,642	33,707		599,349
Total Accumulated Depreciation	1,102,720	61,499	(735)	1,163,484
Net Capital Assets	$ 1,827,577	$ 149,127	$(109,504)	$ 1,867,200

Capital Asset category Sewer Laterals is comprised of two asset types, one is Sewer Lateral which are depreciated and Study Assets which are amortized.

In 2021, Capital Assets depreciation expense was $61,499,000 and Study Assets amortization expense was $6,314,000 for a total depreciation and amortization expense of $67,813,000 for the year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

(all amounts in thousands)

December 31, 2020	Beginning Balance	Increase	Decrease	Ending Balance
Capital Assets, not being depreciated:				
Land	$ 10,188			$ 10,188
Construction in progress	428,108	135,713	(75,288)	488,533
	$ 438,296	$ 135,713	$ (75,288)	$ 498,721
Capital Assets, being depreciated:				
Buildings	356,666		-	356,666
Equipment	696,317	31,177	(1,229)	726,265
Sewer Laterals	1,309,864	45,373	(6,592)	1,348,645
	2,362,847	76,550	(7,821)	2,431,576
Total Capital Assets	2,801,143	212,263	(83,109)	2,930,297
Less accumulated depreciation:				
Buildings	163,280	7,398		170,678
Equipment	347,685	19,932	(1,217)	366,400
Sewer Laterals	533,126	32,516		565,642
Total Accumulated Depreciation	1,044,091	59,846	(1,217)	1,102,720
Net Capital Assets	$ 1,757,052	$ 152,417	$ (81,892)	$ 1,827,577

Capital Asset category Sewer Laterals is comprised of two asset types, one is Sewer Lateral which are depreciated and Study Assets which are amortized.

In 2020, Capital Assets depreciation expense was $59,845,000 and Study Assets amortization expense was $6,592,000 for a total depreciation and amortization expense of $66,437,000 for the year.

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NOTE 6 - LONG-TERM DEBT

Long-term debt consisted of the following:

	(all amounts in thousands) Principal Issue	Interest Rate %	Year of Maturity	2021	2020
Revenue Bonds					
2020	74,525	5.00	2035	$ 70,505	$ 74,525
2019 - Direct Placement	107,970	4.00-5.00	2034	102,320	107,970
2015	52,520	3.00-5.00	2025	7,790	11,460
2014	162,650	4.00-5.00	2032	115,470	124,365
2013 (a)	258,695	0.45-5.00	2038	142,700	150,465
				438,785	468,785
Ohio Water and Sewer Rotary Commission	-	-	-	50	50
Ohio Public Works Commission	-	0.00-3.00	2041	281	355
Water Pollution Control Loan Fund	-	2.50-3.50		366,666	379,947
Capital Lease Payable	15,000	2.00-5.00	2029	7,405	8,150
Total obligations				813,187	857,287
Bond Premiums				75,250	81,131
Deferred loss on defeasance				(6,021)	(7,348)
Current maturities				(54,118)	(51,046)
Long-term portion				$ 828,298	$ 880,024

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Principal and interest payments on long-term debt for the next five years and thereafter are as follows:

(all amounts in thousands)

	Revenue Bonds		Direct Placement Bonds		WPCLF*		OPWC		Capital Lease	
Year	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022	$ 25,365	$ 16,823	$ 5,865	$ 5,116	$ 22,069	$ 7,493	$ 39	$ 2	$ 780	$ 316
2023	26,615	15,555	6,150	4,823	22,618	6,978	40	1	825	240
2024	27,945	14,224	6,450	4,515	23,113	6,448	25	-	860	207
2025	29,345	12,828	6,760	4,192	22,999	5,898	10	-	895	173
2026	31,590	11,360	7,090	3,855	23,150	5,355	11	-	930	137
2027-2031	124,270	34,993	40,535	13,639	115,034	18,590	52	-	3,115	211
2032-2036	55,355	11,736	29,470	2,995	67,066	7,741	52	-	-	-
2037-2041	15,980	1,208	-	-	27,212	4,015	52	-	-	-
2042-2046					22,698	2,393	-			
2047-2051					20,707	765				
	$336,465	$ 118,727	$102,320	$ 39,135	$ 366,666	$ 65,676	$ 281	$ 3	$ 7,405	$ 1,284

* This represents the WPCLF loan balances outstanding at 12/31/2021. The total WPCLF loan availability is $406,047.

Bond discount, premium, and loss on defeasance activity for the year:

December 31, 2021	Beginning Balance	Amortized	Refunded	Issued	Ending Balance
Bond Premium	$ 81,131	$ (5,881)	$ -	$ -	$ 75,250
Loss on defeasance	(7,348)	1,327	-	-	(6,021)
Total	$ 73,783	$ (4,554)	$ -	$ -	$ 69,229

December 31, 2020	Beginning Balance	Amortized	Refunded	Issued	Ending Balance
Bond Premium	$ 67,951	$ (5,690)	$ 18,870	$ -	$ 81,131
Loss on defeasance	(8,675)	1,327	-	-	(7,348)
Total	$ 59,276	$ (4,363)	$ 18,870	$ -	$ 73,783

Long-term debt activity for the year:

(all amounts in thousands)

December 31, 2021	Beginning Balance	Additions	Reductions	Ending Balance
Revenue Bonds	$ 360,815	$ -	$ 24,350	$ 336,465
Revenue Bonds - Direct Placement	$ 107,970		$ 5,650	$ 102,320
Ohio Water and Sewer Rotary Commission	50	-	-	$ 50
Ohio Public Works Commission	355	-	74	$ 281
Water Pollution Control Loan Fund	379,946	6,863	20,143	$ 366,666
Capital Lease Payable	8,150	-	745	7,405
Total	$ 857,286	$ 6,863	$ 50,962	$ 813,187

December 31, 2020	Beginning Balance	Additions	Reductions	Ending Balance
Revenue Bonds	$ 410,505	$ 74,525	$ 124,215	$ 360,815
Revenue Bonds - Direct Placement	$ 107,970			$ 107,970
Ohio Water and Sewer Rotary Commission	50	-	-	$ 50
Ohio Public Works Commission	514	-	159	$ 355
Water Pollution Control Loan Fund	376,198	21,557	17,809	$ 379,946
Capital Lease Payable	8,870	-	720	8,150
Total	$ 904,107	$ 96,082	$ 142,903	$ 857,286

Revenue Bonds – Direct Placement

Effective November 26, 2019, District issued $107,970,000 Series A, Direct Placement Bond dated November 26, 2019. The proceeds from the 2019 Series A Bonds were used to defease the 2009B Revenue Bonds and pay for cost of issuance. The 2019 Series A Bonds were issued at a premium of $23,045,166. The 2019A Bonds are special obligations of the District, payable solely from the new revenues of the District and were issued on parity with the 2009 and 2010, 2013, 2014, 2015 bonds, secured equally and ratably under the Trust Agreement.

Revenue Bonds

a) Effective November 17, 2020, District issued $74,525,000 Series A, Sewer System Refunding Revenue Bonds dated November 17, 2020. The proceeds from the 2020 Series A Bonds were used to defease portions of the 2010A and 2010B revenue bonds and pay for the cost of issuance. The 2020 A bonds are special obligations of the District, payable solely from the net revenues of the District and were issued on parity with the 2010, 2013, 2014, 2015, 2019 bonds secured equally and ratable under the Trust Agreement.

A portion of the proceeds was used to purchase U.S. Government Securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service to

refund $101,000,000 of outstanding 2010A and 2010B Bonds. As a result, these bonds are considered defeased and the liability of those bonds removed from the balance sheet.

Although the refunding resulted in the recognition of an account premium of $18,870,385, District has, in effect, reduced its aggregate debt service payments by $18,190,000, and obtained a present value of savings of $13,091,284.

b) Effective March 3, 2015, District issued $52,520,000 Series A, Sewer System Refunding Revenue Bonds dated March 3, 2015. The proceeds from the 2015 Series A Bonds were used to defease portions of the 2005A revenue bonds and pay for the cost of issuance. The 2015A bonds are special obligations of the District, payable solely from the net revenues of the District and were issued on parity with the 1997, 2000, 2001, 2003A, 2003B, 2004, 2005A, 2005B, 2006, 2007, 2009A, and 2009B bonds, secured equally and ratably under the Trust Agreement.

A portion of the proceeds was used to purchase U.S. Government Securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service to refund $60,360,000 of outstanding 2005A Bonds. As a result, these bonds are considered defeased and the liability for those bonds removed from the balance sheet.

Although the refunding resulted in the recognition of an accounting loss of $1,464,000 in accordance with GASB 23, Accounting and Financial Reporting for Refunding of Debt Reported by Proprietary Activities, District has, in effect, reduced its aggregate debt service payments by $16,845,000, and obtained a present value of savings of $6,363,000.

c) Effective November 19, 2014, District issued $162,650,000 Series A, Sewer System Refunding Revenue Bonds dated November 19, 2014. The proceeds from the 2014 Series A Bonds were used to defease portions of the 2003, 2005, and 2006 revenue bonds and pay for the cost of issuance. The 2014A bonds are special obligations of the District, payable solely from the net revenues of the District and were issued on parity with the 1997, 2000, 2001, 2003A, 2003B, 2004, 2005A, 2005B, 2006, 2007, 2009A, and 2009B bonds, secured equally and ratably under the Trust Agreement.

A portion of the proceeds was used to purchase U.S. Government Securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service to refund $750,000 of outstanding 2003 Series A Bonds, $61,190,000, of outstanding 2005 Series B Bonds, $60,620,000 of outstanding 2006 Series A Bonds, $52,505,000 of outstanding 2007 Series A Bonds, and $6,790,000 of outstanding 2009 Series A Bonds. As a result, these bonds are considered defeased and the liability for those bonds removed from the balance sheet.

Although the refunding resulted in the recognition of an accounting loss of $14,949,000 in accordance with GASB 23, Accounting and Financial Reporting for Refunding of Debt Reported by Proprietary Activities, District has, in effect, reduced its aggregate debt service payments by $70,966,000, and obtained a present value of savings of $24,543,000.

d) Effective July 31, 2013, District issued $178,760,000 Series A, Sewer System Refunding Revenue Bonds and $79,935,000 Series B, Sewer System Refunding Revenue Bonds dated July 31, 2013. A portion of the proceeds from the 2013 Series A and 2013 Series B Bonds were used to defease portions of the 2003 and 2004 revenue bonds and pay for the cost of issuance. The 2013A bonds are special obligations of the District, payable solely from the net revenues of the District and were issued on parity with the 1997, 2000, 2001, 2003A, 2003B, 2004, 2005A, 2005B, 2006, 2007, 2009A, 2009B, 2010A, and 2010B bonds, secured equally and ratably under the Trust Agreement.

A portion of the proceeds was used to purchase U.S. Government Securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service to refund $112,720,000 of outstanding 2003 Series A Bonds, and $28,470,000 of outstanding 2004 Series A Bonds. As a result, these bonds are considered defeased and the liability for those bonds removed from the balance sheet.

The remaining proceeds from the 2013 Series A and 2013 Series B bonds were used to permanently fund certain previous capital expenditures and fund the new bond reserve requirements.

e) Effective November 3, 2010, District issued $43,595,000 Series A, Sewer System Refunding Revenue Bonds dated November 3, 2010. The proceeds from the 2010 Series A Bonds were used to defease portions of the 2000, 2001, and 2003 revenue bonds and pay for the cost of issuance. The 2010A bonds are special obligations of the District, payable solely from the net revenues of the District and were issued on parity with the 1997, 2000, 2001, 2003A, 2003B, 2004, 2005A, 2005B, 2006, 2007, 2009A, and 2009B bonds, secured equally and ratably under the Trust Agreement.

A portion of the proceeds was used to purchase U.S. Government Securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service to refund $2,730,000 of outstanding 2000 Series A Bonds, $25,290,000 of outstanding 2001 Series A Bonds, and $17,035,000 of outstanding 2003 Series A Bonds. As a result, these bonds are considered defeased and the liability for those bonds removed from the balance sheet.

Although the refunding resulted in the recognition of an accounting loss of $3,379,000 in accordance with GASB 23, the District in effect reduced its aggregate debt service payments by $8,824,000 and obtained and economic gain (difference between the present values of the old and new debt service payments) of $5,304,000.

Effective November 3, 2010, District issued $87,080,000 Series B Sewer System Improvement Revenue Bonds (Build America Bonds) dated November 3, 2010. The proceeds from the 2010 Series B bonds were used to permanently fund certain previous capital expenditures, fund the new bond reserve requirements and pay the cost of issuance. The 2010 Series B bonds are special obligations of the District, payable solely from the net revenues of the District and were issued on a parity with the 1997, 2000, 2001, 2003A, 2003B, 2004, 2005A, 2005B, 2006, 2007, 2009A, and 2009B bonds, secured equally and ratably under the Trust Agreement.

The 2010 and 2009 bonds may be redeemed prior to their maturities in accordance with provisions of the bond resolutions. The redemption process for the bonds includes declining premiums up to 2 percent of principal.

At December 31, 2021, and December 31, 2020 the amount of defeased debt outstanding was $296,085,000 and $318,320,000, respectively.

Maturities for bonds over the next five years and thereafter are shown below:

(all amounts in thousands)

Year	2020 Bonds	2019 Bonds	2015 Bonds	2014 Bonds	2013 Bonds	Total
2022	6,070	5,865	1,810	9,330	8,155	$ 31,230
2023	6,360	6,150	1,900	9,795	8,560	$ 32,765
2024	6,675	6,450	1,990	10,285	8,995	$ 34,395
2025	7,000	6,760	2,090	10,810	9,445	$ 36,105
2026	7,335	7,090	-	11,595	12,660	$ 38,680
2027-2032	18,660	40,535	-	60,435	45,175	$164,805
2032-2036	18,405	29,470	-	3,220	33,730	$ 84,825
2037-2042					15,980	$ 15,980
	$ 70,505	$102,320	$ 7,790	$ 115,470	$142,700	$438,785

Under the terms of the amended revenue bond trust indenture, District has agreed to certain covenants, among other things, to restrict additional borrowing, maintain rates sufficient to meet debt service requirements and maintain specified fund balances under trust agreements.

The Revenue bond issues as discussed above contain covenants which require District to maintain a level of debt service coverage. The following calculation reflects District's debt service coverage.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

(all amounts in thousands)

	2021	2020
Revenues:		
Total operating revenues	$ 266,026	$ 257,484
Interest income	4,463	9,323
Tap-in/connection fees	2,607	3,457
Total pledged revenue	273,096	270,264
Total operating and maintenance expenses less depreciation and amortization, pension expense	119,506	125,252
Net income available for debt service (a)	$ 153,590	$ 145,012
Principal and interest requirement on revenue bonds (b)	$ 53,169	$ 53,528
Principal and interest requirements on obligations (c)	$ 83,868	$ 82,081
Debt service coverage		
Revenue bonds (a) divided by (b)	289%	271%
All obligations (a) divided by (c)	183%	177%
Maximum debt service coverage required on revenue bonds	125%	125%

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Ohio Water Development Authority Contracts

All contracts between the Ohio Water Development Authority (OWDA) and the Metropolitan Sewer District require District to prescribe and charge such rates for sewer usage which are sufficient (after expenses of operation and maintenance) to pay principal and interest on OWDA contracts. The principal is repayable in equal semi-annual installments to maturity.

Water Pollution Control Loan Fund

The District has received low interest loan commitments from the Ohio Water Pollution Control Loan fund for certain qualified projects. As the projects progress the commitments are drawn down. The principal is repayable in semi-annual installments to the date of maturity for each project.

Ohio Water and Sewer Rotary Commission

Advances from Ohio Water and Sewer Rotary Commission represent tap-in fees and acreage assessments to be forwarded to the Commission upon collection from customers. Such advances do not bear interest unless they are determined to be in default.

Ohio Public Works Commission

The District has entered into agreements with the Ohio Public Works Commission (OPWC) for financing of certain qualified capital projects. As the projects progress the commitments are drawn down as funds are paid by OPWC directly to the contractors. The principal is repayable in semi-annual installments to the date of maturity for each project.

Interest on Long-Term Obligations

The following interest costs were incurred and expensed or capitalized as part of the cost of District's additions to capital assets.

(all amounts in thousands)

	2021	2020
Interest incurred	$ 27,078	$ 29,934
Less interest capitalization	-	-
Interest expense	$ 27,078	$ 29,934

District has implemented the GASB 89 Accounting for Interest Cost incurred before the end of a construction period in 2018.

NOTE 7 – CAPITAL LEASE

The District entered into a capital lease for a new engineering building in 2010. The lease obligation meets the criteria of a capital lease. The leased asset was capitalized at the amount of the present value of the minimum lease payments at inception of the lease. Capital asset acquired under capital lease is as follows:

Buildings	$15,000,000

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments as of fiscal year end.

(all amounts in thousands)

Fiscal Year Ending December 31,	Long-Term Debt
2022	$ 1,096
2023	1,065
2024	1,067
2025	1,067
2026	1,068
2027-2029	3,326
Total Minimum Lease Payments	8,689
Less: Amount Representing Interest	(1,284)
Present value of Minimum Lease Payments	$ 7,405

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NOTE 8 – COMPENSATED ABSENCES

Compensated Absences

Compensated absences consist of vacation time, sick pay and compensatory time. The following is a summary of activity for 2021 and 2020. $4,692 is considered due within one year for compensated absences as of December 31, 2021.

(all amounts in thousands)

	Beginning Balance	Increase	Decrease	Ending Balance
2021	$ 10,399	$ 5,158	$ 6,598	$ 8,959
2020	$ 9,919	$ 4,603	$ 4,758	$ 10,399

NOTE 9 – DEFINED BENEFIT PENSION PLANS

District employees are covered by one of two pension systems: the Ohio Public Employees Retirement System (OPERS) and the City of Cincinnati Retirement System (CRS). OPERS is a cost-sharing multi-employer defined benefit pension plan. CRS is accounted for as a single-employer defined benefit plan.

Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The retirement systems report investments at fair value.

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

The net pension liability represents the District's actuarial present value (or with the OPERS cost-sharing, multiple-employer plan, District's proportionate share of the pension plan's collective actuarial present value) of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables,

including estimated average life expectancies, earnings on investments, cost of living adjustments and other variables. While these estimates use the best information available, unknowable future events require adjusting this estimate annually. District's share of each plan's unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting.

A. Ohio Public Employees Retirement System (OPERS)

Ohio Revised Code limits the District's obligation for liabilities to OPERS to annually required payments. The District cannot control benefit terms or the manner in which pensions from the cost-sharing, multiple-employer plan is financed; however, the District does receive the benefit of employees' services in exchange for compensation including pension.

GASB Statement No. 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plan to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, the pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to net pension liability would be effective when the changes are legally enforceable.

Plan Description – OPERS

A limited number of the District employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan and the Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g., District employees) may elect the Member-Directed Plan or the Combined Plan, most employee members are in OPERS' Traditional Pension Plan; therefore, the following disclosures focus on the Traditional Pension Plan.

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three-member groups under the Traditional Pension Plan as

per the reduced benefits adopted by SB 343 (see OPERS' ACFR referenced above for additional information):

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

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

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

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

Funding Policy—The ORC provides statutory authority for member and employer contributions. For fiscal year 2021, member contribution rates were 10% of salary and employer contribution rates were 14%. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The District's contractually required contribution was $273,000 for 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related – OPERS

The net pension liability for OPERS was measured as of December 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. The District's proportion, change in proportion and proportionate share of the net pension liability was 0.01439087%, a decrease of 0.0001258%, and $2,131,000, respectively. Pension expense for the District was a negative $408,000.

At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources (amounts in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
District contributions subsequent to the measurement date	$ 273	$ -	$ 273
Net difference between projected and actual investment earnings	-	(831)	(831)
Difference between expected and actual experience	-	(90)	(90)
Change in District's proportionate share	-	(214)	(214)
	$ 273	$ (1,135)	$ (862)

$273,000 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows (amounts in thousands):

Year Ended December 31:	Net Deferred Outflows/ (Inflows) of Resources
2022	$ (502)
2023	(181)
2024	(339)
2025	(113)
	$ (1,135)

Actuarial Assumptions – OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time

of each valuation. The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Wage inflation	3.25%
Future salary increases, Including inflation	3.25% to 10.75%
COLA or Ad Hoc COLA	Pre 1/7/2013 retirees: 3% simple; Post 1/7/2013 retirees: 0.5% simple through 2021, then 2.15% simple
Investment rate of return	7.20%
Actuarial cost method	Individual entry age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Health Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above-described tables.

The most recent experience study was completed for the five-year period ended December 31, 2015.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board of Trustees in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return
Fixed Income	25.00%	1.32%
Domestic Equities	21.00%	5.64%
Real Estate	10.00%	5.39%
Private Equity	12.00%	10.42%
International Equities	23.00%	7.36%
Other Investments	9.00%	4.75%
Total	100.00%	5.43%

Discount Rate. The discount rate used to measure the total pension liability was 7.20%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following table represents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.20%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage point lower (6.20%) and one-percentage point higher (8.20%) than the current rate (amounts in thousands):

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
MSD's proportionate share of the net pension liability	$ 4,065	$ 2,131	$ 523

Changes Subsequent to the Measurement Date. In September 2021, the Board approved several changes to the pension plan based on the completed five-year experience study covering the period 2016-2020. In addition to other changes, the Board approved to decrease the assumed pension investment rate of return from 7.20% to 6.90%. These changes are not reflected in the current measurement period but are expected to increase the associated pension liability.

B. City of Cincinnati Retirement System (CRS)

Plan Description – CRS

Employees who do not participate in OPERS participate in CRS. CRS is accounted for as a single-employer defined benefit pension plan. CRS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. CRS is considered part of the City of Cincinnati's financial reporting entity and is included in the City's financial report as a pension trust fund.

The financial report that includes financial statements, required supplementary information and detailed information about CRS' fiduciary net position may be obtained by visiting http://cincinnati-oh.gov/finance/financial-reports/. Article XV of the Administrative Code of the City of Cincinnati provides the statutory authority vesting the general administration and responsibility for the proper operation of the System in the Board of Trustees of the City of Cincinnati Retirement System.

Information in the remainder of this footnote is provided for the District's portion, being reported as an agency fund of the City, which also participates in and contributes to CRS, with a measurement date of June 30, 2021.

A major plan revision was approved by the City Council on March 16, 2011 and adopted by the CRS's Board. The plan allows for a two- and half-year transition period from July 1, 2011 to January 1, 2014. Active members who are eligible or become eligible to retire and elect to retire during this transition period can retire with 30 years of creditable service or at age 60 with at least five years of creditable service and will receive benefits according to the current plan as described below.

A Collaborative Settlement Agreement (CSA) was executed on May 7, 2015 and approved by the United States District Court on October 5, 2015. The CSA impacts employees who were retired on or before July 1, 2011 and employees who were in service on July 1, 2011 and who were vested (had 5 years' service credit) on that date. Employees who are members of the CRS who did not meet those criteria remained subject to the plan provisions adopted in Ordinances No 84-2011 and 85-2011.

The CSA implemented a number of changes to the CRS, including, but not limited to:

- Normal retirement eligibility;
- Early retirement eligibility;
- Retiree healthcare eligibility;
- Cost of living adjustments payable to retirees;
- Establishment of a Deferred Retirement Option Program (DROP);
- Creation of a 115 Trust for retiree healthcare benefits;
- Changes to the composition of the Board of Trustees; and
- Payoff of the 2007 Early Retirement Incentive Program (ERIP) liability.

Groups C & D Eligible to retire on or before July 1, 2011; or December 31, 2013	Group E Eligible to retire on or before December 31, 2013	Group F Hired before January 1, 2010 and not eligible for other groups	Group G Hired on or after January 1, 2010
Normal Retirement: Age 60 with 5 years of service, or any age with 30 years of service	**Normal Retirement:** Age 60 with 5 years of service, or any age with 30 years of service	**Normal Retirement:** Age 60 with 5 years of service, or any age with 30 years of service	**Normal Retirement:** Age 67 with 5 years of service, or age 62 with 30 years of service
Early Retirement: Age 55 with 25 years of service	**Early Retirement:** Age 55 with 25 years of service	**Early Retirement:** Age 55 with 25 years of service	**Early Retirement:** Age 57 with 15 years of service
Benefit Formula: 2.5% of AHC times years of service	**Benefit Formula:** 2.5% of AHC times years of service up to greater of 20 years or years of service as of July 1, 2011, and 2.2% thereafter	**Benefit Formula:** 2.5% of AHC times years of service up to greater of 20 years or years of service as of July 1, 2011, and 2.2% thereafter	**Benefit Formula:** 2.2% of AHC times years of service up to 30 years; 2.0% over 30 years

Average Highest Compensation (AHC) represents the average of the highest three consecutive years of earnings for Groups C and D. Group E will have a AHC with two separate components based upon the average of the highest three consecutive years of earnings for service through December 31, 2013 and the highest five consecutive years of earnings for service after January 1, 2014. Group F will have a AHC with two components based upon the average of the highest three consecutive years of earnings for service through June 30, 2011 and the highest five consecutive years of earnings for service after July 1, 2011. The AHC for Group G is based on the average of the highest five consecutive years of earnings. Upon retirement, members will not receive a cost-of-living-adjustment (COLA) for the first three retirement anniversary dates. Thereafter, a 3% simple COLA benefit will be provided. A COLA poverty exception is available for members who meet certain financial requirements.

In fiscal year 2021, an Early Retirement Incentive Program (ERIP) was offered to employees who met certain eligibility requirements. The ERIP provided two additional years of membership service credit to full-time employees who had 28 years or more of service credit (and were at least age 62 for Group G) or who had at least five years of service credit and were at least age 60 (or at least age 67 for Group G) by December 31, 2020. Only employees in CRS were eligible. The additional actuarial accrued liability associated with the fiscal year 2021 ERIP was approximately $24,671,000 and is to be funded by separate contributions made by the Plan over a 15-year period. The anticipated first payment is January 1, 2022.

Members of the Active Employee Class, under the Collaborative Settlement Agreement, who have a minimum of 30 years' service credit are eligible to participate in the deferred retirement option plan (DROP). Upon entry into DROP, the member's monthly pension benefit is calculated as if they retired on that date. DROP participants continue to work as a District employee and if eligible, may continue to be enrolled in a District sponsored employee healthcare plan. Maximum participation in the DROP is five years. Members who participate in DROP continue to contribute 9% of their pensionable earnings to CRS.

The participant's monthly pension benefit amount (calculated as described above), as well as 75% of the participant's required CRS employee contributions, and interest earnings on their DROP account balance, accumulate tax-deferred in an account held in trust by the CRS. Participants do not have access to the funds in their DROP account while employed and participating in the DROP. The balance of the participant's DROP account is paid out in a lump sum or to another tax-qualified account (such as an IRA or 457 Deferred Compensation Plan) selected by the participant within 120 days of their retirement effective date.

Membership in CRS as of the June 30, 2021, measurement date was as follows:

Retirees and beneficiaries (optionees) receiving benefits	4,225
Terminated plan members and beneficiaries (optionees) Entitled to future benefits	222
Deferred retirement option plan (DROP) participants	234
Active plan members:	
Full-time	2,631
Part-time	1,078
Total	8,390
Inactive participants**	9,234

** Participants who are former employees who have an employee account balance in the plan but are not otherwise vested in an employee provided benefit.

Funding Policy—Each member contributes at a rate of 9.0% of his pensionable wages for 2021. The percent contributed by employees is provided by Chapter 203 Section 73 of the Cincinnati Municipal Code. The District makes employer contributions based on a percentage of the covered payroll of all CRS members. For 2021, the contribution rate was 16.25%. The District's contributions to the City of Cincinnati Retirement System's Pension Fund for the year ending December 31, 2021, were $6,400,000.

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

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The District reported a net pension liability of $115,415,000 and negative pension expense of $56,441,000.

At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources (amounts in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
District contributions subsequent to the measurement date	$ 3,902	$ -	$ 3,902
Differences between expected and actual experience	7,553	-	7,553
Net difference between projected and actual investment earnings	-	(34,808)	(34,808)
Change in proportion	-	(3,181)	(3,181)
Change in assumptions	-	(123,604)	(123,604)
	$ 11,455	$ (161,593)	$ (150,138)

$3,902,000 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows (amounts in thousands):

Year Ended December 31:	Net Deferred Outflows/ (Inflows) of Resources
2022	$ (126,019)
2023	(6,258)
2024	(8,178)
2025	(13,585)
	$ (154,040)

Actuarial Assumptions: Total pension liability was determined by the following actuarial valuations, using the following actuarial assumptions, applied to applicable periods included in the measurement :

Inflation	2.75%
Salary increases, including inflation	3.75% to 7.50%
Long-term investment rate of return, net of pension plan investment expense, including inflation	7.50%
Municipal bond index rate:	
Prior measurement date	2.21%

Single equivalent interest rate, net of pension plan investment expense, including inflation	
Measurement date	7.50%
Prior measurement date	3.56%

Active member mortality rates were based on the RP-2014 Mortality Table, with generational mortality improvement projections using the MP-2017 scale. Health inactive member mortality rates were based on the RP-2014 Mortality Table, with generational mortality improvement projections using the MP-2017 scale and set forward two years for both males and females. Disabled inactive member mortality rates were based on the RP-2014 Disabled Retiree Mortality Table, with generational improvement projections using the MP-2017 scale.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of the last actuarial experience study performed for the period January 1, 2012 to December 31, 2016, adopted on February 28, 2018.

Long Term Expected Rate of Return. The long-term expected rate of return on pension plan investments was determined using expected return and volatility figures which were developed by Marquette Associates using their asset allocation software. The program simulates a variety of economic environments based on macroeconomic variables, and this simulation allows us to model the underlying probabilities of capital market returns. By running the monthly simulations over a 10-year basis and performing 1,000 trials, they develop results for expectations of capital market performance. Expected risk and return values for all asset classes are updated every six months, as the underlying data and assumptions reflect current market values and trends.

The target asset allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Core Bonds	12.00 %	1.89 %
High Yield	2.00 %	4.18 %
Private Debt	3.00 %	9.54 %
All Cap U.S. Equity	18.50 %	7.48 %
Large-Cap Value Equity	3.50 %	7.18 %
Mid-Cap Value Equity	2.00 %	7.56 %
Small-Cap Value Equity	3.50 %	8.24 %
Non-U.S. All Cap	20.00 %	7.93 %
Emerging Markets-Small Cap	3.00 %	8.47 %
Real Estate Core Equity	7.50 %	6.07 %
Infrastructure	10.00 %	7.05 %
Risk Parity	5.00 %	4.94 %
Private Equity-FOF	10.00 %	11.34 %
Total	100.00 %	

* Geometric mean

Discount Rate. The discount rate used to measure the total pension liability was 7.50% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made as set out in the CSA. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Projected benefit payments are discounted at the long-term expected return on assets of 7.50%. By comparison, the single equivalent rate used to determine the total pension liability as of June 30, 2020, was 3.56%.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following chart represents the District financial reporting entity's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.50%, as well as the sensitivity to a 1% increase and 1% decrease in the current discount rate (amounts in thousands):

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
District's Net Pension Liability	$ 164,082	$ 115,415	$ 74,194

Change in the Net Pension Liability: Changes in the District financial reporting entity's net pension liability for the measurement year ended June 30, 2021, were as follows (amounts in thousands):

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at June 30, 2020.	$ 696,598	$ 270,841	$ 425,757
Changes for the year:			
Service cost	11,344	-	11,344
Interest	24,870	-	24,870
Benefit changes	4,537	-	4,537
Difference between expected and actual experience	15,853	-	15,853
Change in assumptions	(259,433)	-	(259,433)
Contributions - employer	-	6,400	(6,400)
Contributions - employee	-	3,723	(3,723)
Net investment income (loss)	-	88,994	(88,994)
Benefit payments, including refunds of employee contributions	(34,438)	(34,438)	-
Administrative expense	-	(334)	334
Other changes	-	8,730	(8,730)
Net changes	(237,267)	73,075	(310,342)
Balances at June 30, 2021	$ 459,331	$ 343,916	$ 115,415

The total pension liability (TPL) at the end of the measurement year, June 30, 2021, is measured as of the valuation date of December 31, 2020, and projected to June 30, 2021. Valuations will be completed every year. Each valuation will be rolled forward six months to provide the GAAP basis liability. There were assumption changes during the period, which are reflected in the amounts. The TPL and service cost have been determined using the entry age actuarial cost method as required by GASB Statement No. 67.

NOTE 10 – DEFINED BENEFIT OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS

The two retirement systems District employees participate in provide defined benefit postemployment benefits other than pension. The Ohio Public Employees Retirement System (OPERS) is a cost-sharing multiple-employer defined benefit OPEB plans. The City of Cincinnati Retirement System (CRS) is accounted for as a single-employer defined benefit OPEB plan.

Net OPEB Assets

For purposes of measuring the net OPEB assets, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including

refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The retirement systems report investments at fair value.

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

The net OPEB asset represents the District's actuarial present value (or with the OPERS cost-sharing, multiple-employer plan, District's proportionate share of the OPEB plan's collective actuarial present value) of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments, cost trends and other variables. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

The District's share of each fully-funded benefits as long-term *net OPEB assets* on the accrual basis of accounting.

A. Ohio Public Employees Retirement System (OPERS)

Ohio Revised Code limits the District's obligation for liabilities to OPERS to annual required payments. The District cannot control benefit terms or the manner in which OPEB from the cost-sharing, multiple-employer plan is financed; however, the District does receive the benefit of employees' services in exchange for compensation including OPEB.

GASB Statement No. 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits but does not require the cost-sharing, multiple-employer retirement system to provide health care to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB asset. Resulting adjustments to the net OPEB asset would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

Plan Description— OPERS

The District contributes to the health care plans administered by OPERS. OPERS is a cost-sharing, multiple-employer public employee retirement system comprised of three separate pension plans; the Traditional Pension Plan, a defined benefit plan; the Combined Plan, a combination defined benefit/defined contribution plan; and the Member-Directed Plan, a defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member-directed plan participants may be eligible for reimbursement of qualified medical expenses for their vested RMA balance.

In order to quality for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of another post-employment benefit (OPEB) as described in GASB Statement No. 75. See OPERS' ACFR referenced below for additional information.

The Ohio Revised Code permits but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting https://www.opers.org/financial/reports.shtm, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.
Funding Policy—The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, health care is not being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, state and local employers contributed at a rate of 14% of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of Traditional Pension and Combined plans' employer contributions allocated to health care was zero in 2021. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2021 was 4%.

OPEB Asset, OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEB—OPERS

The net OPEB asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during

the year. The District's proportion of the net OPEB asset was based on the District's share of contributions to the respective retirement system relative to the contributions of all participating entities. The District's proportion change in proportion and proportionate share of the net OPEB asset was 0.01403706%, a decrease of 0.000942%, and $250,000, respectively. OPEB expense for the District was negative $1,620,000.

At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (amounts in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
District contributions subsequent to the measurement date	$ 3	$ -	$ 3
Net difference between projected and actual investment earnings	-	(134)	(134)
Difference between expected and actual experience	-	(226)	(226)
Change in assumptions	123	(405)	(282)
Change in District's proportionate share	-	(116)	(116)
	$ 126	$ (881)	$ (755)

$3,000 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as an increase of the net OPEB asset in the year ended December 31, 2022. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows (amounts in thousands):

Year Ended December 31:	Net Deferred Outflows/ (Inflows) of Resources
2022	$ (415)
2023	(269)
2024	(58)
2025	(16)
	$ (758)

Actuarial Assumptions—OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverages provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB Statement No. 74:

Wage inflation	3.25%
Projected salary increases	3.25% to 10.75%, including wage inflation
Singe discount rate:	
Current measurement period	6.00%
Prior measurement period	3.16%
Investment rate of return	6.00%
Municipal bond rate:	
Current measurement period	2.00%
Prior measurement period	2.75%
Health care cost trend rate:	
Current measurement period	8.5% initial, 3.50% ultimate in 2035
Prior measurement period	10.5% initial, 3.50% ultimate in 2030
Actuarial cost method	Individual entry age

Pre-retirement mortality rates are based on the RP-2014 Employee's mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above tables.

The most recent experience study was completed for the five-year period ended December 31, 2015.

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed

Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 19.7% for 2019.

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00%	1.07%
Domestic Equities	25.00%	5.64%
REITs	7.00%	6.48%
International Equities	25.00%	7.36%
Other Investments	9.00%	4.02%
Total	100.00%	4.43%

Discount Rate. A single discount rate of 6.00% was used to measure the OPEB liability on the measurement date of December 31, 2020. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 2.00%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these

assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2120. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2120, the duration of the projection period through which projected health care payments are fully funded.

Sensitivity of the District's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates. The following table present the net OPEB asset calculated using the single discount rate of 6.00% and the expected net OPEB asset if it were calculated using a discount rate that is 1.0% lower or 1.0% higher than the current rate (amounts in thousands):

	1% Decrease (5.0%)	Current Discount Rate (6.0%)	1% Increase (7.0%)
District' proportionate share of the net OPEB asset	$ 62	$ 250	$ 405

Sensitivity of the District's Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate. Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.0% lower or 1.0% higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries' project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate	1% Increase
District' proportionate share of the net OPEB asset	$ 256	$ 250	$ 243

B. City of Cincinnati Retirement System (CRS)

Plan Description – CRS

CRS provides health care coverage to eligible retirees, their spouse and dependent children and is accounted for as a single-employer defined benefit OPEB plan. Active members in Group C who have earned fifteen years of membership service at the time of termination are eligible upon retirement. Other active members are eligible for retiree health care upon their retirement after reaching age 60 with 20 years of membership service, or any age with 30 years of service of which 20 years must be earned with CRS. Active members whose most recent membership enrollment date is on or after January 1, 2016 are not eligible for retiree health care benefits upon retirement.

CRS offers medical and prescription benefits to retirees before and during Medicare eligibility. Prescription benefits for Medicare eligible participants are provided through a Medicare Part D Employer Group Waiver Plan. CRS administers three health care plans that differ by deductibles, co-pays and out-of-pocket maximums. Two plans are closed groups. The third plan for eligible members who retire on or after January 1, 2016, follows the most advantageous plan offered to active District employees.

Membership in CRS as of the June 30, 2021, measurement date was as follows:

Retirees and beneficiaries (optionees) receiving benefits*	5,110
Terminated plan members and beneficiaries (optionees) Entitled to future benefits	249
Deferred retirement option plan (DROP) participants	209
Active plan members:	
Full-time	1,767
Part-time	279
Total	7,614

* OPEB members include 1,427 spouses currently receiving retiree health benefits.

CRS is considered part of the City of Cincinnati's financial reporting entity and is included in the City's financial report as part of the pension trust fund. The financial report that includes the financial statements, required supplementary information and detailed information about CRS' fiduciary net position may be obtained by visiting http://cincinnati-oh.gov/finance/financial-reports/. Information in the remainder of this footnote is provided for the District's portion, being reported as an agency fund of the City, which also participates in and contributes to the CRS, with a measurement date of June 30, 2021.

Funding Policy — Most retirees are subject to premiums that range from 0% to 10%. Other retiree premiums range from 5% to 75% depending on their date of hire, years of service and age at retirement. All members electing to participant in the dental and/or vision plan are required to pay the full cost of coverage. As such, it was assumed that CRS has no liability under GASB Statement No. 74 for these benefits.

OPEB (Asset), OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEB—CRS

The District's net OPEB (asset) was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2020. The District reported a net OPEB asset of $31,407,000 and negative OPEB expense of $2,091,000.

At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (amounts in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	$ 571	$ (5,322)	$ (4,751)
Net difference between projected and actual investment earnings	-	(10,332)	(10,332)
Change in proportion	226	(261)	(35)
Change in assumptions	5,497	(5,470)	27
	$ 6,294	$ (21,385)	$ (15,091)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows (amounts in thousands):

Year Ended December 31:	Net Deferred Outflows/ (Inflows) of Resources
2022	$ (4,175)
2023	(4,644)
2024	(2,291)
2025	(3,981)
	$ (15,091)

Actuarial Assumptions. The total OPEB liability in the following actuarial valuations were determined using the following actuarial assumptions, applied to the applicable periods included in the measurement:

Inflation:	
CPI	2.75%
Medical CPI	3.25%
Salary increases, including wage inflation	3.75% - 7.50%
Long-term investment rate of	

return	7.50%
Municipal bond index rate:	
Measurement date	2.16%
Prior measurement date	2.21%
Single equivalent interest rate, net of OPEB plan investment expense, including price inflation	
Measurement date	7.50%
Prior measurement date	7.50%
Health care cost trends:	
Medicare supplement claims	
Pre-Medicare	7.73% for 2020, decreasing to an ultimate rate of 4.00% by 2034.
Post-Medicare	8.73% / 8.80% for Non-Model and Model Plans, respectively, for 2020, decreasing to an ultimate rate of 4.00% by 2034.

The demographic actuarial assumptions used in the December 31, 2019, valuation were based on the results of the most recent actuarial experience study, adopted by the Board on March 1, 2018.

Pre-retirement mortality rates were based on RP-2014 healthy employee dataset mortality with fully generational projected mortality improvements using MP-2017. RP-2014 healthy employee dataset mortality rates for males and females have been set forward 2 years. Post-retirement mortality rates for health lives were based on RP-2014 total dataset mortality with fully generational projected mortality improvements using MP-2017. RP-2014 total dataset mortality rates for males and females have been set forward 2 years. For disabled lives, RP-2014 disabled retiree mortality with fully generational projected mortality improvements using MP-2017.

Of the CSA employee members eligible for DROP benefits, 60% are assumed to decline participation and 40% are assumed to be elect participation. Those electing to participate are assumed to remain in DROP for 3 years.

Of the vested members who terminate, it is assumed that 60% will leave their contributions in the plan in order to be eligible for a benefit at their normal retirement date while remaining 40% elect to withdraw their contributions.

Long Term Expected Rate of Return. The long-term expected rate of return on pension plan investments was determined using expected return and volatility figures which were developed by Marquette Associates using their asset allocation software. The program simulates a variety of economic environments based on macroeconomic variables, and this simulation allows us to model the underlying probabilities of capital market returns. By running the monthly simulations over a 10-year basis and performing 1,000 trials, they develop results for expectations of capital market performance. Expected risk and return values for all asset classes are updated every six months, as the underlying data and assumptions reflect current market values and trends.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Core Bonds	12.00 %	1.89 %
High Yield	2.00 %	4.18 %
Private Debt	3.00 %	9.54 %
All Cap U.S. Equity	18.50 %	7.48 %
Large-Cap Value Equity	3.50 %	7.18 %
Mid-Cap Value Equity	2.00 %	7.56 %
Small-Cap Value Equity	3.50 %	8.24 %
Non-U.S. All Cap	20.00 %	7.93 %
Emerging Markets-Small Cap	3.00 %	8.47 %
Real Estate Core Equity	7.50 %	6.07 %
Infrastructure	10.00 %	7.05 %
Risk Parity	5.00 %	4.94 %
Private Equity-FOF	10.00 %	11.34 %
Total	100.00 %	

* Geometric mean

Determination of Discount Rate (SEIR). The plan uses the Bond Buyer G.O. 20 Year Bond Municipal Bond Index to satisfy the requirements under paragraph 48 of GASB Statement No. 74. As this Index is issued weekly, the value closest to, but after the reporting date is used in determining the appropriate rate. Based on this practice, the municipal bond index rate at June 24, 2021 was 2.16% and 2.21% at June 25, 2020.

The discount rate used to measure the total OPEB liability as of June 30, 2021, was 7.50%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB Statement No. 74. The projection's basis was an actuarial valuation performed as of December 31, 2020. In addition to the actuarial methods and assumptions of the December 31, 2020, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- No future employee contributions were assumed to be made.
- No future employer contributions were assumed to be made.

Based on these assumptions, CRS' fiduciary net position was projected to never be depleted, as a result, the long-term expected rate of return was used in the determination of the single equivalent interest rate (SEIR). Here, the long-term expected rate of return of 7.50% on plan investments was applied to all periods, resulting in a SEIR at the measurement date of 7.50%

Sensitivity of the net OPEB (asset) to changes in the discount rate and healthcare cost trend rates. The following presents the net OPEB (asset) of the District, as well as what the District's net OPEB (asset) would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate. Similarly, the following also presents what the District's net OPEB (asset) would be if it were calculated.

using a healthcare cost trend rate that is 1% lower or 1% higher than the current rate (amounts in thousands):

	Healthcare Cost Trend Rates		
Distict' Net OPEB (Asset)	1% Decrease	Current Rate	1% Increase
1% Increase (8.50%)		$ (38,147)	
Current Discount Rate (7.50%)	$ (38,914)	(31,407)	$ (22,545)
1% Decrease (6.50%)		$ (23,471)	

Change in Net OPEB Liability/(Asset). Changes in the District's financial reporting entity's net OPEB liability/(asset) for the measurement year ended June 30, 2021, were as follows (amounts in thousands):

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/ (Asset)
Balances at June 30, 2020	$ 67,997	$ 82,697	$ (14,700)
Changes for the year:			
Service cost	584	-	584
Interest	5,096	-	5,096
Benefit changes	3,035	-	3,035
Difference between expected and actual experience	255	-	255
Net investment income (loss)	-	26,077	(26,077)
Benefit payments, including refunds of employee contributions	(4,814)	(4,814)	-
Administrative expense	-	(98)	98
Other changes	-	(302)	302
Net changes	4,156	20,863	(16,707)
Balances at June 30, 2021	$ 72,153	$ 103,560	$ (31,407)

The total OPEB liability as of June 30, 2021, is based on the actuarial valuation results as of December 31, 2020. The total OPEB liability as of June 30, 2021, was determined using standard projection (roll forward) techniques. The roll forward calculation adds the normal cost (also called the service cost) for the projection period—for experience and assumption changes, the first half of 2021, subtracts the expected net benefit payments for the period, and then applies the SEIR used to measure the total OPEB liability as of the valuation date. The roll forward calculation for the expected change is determined using a similar procedure, except that the total OPEB liability and service cost are based on GASB Statement No. 75 results as of the prior measurement date, one year projection period used, and actual net benefit payments are subtracted. The difference between this expected total OPEB liability and the projected

total OPEB liability as of June 30, 2021, before reflecting any changes of assumptions or other inputs is the experience (gain) or loss for the period.

NOTE 11 - RELATED PARTY TRANSACTIONS

Cincinnati Water Works provides billing and collection services on customers' accounts for District. Fees for these services for 2021 and 2020 were $6,135,855 and $6,693,664, respectively. Fees are also paid to other municipalities and villages within Hamilton County for collection of sewerage bills.

The City of Cincinnati provides "overhead" services to District, such as check disbursement, investment and legal services, etc. The fees for these services for 2021 and 2020 were $2,505,040 and $2,582,066, respectively. In addition, the City's Municipal Garage provides gasoline and repairs vehicles for District. Fees for these services were $1,556,704 and $1,591,354 for 2021 and 2020, respectively.

NOTE 12 - COMMITMENTS AND CONTINGENCIES

The City of Cincinnati and the Board of County Commissioners of Hamilton County, Ohio are parties to a Global Consent Decree, which was lodged in 2003 with the U.S. District Court for the Southern District of Ohio, Western Division. This decree focuses on combined sewer overflows, the implementation of the Sanitary Sewer Overflow Correction plan established in the Interim Partial Consent Decree, and other wet weather issues. The court approved the decrees on June 9, 2004. In August 2010, District's Revised Wet Weather Improvement Plan was approved by the federal government. The commitment was for District to complete a Phase 1 group of projects totaling $1.145 billion (in 2006 dollars). Work on Phase 1 is over 94% complete and $129 million under budget. Consent decree documents are posted on the District web site, msdgc.org, under consent decree.

As part of District's capital improvement program, District has entered into a number of contracts for construction, design, and other services. Commitments under these contracts aggregate approximately $85.5 million as of December 31, 2021, and 98.7 million as of December 31, 2020.

The State of Ohio Auditor's office released a Special Audit for the years 2009-2015. The Findings for Recovery amounted to $779,164, of which $22,619 and $212,635 was recovered in 2019 and 2018, respectively. In 2019, the balance owed to District was turned over to the Hamilton County Prosecutor's office for review and disposition.

NOTE 13 - RISK MANAGEMENT

District is part of the City of Cincinnati Risk Management Program. The City purchases commercial insurance to cover losses due to theft of, damage to, or destruction of assets and purchases general liability insurance for specific operations and professional liability insurance for certain operations. All other risks of loss are self-insured. Separately, District carries property insurance pursuant to an all-risk policy on District's buildings and equipment per the revenue bond trust agreement. There has been no reduction in insurance coverage from coverage in 2003. Insurance settlements for claims resulting from risks covered by commercial insurance have not exceeded the insurance coverage in any of the past four years.

NOTE 14 – PREPAID EXPENSES AND OTHER

The City of Cincinnati offered an Early Retirement Incentive Program (ERIP) in 2007. The City Retirement System was paid District's share of the remaining liability in the amount of $8,723,061. This amount represents in full the liability for 2015-2021 years. The payment was processed and paid in March 2016. The remaining prepaid expense balance was $0 for 2021 and $1,273,061 for 2020.

Prepaid Insurance was $229,783, and Accrued Interest Receivable was $1,313,460 at December 31, 2021, for a total Prepaid Expenses and Other of $1,543,243.

NOTE 15 - 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 the District. The District's investment portfolio and investments of the pension and other employee benefit plan in which the District participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact of the District's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

There is a separate Consent Decree for the City Retirement System Plan court case, which may require additional employer share of pension contribution payments, however the exact dollar amount is unknown at this time.

The Board of County Commissioners authorized in March 2022, to enter into a Loan and Refinancing Agreements and authorization to provide for the Issuance of Taxable Convertible Sewer System Refunding Bonds. The Bonds shall not exceed $150,000,000 in aggregate principal amount.

Metropolitan Sewer District (MSD), Hamilton County, Ohio
Required Supplementary Information
Schedule of the MSD's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Traditional Pension Plan
Last Eight Years (1) (2)
Table 1
(Amounts in thousands)

	MSD's Proportion of the Net Pension Liability	MSD's Proportionate Share of the Net Pension Liability	MSD's Covered Payroll	MSD's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.01499479%	$ 1,766	$ 2,443	72.29%	86.36%
2015	0.01517751%	1,825	2,479	73.62%	86.45%
2016	0.01475990%	2,541	2,336	108.78%	81.08%
2017	0.01727562%	3,923	2,200	178.32%	77.25%
2018	0.01708312%	2,680	2,377	112.75%	84.66%
2019	0.01599242%	4,380	2,257	194.06%	74.70%
2020	0.01564887%	3,093	2,136	144.80%	82.17%
2021	0.01439087%	2,131	2,136	99.77%	86.88%

(1) Amounts presented for each year were determined as of MSD's measurement date, which is the prior year-end.
(2) Information prior to 2014 is not available.

Notes to Schedule:

Change in assumptions . In 2017, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2015. Significant changes included a reduction of the discount rate from 8.0% to 7.5%, a reduction in the wage inflation rate from 3.75% to 3.25%, and transition from the RP-2000 mortality tables to the RP-2014 mortality tables.

In 2019, a reduction of the discount rate was made from 7.5% to 7.2%.

Metropolitan Sewer District (MSD), Hamilton County, Ohio
Required Supplementary Information
Schedule of MSD's Pension Contributions
Ohio Public Employees Retirement System - Traditional Pension Plan
Last Ten Calendar Years
Table 2
(Amounts in thousands)

	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	MSD's Covered Payroll	Contributions as a Percentage of Covered Payroll
2012	$ 275	$ (275)	$ -	$ 2,750	10.00%
2013	318	(318)	-	2,443	13.00%
2014	297	(297)	-	2,479	12.00%
2015	280	(280)	-	2,336	12.00%
2016	264	(264)	-	2,200	12.00%
2017	309	(309)	-	2,377	13.00%
2018	316	(316)	-	2,257	14.00%
2019	299	(299)	-	2,136	14.00%
2020	299	(299)	-	2,136	14.00%
2021	273	(273)	-	1,950	14.00%

Metropolitan Sewer District (MSD), Hamilton County, Ohio
Required Supplementary Information
Schedule of the MSD's Proportionate Share of the Net OPEB Liability/(Asset)
Ohio Public Employees Retirement System - Traditional Pension Plan
Last Five Years (1) (2)
Table 3
(Amounts in thousands)

	MSD's Proportion of the Net OPEB Liability/(Asset)	MSD's Proportionate Share of the Net OPEB Liability/(Asset)	MSD's Covered Payroll	MSD's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2017	0.01786139%	$ 1,804	$ 2,200	82.00%	54.05%
2018	0.01664978%	1,808	2,377	76.06%	54.14%
2019	0.01550127%	2,021	2,257	89.54%	46.33%
2020	0.01497864%	2,069	2,136	96.86%	47.80%
2021	0.01403706%	(250)	2,136	(11.70%)	115.57%

(1) Amounts presented for each year were determined as of MSD's measurement date, which is the prior year-end.
(2) Information prior to 2017 is not available.

Notes to Schedule:

Change in assumptions. In 2018, the single discount rate changed from 4.23% to 3.85%.

In 2019, the single discount rate changed from 3.85% to 3.96%, the investment rate of return changed from 6.50% to 6.00%, and the health care cost trend rate changed from 7.50% initial to 10.00% initial.

In 2020, the single discount rate changed from 3.96% to 3.16% and the health care cost trend rate changed from 10.0% initial, 3.25% ultimate in 2029 to 10.5% initial, 3.50% ultimate in 2030.

In 2021, the single discount rate changed from 3.16% to 6.00% and the health care cost trend rate changed from 10.5% initial, 3.50% ultimate in 2030 to 8.5% initial, 3.50% ultimate in 2035.

Metropolitan Sewer District (MSD), Hamilton County, Ohio
Required Supplementary Information
Schedule of MSD's OPEB Contributions
Ohio Public Employees Retirement System - Traditional Pension Plan
Last Ten Calendar Years
Table 4
(Amounts in thousands)

	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	MSD's Covered Payroll	Contributions as a Percentage of Covered Payroll
2012	$ 110	$ (110)	$ -	$ 2,750	4.00%
2013	24	(24)	-	2,443	1.00%
2014	50	(50)	-	2,479	2.00%
2015	47	(47)	-	2,336	2.00%
2016	44	(44)	-	2,200	2.00%
2017	24	(24)	-	2,377	1.00%
2018	3	(3)	-	2,257	0.13%
2019	2	(2)	-	2,136	0.09%
2020	2	(2)	-	2,136	0.09%
2021	3	(3)	-	1,950	0.15%

Metropolitan Sewer District (MSD), Hamilton County, Ohio
Required Supplementary Information
Schedule of MSD's Changes in Net Pension Liability and Related Ratios
Cincinnati Retirement System
Last Eight Years (1) (2)
Table 5
(Amounts in thousands)

	2021	2020	2019	2018	2017
Total pension liability					
Service cost	$ 11,344	$ 7,108	$ 4,489	$ 4,260	$ 3,764
Interest	24,870	30,825	32,602	30,470	29,256
Benefit changes	4,537	-	-	-	5,344
Difference between expected and actual experience	15,853	5,073	8,698	5,577	649
Changes of assumptions	(259,433)	151,500	101,687	9,403	-
Benefit payments and refunds	(34,438)	(33,311)	(32,110)	(31,436)	(30,612)
Other	-	-	-	-	-
Net change in total pension liability	(237,267)	161,195	115,366	18,274	8,401
Total pension liability - beginning	696,598	535,403	420,037	401,763	393,362
Total pension liability - ending (a)	459,331	696,598	535,403	420,037	401,763
Plan net position					
Contributions - employer	6,400	6,531	6,381	6,080	5,647
Contributions - member	3,723	3,775	3,677	3,521	3,246
Contributions - ERIP payoff	-	-	-	-	-
Net investment income (loss)	88,994	(3,973)	14,394	26,180	38,292
Benefit payments and refunds	(34,438)	(33,311)	(32,110)	(31,436)	(30,612)
Administrative expense	(334)	(355)	(278)	(277)	(288)
Other	8,730	(1,005)	(1,439)	(1,893)	(3,065)
Net change in plan net position	73,075	(28,338)	(9,375)	2,175	13,220
Plan net position - beginning	270,841	299,179	308,554	306,379	293,159
Plan net position - ending (b)	343,916	270,841	299,179	308,554	306,379
Net pension liability - ending (a) - (b)	$ 115,415	$ 425,757	$ 236,224	$ 111,483	$ 95,384
Ratio of plan net position to total pension liability	74.87%	38.88%	55.88%	73.46%	76.26%
Covered payroll	$ 40,549	$ 41,462	$ 40,764	$ 37,809	$ 34,942
Net pension liability as a percentage of covered payroll	284.63%	1026.86%	579.49%	294.86%	272.98%

(continued)

(1) Information prior to 2014 was not available. MSD will continue to present information for years available until a full ten-year trend is available.
(2) The measurement year is from July 1 through June 30.

See Notes to the Required Supplementary Pension Information.

Metropolitan Sewer District (MSD), Hamilton County, Ohio
Required Supplementary Information
Schedule of MSD's Changes in Net Pension Liability and Related Ratios
Cincinnati Retirement System
Last Eight Years (1) (2)
Table 5 (continued)
(Amounts in thousands)

	2016	2015	2014
Total pension liability			
Service cost	$ 5,639	$ 5,346	$ 4,919
Interest	25,454	28,680	28,146
Benefit changes	(13,545)	-	-
Difference between expected and actual experience	734	(2,698)	-
Changes of assumptions	(111,431)	30,007	(3,381)
Benefit payments and refunds	(29,102)	(31,057)	(29,953)
Other	(35,654)	-	-
Net change in total pension liability	(157,905)	30,278	(269)
Total pension liability - beginning	551,267	520,989	521,258
Total pension liability - ending (a)	393,362	551,267	520,989
Plan net position			
Contributions - employer	4,639	5,596	7,252
Contributions - member	1,599	3,115	2,761
Contributions - ERIP payoff	8,723	-	-
Net investment income	(2,065)	9,455	49,002
Benefit payments and refunds	(29,102)	(31,057)	(29,953)
Administrative expense	(962)	(302)	(261)
Other	24,110	-	-
Net change in plan net position	6,942	(13,193)	28,801
Plan net position - beginning	286,217	299,410	270,609
Plan net position - ending (b)	293,159	286,217	299,410
Net pension liability - ending (a) - (b)	$ 100,203	$ 265,050	$ 221,579
Ratio of plan net position to total pension liability	74.53%	51.92%	57.47%
Covered payroll	$ 31,809	$ 31,232	$ 30,550
Net pension liability as a percentage of covered payroll	315.01%	848.65%	725.30%

Metropolitan Sewer District (MSD), Hamilton County, Ohio
Required Supplementary Information
Schedule of MSD's Pension Contributions
Cincinnati Retirement System
Last Ten Calendar Years
Table 6
(Amounts in thousands)

	Actuarially Determined Employer Contributions	Actual Employer Contributions	Contribution Deficiency (Excess)	MSD's Covered Payroll	Contributions as a Percentage of Covered Payroll
2012	$ 9,923	$ (6,676)	$ 3,247	$ 33,671	19.83%
2013	13,051	(6,179)	6,872	31,369	19.70%
2014	16,087	(5,303)	10,784	30,550	17.36%
2015	13,756	(4,328)	9,428	31,232	13.86%
2016	12,356	(5,169)	7,187	31,809	16.25%
2017	8,541	(5,941)	2,600	34,942	17.00%
2018	10,879	(6,226)	4,653	38,536	16.16%
2019	11,541	(6,455)	5,086	40,053	16.12%
2020	12,226	(6,521)	5,705	40,289	16.19%
2021	12,927	(6,498)	6,429	40,339	16.11%

See Notes to the Required Supplementary Pension Information.

Metropolitan Sewer District (MSD),Hamilton County, Ohio
Required Supplementary Information
Notes to the Required Pension Information
Cincinnati Retirement System
Table 7

Actuarial Assumptions:

Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported.

Actuarial cost method	Entry age
Amortization method	Level dollar
Amortization period	Open 30 year period
Asset valuation method	Five-year smoothed market value
Inflation	2.75%
Salary increases, including wage inflation	3.75% to 7.50%
Investment rate of return	7.50%, net of pension plan investment expense, and including inflation
Single equivalent discount rate	7.50%

Changes of Benefit Terms:

In 2017, there were several changes in benefit provisions as a result of Ordinance 336-2016 adopted by the City Council on October 26, 2016. In addition to incorporating many of the changes mandated by the Collaborative Settlement Agreement (CSA), the Ordinance also:

- Established benefit and eligibility provisions for Group E and F members not covered under the CSA similar to employees who are covered under the CSA.
- Established a universal cost-of-living adjustment (COLA) suspension period for all members.
- Established a universal 3% simple COLA rate for all members

In 2016, there were several changes in benefit provisions as a result of the Collaborative Settlement Agreement (CSA) between the City and various plaintiff groups representing certain active and retired members of CRS as approved by the Court on October 5, 2015 and generally effective January 1, 2016.

Changes in Actuarial Assumptions and Methods:

In 2018, actuarial assumptions and methods were changed based on the results of the actuarial experience study dated February 28, 2018. These changes include reducing the price inflation assumption from 3.00% to 2.75%; updating the retirement, withdrawal and disability rates, updating the mortality rates for all members to a generational approach using the RP-2014 morality tables, updating the merit salary scale; increasing the assumed administrative expense as a percentage of payroll added to the normal cost from 0.75% to 0.80%; updating the assumed proportion of deferred vested members who elect to receive a deferred benefit and who will elect to withdraw their contributions; and updating the assumed percentage of members who are married for the purposes of valuing pre-retirement survivor benefits.

Metropolitan Sewer District (MSD),Hamilton County, Ohio
Required Supplementary Information
Notes to the Required Pension Information
Cincinnati Retirement System
Table 7 (continued)

Changes in Actuarial Assumptions and Methods (continued):

In 2019, the System's fiduciary net position was projected to be available to make projected future benefit payment for current members through 2046. Projected benefit payments beyond 2046 were discounted at the municipal bond rate of 3.50%, resulting in a single equivalent discount rate of 5.56%.

In 2020, the System's fiduciary net position was projected to be available to make projected future benefit payment for current members through 2041. Projected benefit payments beyond 2041 were discounted at the municipal bond rate of 2.21%, resulting in a single equivalent discount rate of 3.56%.

In 2021, the expected long-term rate of return of 7.50% was used for the discount rate with the projected future fiduciary net position not being depleted.

Metropolitan Sewer District (MSD), Hamilton County, Ohio
Required Supplementary Information
Schedule of MSD's Changes in Net OPEB Liability/(Asset) and Related Ratios
Cincinnati Retirement System
Last Four Years (1) (2)
Table 8
(Amounts in thousands)

	2021	2020	2019	2018
Total OPEB liability				
Service cost	$ 584	$ 1,381	$ 1,155	$ 945
Interest	5,096	6,168	6,480	5,841
Benefit changes	3,035	(32,814)	-	-
Difference between expected and actual experience	255	(10,869)	475	3,030
Changes of assumptions	-	(11,168)	12,822	7,173
Benefit payments	(4,814)	(5,104)	(5,881)	(4,962)
Net change in total OPEB liability	4,156	(52,406)	15,051	12,027
Total OPEB liability - beginning	67,997	120,403	105,352	93,325
Total OPEB liability - ending (a)	72,153	67,997	120,403	105,352
Plan net position				
Net investment income (loss)	26,077	(1,139)	4,080	7,354
Benefit payments	(4,814)	(5,104)	(5,881)	(4,962)
Administrative expense	(98)	(102)	(79)	(78)
Other	(302)	(132)	(206)	(78)
Net change in plan net position	20,863	(6,477)	(2,086)	2,236
Plan net position - beginning	82,697	89,174	91,260	89,024
Plan net position - ending (b)	103,560	82,697	89,174	91,260
Net OPEB liability/(asset) - ending (a) - (b)	$ (31,407)	$ (14,700)	$ 31,229	$ 14,092
Ratio of plan net position to total OPEB liability/(asset)	143.53%	121.62%	74.06%	86.62%
Covered employee payroll	$ 28,755	$ 31,926	$ 33,066	$ 33,158
Net OPEB liability/(asset) as a percentage of covered employee payroll	(109.22%)	(46.04%)	94.44%	42.50%

(1) Information prior to 2018 was not available. MSD will continue to present information for years available until a full ten-year trend is available.
(2) The measurement year is from July 1 through June 30.

See Notes to the Required Supplementary OPEB Information.

Metropolitan Sewer District (MSD), Hamilton County, Ohio
Required Supplementary Information
Schedule of MSD's OPEB Contributions
Cincinnati Retirement System
Last FSix Calendar Years (1)
Table 9
(Amounts in thousands)

	Actuarially Determined Employer Contributions	Actual Employer Contributions	Contribution Deficiency (Excess)	MSD's Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2016	$ 248	$ -	$ 248	$ 31,384	0.00%
2017	714	-	714	32,369	0.00%
2018	534	-	534	32,440	0.00%
2019	974	-	974	32,794	0.00%
2020	537	-	537	31,951	0.00%
2021	-	-	-	29,652	0.00%

(1) Information prior to 2016 is not available.

See Notes to the Required Supplementary OPEB Information.

Metropolitan Sewer District (MSD), Hamilton County, Ohio
Required Supplementary Information
Notes to the Required OPEB Information
Cincinnati Retirement System
Table 10

Actuarial Assumptions:

Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported.

Actuarial cost method	Entry age
Amortization method	Level dollar
Amortization period	Open 30 year period
Asset valuation method	Five-year smoothed market value
Inflation	CPI: 2.75%; Medical CPI: 3.25%
Salary increases, including wage inflation	3.75% to 7.50%
Investment rate of return	7.50%, net of pension plan investment expense, and including inflation
Initial health care cost trend rates	
Pre Medicare	7.73%
Medicare	8.73% (Non-Model Plan) / 48.80% (Model Plan)
Ultimate health care cost trend rates	
Pre Medicare	4.00%
Medicare	4.00%
Year ultimate health care cost trend rates reached	
Pre Medicare	2034
Medicare	2034

Change of Benefit Terms:

In 2021, the Plan offered an early retirement incentive program which provided two additional years of service that would count towards benefits and eligibility. Eligible members were those projected to be eligible for normal retirement as of July 1, 2020 or have earned at least 28 years of service as of July 1, 2020.

In 2020, the Plan moved all Medicare Part A and Part B eligible, and Medicare Part B only eligible Plan participants to the new fully insured Medicare Advantage plan offered by Anthem, effective January 1, 2020.

In 2017, the Plan changes included in Ordinance 336-2016 were adopted by the City Council on October 26, 2016. In addition to incorporating many of the changes mandated by the CSA, the Ordinance also:

- Excluded members hired after December 31, 2015 from eligibility to receive retiree health benefits;
- Established benefit and eligibility provisions for Group E and F members, not covered under the CSA, similar to employees who are covered under the CSA.
- Specified eligibility and postemployment contribution requirements for the retiree health benefits payable to members and beneficiaries entitled to deferred benefits.
- Modified eligibility and postemployment contribution requirements to retiree health benefits paid as the result of an in-service death.

In 2016, there were several changes in benefit provisions as a result of the Collaborative Settlement Agreement (CSA) between the City and various plaintiff groups representing certain active and retired members of CRS as approved by the Court on October 5, 2015 and generally effective January 1, 2016.

Metropolitan Sewer District (MSD), Hamilton County, Ohio
Required Supplementary Information
Notes to the Required OPEB Information
Cincinnati Retirement System
Table 10 (continued)

Changes in Actuarial Assumptions and Methods:

In 2020, the expected long-term rate of return of 7.50% was used for the discount rate with the projected future net position not being depleted. The claims assumptions and retiree contributions were updated to reflect actual 2020 premiums.

The medical trend assumptions were updated to include several factors. First, the initial trends for the Medicare Advantage plans were set at 0% for medical and 7% for drug, while the trends for the contribution rates for the plans were set at a -5.7% to account for the health insurance tax reduction. The ultimate health care trend was set at 4%, with each trend period set at 15 years.

The claim cost curves were updated based on the experience of the retirees in the Secure, Select and Model plans. The data provided claim experience for all covered members (retirees, covered spouses, and covered children) by age. Additional information was provided for the new Medicare Advantage Plans, which were applied to the 2020 claim curves above.

The percentage of members to not qualify for premium-free Medicare Part A coverage was lowered from 15% to 10%.

In 2019, the December 31, 2018 valuation included a change in the Municipal Bond Index Rate from 3.89% to 3.50%; a decrease in the discount rate (SEIR) from 6.13% to 5.07%, part-time employees were included in the Plan's population, and the health care cost trend rates were updated to reflect the current market place.

In 2018, actuarial assumptions and methods were changed based on recent plan experience done concurrently with the December 31, 2017 valuation, including a change in the Municipal Bond Index Rate from 3.65% to 3.89%; a decrease in the discount rate (SEIR) from 6.31% to 6.13%, a decrease in the price inflation assumption from 3.00% to 2.75%, an update of the retirement, withdrawal, and disability rates; an update of the mortality rates for all members to a generational approach using the RP-2014 mortality tables; an update of the merit salary scales; and updates to the following to better reflect the anticipated experience of the plan: assumed rates of health care inflation, assumed rats of health benefit plan participation, contribution rates for the Select Plan and the Model Plan, and DROP participation rates.

In 2017, future contribution rates for retiree health benefit recipients are now based upon the projected retiree health care costs associated with each projection year's closed group of participants.

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OHIO AUDITOR OF STATE
KEITH FABER

88 East Broad Street
Columbus, Ohio 43215
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Metropolitan Sewer District of Greater Cincinnati
Hamilton County
1605 Gest Street
Cincinnati, Ohio 45204

To the Hamilton County Board of Commissioners:

We have audited, 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, the financial statements of the Metropolitan Sewer of Greater Cincinnati, Hamilton County, (the District) as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated May 19, 2022. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the District.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Keith Faber
Auditor of State
Columbus, Ohio
May 19, 2022

OHIO AUDITOR OF STATE
KEITH FABER

METROPOLITAN SEWER DISTRICT OF GREATER CINCINNATI

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 6/7/2022

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
www.ohioauditor.gov

APPENDIX B
SUMMARY OF 2022 BUDGET APPROPRIATIONS

[SEE ATTACHED]

B/S 1

On the motion of Ms. Summerow Simmons, seconded by Ms Reece
the following resolution was adopted...

Resolution No. 39

Establishing $1.14 Billion in Appropriations to Defray Public Expenses for the County of Hamilton, Ohio for the Fiscal Year Beginning January 1, 2022

BE IT RESOLVED by the Board of Commissioners of Hamilton County, Ohio that the sum of $324.8 million to defray the public expenses of Hamilton County, Ohio for the fiscal year beginning January 1, 2022 as enumerated in Attachment A be appropriated in the County general fund; and

BE IT FURTHER RESOLVED that the sum of $816.6 million to defray the public expenses of Hamilton County, Ohio for the fiscal year beginning January 1, 2022 as enumerated in Attachment A be appropriated across all County restricted funds;

BE IT FURTHER RESOLVED that the approved all-funds budget includes the following modifications specific to programmatic and/or policy direction from the Board of County Commissioners in the following areas:

Community and Economic Development

- An increase of $1.5 million, for a total of $3 million in 2022, to the Community Revitalization Grant program to address continued demand for property development, public infrastructure, and building improvement projects in community business districts and commercial areas;
- $100,000 for the staffing of a small business office through HCDC to develop a branded and consolidated approach to enhancing the small business climate in Hamilton County and continuing recent efforts to navigate small businesses to grants and available resources;
- $300,000 for a small-business storefront and assistance grant as part of the County's increased focus on supporting small businesses;
- $350,000 from the General Fund Reserve to support bike trail enhancements as requested for specific projects through the Transportation Improvement District;
- $1.5 million for the support of large community impact projects to be defined by the Board of County Commissioners;
- A $500,000 general fund earmark for enhancing land ownership amongst African American businesses in Hamilton County pending a report on programmatic alternatives to be provided by second quarter 2022;

Public Health and Vulnerable Populations

- A modification to the County's ARPA plan to incorporate $1.5 million from Public Health Infrastructure to be allocated toward ongoing testing needs for the public and County employees as well as data and internet resources related to testing progress and availability;
- Funding for the acquisition of the Equity Resources/Mobile Tech Bus currently under procurement through County Administration through the County's ARPA plan;

- Funding for the operation of the 513Relief program including the addition and hiring of five staff, through JFS (for a total of 10 positions) dedicated to 513Relief operations;
- Marketing and advertising for the operation of the 513Relief program within the County's ARPA plan per the $5 million allocated for vulnerable population outreach;
- $500,000 through the Children's Services Levy to support the county-wide expansion of Domestic Violence Enhanced Response Team programming;
- $1 million from the balance of the Senior Services Levy for the development of a pilot program to address utility and/or property maintenance needs of senior citizens in Hamilton County with results to be assessed by the Tax Levy Review Committee during 2022 levy deliberations;
- $25,000 from the balance of the Senior Services Levy to provide outreach to low-income and diverse seniors on the availability of these resources;
- Addition of three staff for operation of a new Office of Youth Development, housed within JFS, to develop, consolidate, and report on summer employment and training programs for County youth (including the development of paid internship and fellowship programs).

Capital Project Delivery

- A modification to the County's ARPA plan to allocate $7 million in reserve to revenue replacement for the support of pay-go capital projects;
- Utilization of designated revenue replacement funds for prioritized pay-go construction projects including:
    - The Black Music Walk of Fame/Banks Lot 28 ($18.5 million inclusive of $5-$6 million for programming and interactive elements), currently targeting initial opening by July 23, 2022;
    - The County's 9-1-1/EMA consolidation project ($13.5 million).

BE IT FURTHER RESOLVED that County Administration shall report to the Board of County Commissioners, during 2022, on the following matters:

By Close of Q2

- Programmatic and funding alternatives related to the child support amnesty for Hamilton County residents experiencing economic hardship due to COVID-19;
- Additions to the County Personnel Policy Manual and County Purchasing Manual on the diversification of hiring and contract selection procedures.
- Status of the County's ARPA plan specifically as it relates to the goal of allocating an additional $4 million toward small business programming in 2022.

By Close of Q3

- Programmatic alternatives for increasing land ownership among African American businesses in Hamilton County.

During 2022

- Alternatives for increasing diversity within the County's implementation of the Banks project.

ADOPTED at a regularly adjourned meeting of the Board of Commissioners of Hamilton County, Ohio, in session this 16th day of December 2021.

Ms. Summerow Dumas Yes Ms. Reece Yes Ms. Driehaus Yes

CERTIFICATE OF CLERK

IT IS HEREBY CERTIFIED that the foregoing is a true and correct transcript of a resolution adopted by the Board of Commissioners of Hamilton County, Ohio, the 16th day of December 2021.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Board of Commissioners of Hamilton County, Ohio, this 16th day of December 2021.

Clerk to the Board of Commissioners
Hamilton County, Ohio

2022 Budget Appropriations

ATTACHMENT A

Fund-Subfund	Department	Appropriation Level	2022 Budget
001-001 General Fund	02 Commissioners & County Admin	03 Personnel	5,167,820.76
001-001 General Fund	02 Commissioners & County Admin	04 Other Expenditures	1,565,866.00
001-001 General Fund	02 Commissioners & County Admin	05 Capital Outlay	21,000.00
001-001 General Fund	04 Economic Development	04 Other Expenditures	10,629,055.00
001-001 General Fund	06 County Facilities	03 Personnel	7,009,789.32
001-001 General Fund	06 County Facilities	04 Other Expenditures	14,182,537.00
001-001 General Fund	06 County Facilities	05 Capital Outlay	156,300.00
001-001 General Fund	07 Communications Center	03 Personnel	606,005.71
001-001 General Fund	07 Communications Center	04 Other Expenditures	880,920.00
001-001 General Fund	07 Communications Center	05 Capital Outlay	35,000.00
001-001 General Fund	07 Communications Center	07 Operating Transfers	10,500,000.00
001-001 General Fund	16 Non-Departmentals	03 Personnel	3,696,086.36
001-001 General Fund	16 Non-Departmentals	04 Other Expenditures	8,417,834.80
001-001 General Fund	16 Non-Departmentals	07 Operating Transfers	970,000.00
001-001 General Fund	17 Contracts and Subsidies	04 Other Expenditures	577,200.00
001-001 General Fund	17 Contracts and Subsidies	05 Capital Outlay	125,000.00
001-001 General Fund	17 Contracts and Subsidies	07 Operating Transfers	8,000,257.00
001-001 General Fund	20 Auditor	03 Personnel	1,426,568.11
001-001 General Fund	20 Auditor	04 Other Expenditures	667,865.00
001-001 General Fund	20 Auditor	05 Capital Outlay	30,000.00
001-001 General Fund	21 Treasurer	03 Personnel	719,321.88
001-001 General Fund	21 Treasurer	04 Other Expenditures	629,880.00
001-001 General Fund	22 Recorder	03 Personnel	1,333,858.48
001-001 General Fund	22 Recorder	04 Other Expenditures	3,880,500.00
001-001 General Fund	24 Board of Elections	03 Personnel	5,941,495.52
001-001 General Fund	24 Board of Elections	04 Other Expenditures	4,067,341.00

12-16-2021 Volume 364 Image #151106

2022 Budget Appropriations

ATTACHMENT A

Fund-Subfund	Department	Appropriation Level	2022 Budget
001-001 General Fund	29 Planning and Development	03 Personnel	2,995,238.59
001-001 General Fund	29 Planning and Development	04 Other Expenditures	424,660.00
001-001 General Fund	29 Planning and Development	05 Capital Outlay	50,000.00
001-001 General Fund	30 Sheriff	03 Personnel	84,199,488.76
001-001 General Fund	30 Sheriff	04 Other Expenditures	6,984,718.84
001-001 General Fund	30 Sheriff	05 Capital Outlay	990,755.75
001-001 General Fund	31 Prosecutor	03 Personnel	15,740,332.45
001-001 General Fund	31 Prosecutor	04 Other Expenditures	445,324.00
001-001 General Fund	31 Prosecutor	05 Capital Outlay	6,000.00
001-001 General Fund	32 Coroner	03 Personnel	6,761,408.66
001-001 General Fund	32 Coroner	04 Other Expenditures	668,860.00
001-001 General Fund	32 Coroner	05 Capital Outlay	124,000.00
001-001 General Fund	40 Juvenile Court	03 Personnel	19,742,653.57
001-001 General Fund	40 Juvenile Court	04 Other Expenditures	2,885,000.00
001-001 General Fund	41 Court of Appeals	03 Personnel	111,120.22
001-001 General Fund	41 Court of Appeals	04 Other Expenditures	140,623.80
001-001 General Fund	42 Court of Common Pleas	03 Personnel	6,023,642.98
001-001 General Fund	42 Court of Common Pleas	04 Other Expenditures	6,177,157.00
001-001 General Fund	42 Court of Common Pleas	05 Capital Outlay	307,250.00
001-001 General Fund	43 Municipal Court	03 Personnel	6,819,805.96
001-001 General Fund	43 Municipal Court	04 Other Expenditures	45,350.00
001-001 General Fund	44 Court of Domestic Relations	03 Personnel	4,059,301.65
001-001 General Fund	44 Court of Domestic Relations	04 Other Expenditures	180,490.00
001-001 General Fund	44 Court of Domestic Relations	05 Capital Outlay	5,000.00
001-001 General Fund	45 Probate Court	03 Personnel	3,303,683.26
001-001 General Fund	45 Probate Court	04 Other Expenditures	634,800.00
001-001 General Fund	45 Probate Court	05 Capital Outlay	85,000.00

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2022 Budget Appropriations

ATTACHMENT A

Fund-Subfund	Department	Appropriation Level	2022 Budget
001-001 General Fund	46 Clerk of Courts	03 Personnel	10,430,385.47
001-001 General Fund	46 Clerk of Courts	04 Other Expenditures	1,811,805.00
001-001 General Fund	46 Clerk of Courts	05 Capital Outlay	60,000.00
001-001 General Fund	47 Public Defender	03 Personnel	14,878,155.18
001-001 General Fund	47 Public Defender	04 Other Expenditures	9,400,947.00
001-001 General Fund	47 Public Defender	05 Capital Outlay	60,000.00
001-001 General Fund	48 Court Reporters	03 Personnel	2,661,532.74
001-001 General Fund	48 Court Reporters	04 Other Expenditures	187,800.00
001-001 General Fund	49 Probation	03 Personnel	9,073,539.72
001-001 General Fund	49 Probation	04 Other Expenditures	3,761,338.54
001-001 General Fund	51 Debt Service	04 Other Expenditures	50,000.00
001-001 General Fund	51 Debt Service	07 Operating Transfers	6,000,000.00
001-001 General Fund	57 Metropolitan Sewer District	03 Personnel	250,883.94
001-001 General Fund	57 Metropolitan Sewer District	04 Other Expenditures	3,866,600.00
001-001 General Fund	70 Veterans Service Commission	03 Personnel	666,918.78
001-001 General Fund	70 Veterans Service Commission	04 Other Expenditures	447,425.05
		TOTAL GENERAL FUND	**$ 324,756,498.85**

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2022 Budget Appropriations

ATTACHMENT A

Fund-Subfund	Department	Appropriation Level	2022 Budget
002-001 Real Estate Assessment	20 Auditor	03 Personnel	4,102,041.31
002-001 Real Estate Assessment	20 Auditor	04 Other Expenditures	5,763,310.00
002-001 Real Estate Assessment	20 Auditor	05 Capital Outlay	225,000.00
002-002 Solid Waste Management Fund	56 Environmental Services	03 Personnel	966,408.76
002-002 Solid Waste Management Fund	56 Environmental Services	04 Other Expenditures	2,861,256.00
002-002 Solid Waste Management Fund	56 Environmental Services	05 Capital Outlay	35,000.00
002-005 Dog & Kennel	20 Auditor	03 Personnel	33,353.68
002-005 Dog & Kennel	20 Auditor	04 Other Expenditures	55,920.00
002-005 Dog & Kennel	25 Dog Warden	04 Other Expenditures	4,590,000.00
002-006 Emergency Management Agency	33 Emergency Management	03 Personnel	74,115.29
002-006 Emergency Management Agency	33 Emergency Management	04 Other Expenditures	722,242.69
002-007 Victims of Domestic Violence	45 Probate Court	04 Other Expenditures	90,000.00
002-007 Victims of Domestic Violence	46 Clerk of Courts	04 Other Expenditures	60,000.00
002-008 Probate Court Conduct of Business	45 Probate Court	04 Other Expenditures	100,000.00
002-009 Bureau of Support	12 Job and Family Services	03 Personnel	8,721,646.23
002-009 Bureau of Support	12 Job and Family Services	04 Other Expenditures	5,917,656.55
002-010 Treasurer's Delinquent Real Estate	21 Treasurer	03 Personnel	999,075.83
002-010 Treasurer's Delinquent Real Estate	21 Treasurer	04 Other Expenditures	2,405,170.00
002-010 Treasurer's Delinquent Real Estate	21 Treasurer	05 Capital Outlay	20,000.00
002-011 Prosecutors Delinquent Real Estate	31 Prosecutor	03 Personnel	532,462.05
002-011 Prosecutors Delinquent Real Estate	31 Prosecutor	04 Other Expenditures	397,507.00
002-011 Prosecutors Delinquent Real Estate	31 Prosecutor	05 Capital Outlay	2,500.00
002-013 Indigent Guardianship	45 Probate Court	04 Other Expenditures	110,000.00
002-014 Law Enforcement & Education	30 Sheriff	04 Other Expenditures	29,000.00
002-015 Clerk of Courts Automation	42 Court of Common Pleas	04 Other Expenditures	1,912,586.00
002-015 Clerk of Courts Automation	42 Court of Common Pleas	05 Capital Outlay	1,922,901.00
002-016 Probate Court Automation	45 Probate Court	04 Other Expenditures	350,000.00
002-017 Treasurers Optional Payment	21 Treasurer	04 Other Expenditures	8,210.00
002-018 Auto Title Administration	46 Clerk of Courts	03 Personnel	2,900,187.35
002-018 Auto Title Administration	46 Clerk of Courts	04 Other Expenditures	592,442.00
002-019 Water Rotary	29 Planning and Development	03 Personnel	880,109.09
002-019 Water Rotary	29 Planning and Development	04 Other Expenditures	853,886.00
002-019 Water Rotary	29 Planning and Development	05 Capital Outlay	315,000.00
002-019 Water Rotary	29 Planning and Development	07 Operating Transfers	210,925.00

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2022 Budget Appropriations

ATTACHMENT A

Fund-Subfund	Department	Appropriation Level	2022 Budget
002-022 Probate Court Legal Research	45 Probate Court	04 Other Expenditures	100,000.00
002-023 Public Assistance	12 Job and Family Services	03 Personnel	61,671,534.08
002-023 Public Assistance	12 Job and Family Services	04 Other Expenditures	51,361,895.44
002-023 Public Assistance	12 Job and Family Services	05 Capital Outlay	359,200.00
002-024 Permissive Auto Tax Municipal	50 County Engineer	05 Capital Outlay	2,100,000.00
002-025 Permissive Auto Tax County	50 County Engineer	05 Capital Outlay	840,000.00
002-025 Permissive Auto Tax County	50 County Engineer	06 Debt Service	236,000.00
002-025 Permissive Auto Tax County	50 County Engineer	07 Operating Transfers	8,000,000.00
002-026 Roads & Bridges	50 County Engineer	03 Personnel	12,274,688.91
002-026 Roads & Bridges	50 County Engineer	04 Other Expenditures	6,098,930.00
002-026 Roads & Bridges	50 County Engineer	05 Capital Outlay	1,661,000.00
002-026 Roads & Bridges	50 County Engineer	07 Operating Transfers	3,455,000.00
002-027 Legal Research Services	42 Court of Common Pleas	04 Other Expenditures	310,000.00
002-027 Legal Research Services	42 Court of Common Pleas	05 Capital Outlay	100,000.00
002-029 Court Delay Reduction	43 Municipal Court	03 Personnel	22,486.78
002-031 Administration of Justice	42 Court of Common Pleas	04 Other Expenditures	30,000.00
002-031 Administration of Justice	42 Court of Common Pleas	05 Capital Outlay	35,000.00
002-032 Probation Services	49 Probation	03 Personnel	1,011,890.86
002-032 Probation Services	49 Probation	04 Other Expenditures	160,310.00
002-039 Human Services Special Trust	12 Job and Family Services	04 Other Expenditures	75,000.00
002-044 Municipal Court Special Projects	43 Municipal Court	03 Personnel	420,960.29
002-044 Municipal Court Special Projects	43 Municipal Court	04 Other Expenditures	584,150.00
002-045 Mental Health Local Fund	63 Mental Health & Recovery Svcs	04 Other Expenditures	240,912.00
002-046 Common Pleas Mediation	42 Court of Common Pleas	03 Personnel	170,667.43
002-046 Common Pleas Mediation	42 Court of Common Pleas	04 Other Expenditures	2,400.00
002-047 MHRSB Special Revenues	63 Mental Health & Recovery Svcs	03 Personnel	70,269.11
002-047 MHRSB Special Revenues	63 Mental Health & Recovery Svcs	04 Other Expenditures	9,392,519.19
002-049 Dispute Resolution Fund	45 Probate Court	04 Other Expenditures	100,000.00
002-050 Sheriff's Parking Violations	30 Sheriff	04 Other Expenditures	5,000.00
002-051 Coroner's Out of County Fees	32 Coroner	03 Personnel	40,194.00
002-051 Coroner's Out of County Fees	32 Coroner	04 Other Expenditures	203,000.00
002-051 Coroner's Out of County Fees	32 Coroner	05 Capital Outlay	70,000.00

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2022 Budget Appropriations

ATTACHMENT A

Fund-Subfund	Department	Appropriation Level	2022 Budget
002-054 Common Pleas Court Special Projects	42 Court of Common Pleas	03 Personnel	231,440.51
002-054 Common Pleas Court Special Projects	42 Court of Common Pleas	04 Other Expenditures	265,000.00
002-054 Common Pleas Court Special Projects	42 Court of Common Pleas	05 Capital Outlay	150,000.00
002-057 Hamilton County Storm Water District	50 County Engineer	03 Personnel	104,634.24
002-057 Hamilton County Storm Water District	50 County Engineer	04 Other Expenditures	2,353,883.16
002-058 Hotel/Motel Lodging Tax	04 Economic Development	03 Personnel	64,453.79
002-058 Hotel/Motel Lodging Tax	04 Economic Development	04 Other Expenditures	13,805,800.00
002-059 Sheriff's Concealed Handgun License	30 Sheriff	03 Personnel	178,596.79
002-059 Sheriff's Concealed Handgun License	30 Sheriff	04 Other Expenditures	147,000.00
002-060 WIA County Fund	12 Job and Family Services	04 Other Expenditures	4,733,274.00
002-062 Citizen Reward Program	46 Clerk of Courts	04 Other Expenditures	10,000.00
002-063 Wireless 911 Government Assistance Fund	07 Communications Center	03 Personnel	186,248.93
002-063 Wireless 911 Government Assistance Fund	07 Communications Center	04 Other Expenditures	278,825.00
002-063 Wireless 911 Government Assistance Fund	07 Communications Center	05 Capital Outlay	370,000.00
002-065 Juvenile Court Legal Research	40 Juvenile Court	04 Other Expenditures	30,000.00
002-067 Tax Certificate Administration Fund	21 Treasurer	03 Personnel	84,125.60
002-067 Tax Certificate Administration Fund	21 Treasurer	04 Other Expenditures	42,243.00
002-068 Domestic Relations Special Projects	44 Court of Domestic Relations	03 Personnel	301,455.01
002-068 Domestic Relations Special Projects	44 Court of Domestic Relations	04 Other Expenditures	110,000.00
002-069 Indigent Drivers	49 Probation	04 Other Expenditures	120,000.00
002-070 Sheriff Peace Officer Training	30 Sheriff	04 Other Expenditures	20,000.00
002-071 Law Library	36 Law Library	03 Personnel	404,509.73
002-071 Law Library	36 Law Library	04 Other Expenditures	455,520.00
002-072 Storm Water Management	29 Planning and Development	03 Personnel	1,127,922.00
002-072 Storm Water Management	29 Planning and Development	04 Other Expenditures	403,701.00
002-072 Storm Water Management	29 Planning and Development	05 Capital Outlay	302,901.00
002-073 Juvenile Court Special Projects	40 Juvenile Court	04 Other Expenditures	100,000.00
002-074 Recorder's Technology Fund	22 Recorder	03 Personnel	202,190.42
002-074 Recorder's Technology Fund	22 Recorder	04 Other Expenditures	424,180.00
002-074 Recorder's Technology Fund	22 Recorder	05 Capital Outlay	54,500.00
002-075 Probate Court Special Projects	45 Probate Court	04 Other Expenditures	350,000.00
002-076 Addiction Coalition	60 Health and Hospitalization Tax	04 Other Expenditures	95,000.00
002-076 Addiction Coalition	60 Health and Hospitalization Tax	05 Capital Outlay	20,000.00
002-076 Addiction Coalition	63 Mental Health & Recovery Svcs	04 Other Expenditures	180,000.00

2022 Budget Appropriations

ATTACHMENT A

Fund-Subfund	Department	Appropriation Level	2022 Budget
002-077 Probate Guardianship Special Projects	45 Probate Court	04 Other Expenditures	150,000.00
003-001 Children's Services	12 Job and Family Services	04 Other Expenditures	125,638,625.24
003-001 Children's Services	12 Job and Family Services	07 Operating Transfers	1,135,812.43
003-002 Developmental Disabilities Services	61 Developmental Disabilities Svc	03 Personnel	30,311,489.07
003-002 Developmental Disabilities Services	61 Developmental Disabilities Svc	04 Other Expenditures	68,088,702.00
003-002 Developmental Disabilities Services	61 Developmental Disabilities Svc	05 Capital Outlay	533,000.00
003-003 Mental Health Levy	63 Mental Health & Recovery Svcs	03 Personnel	2,096,330.23
003-003 Mental Health Levy	63 Mental Health & Recovery Svcs	04 Other Expenditures	37,530,669.66
003-003 Mental Health Levy	63 Mental Health & Recovery Svcs	05 Capital Outlay	3,700,000.00
003-004 Indigent Health Care	30 Sheriff	03 Personnel	6,834,413.28
003-004 Indigent Health Care	30 Sheriff	04 Other Expenditures	10,226,500.00
003-004 Indigent Health Care	49 Probation	04 Other Expenditures	425,000.00
003-004 Indigent Health Care	60 Health and Hospitalization Tax	03 Personnel	19,285.81
003-004 Indigent Health Care	60 Health and Hospitalization Tax	04 Other Expenditures	22,364,832.00
003-004 Indigent Health Care	60 Health and Hospitalization Tax	07 Operating Transfers	180,000.00
003-004 Indigent Health Care	63 Mental Health & Recovery Svcs	03 Personnel	98,417.29
003-004 Indigent Health Care	63 Mental Health & Recovery Svcs	04 Other Expenditures	2,339,205.00
003-005 CLEAR	64 CLEAR	04 Other Expenditures	4,478,243.00
003-006 Senior Services	67 Senior Services	03 Personnel	14,752.99
003-006 Senior Services	67 Senior Services	04 Other Expenditures	29,973,496.00
003-008 Zoological Gardens	81 Zoological Gardens	03 Personnel	5,687.34
003-008 Zoological Gardens	81 Zoological Gardens	04 Other Expenditures	7,106,225.00
003-010 Family Services and Treatment Levy	30 Sheriff	03 Personnel	1,070,163.55
003-010 Family Services and Treatment Levy	30 Sheriff	04 Other Expenditures	20,000.00
003-010 Family Services and Treatment Levy	43 Municipal Court	03 Personnel	277,868.10
003-010 Family Services and Treatment Levy	43 Municipal Court	04 Other Expenditures	264,931.00
003-010 Family Services and Treatment Levy	60 Health and Hospitalization Tax	03 Personnel	488,019.18
003-010 Family Services and Treatment Levy	60 Health and Hospitalization Tax	04 Other Expenditures	170,450.00
003-010 Family Services and Treatment Levy	63 Mental Health & Recovery Svcs	03 Personnel	53,912.21
003-010 Family Services and Treatment Levy	63 Mental Health & Recovery Svcs	04 Other Expenditures	4,452,000.00
900-002 Unvoted General Obligation Debt Service	51 Debt Service	06 Debt Service	8,090,000.00
900-003 Special Assessment	51 Debt Service	06 Debt Service	458,000.00
921-009 Special Assessment Note Fund	51 Debt Service	04 Other Expenditures	500,000.00
921-009 Special Assessment Note Fund	51 Debt Service	07 Operating Transfers	20,000.00

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2022 Budget Appropriations

ATTACHMENT A

Fund-Subfund	Department	Appropriation Level	2022 Budget
931-003 Worker's Compensation Reserve	16 Non-Departmentals	03 Personnel	182,846.57
931-003 Worker's Compensation Reserve	16 Non-Departmentals	04 Other Expenditures	2,525,750.00
931-004 Auditor's Computer Center	20 Auditor	03 Personnel	1,504,281.69
931-004 Auditor's Computer Center	20 Auditor	04 Other Expenditures	530,248.00
931-004 Auditor's Computer Center	20 Auditor	05 Capital Outlay	100,000.00
931-005 County Communication Center	07 Communications Center	03 Personnel	6,645,706.86
931-005 County Communication Center	07 Communications Center	04 Other Expenditures	3,197,763.00
931-005 County Communication Center	07 Communications Center	05 Capital Outlay	1,095,000.00
931-005 County Communication Center	07 Communications Center	06 Debt Service	1,854,027.00
931-005 County Communication Center	07 Communications Center	07 Operating Transfers	5,750.00
931-010 Medical Self-Insurance Fund	16 Non-Departmentals	03 Personnel	1,002,915.43
931-010 Medical Self-Insurance Fund	16 Non-Departmentals	04 Other Expenditures	60,001,194.00
946-003 Paul Brown Stadium Operations	68 Stadiums	03 Personnel	2,224,533.32
946-003 Paul Brown Stadium Operations	68 Stadiums	04 Other Expenditures	8,558,010.00
946-003 Paul Brown Stadium Operations	68 Stadiums	05 Capital Outlay	370,000.00
946-003 Paul Brown Stadium Operations	68 Stadiums	06 Debt Service	23,745,500.00
946-005 Ballpark Operations	68 Stadiums	03 Personnel	163,315.04
946-005 Ballpark Operations	68 Stadiums	04 Other Expenditures	11,297,737.26
946-005 Ballpark Operations	68 Stadiums	06 Debt Service	22,316,500.00
946-006 Banks Operations	68 Stadiums	03 Personnel	565,055.62
946-006 Banks Operations	68 Stadiums	04 Other Expenditures	1,300,000.00
946-010 Paul Brown Capital Repair Fund	68 Stadiums	05 Capital Outlay	9,650,000.00
946-012 Sales Tax Reserve Fund	68 Stadiums	04 Other Expenditures	26,100,000.00
946-013 Parking Operations	69 Parking Facilities	03 Personnel	261,031.83
946-013 Parking Operations	69 Parking Facilities	04 Other Expenditures	11,839,340.00
946-013 Parking Operations	69 Parking Facilities	05 Capital Outlay	140,000.00
946-013 Parking Operations	69 Parking Facilities	06 Debt Service	4,118,500.00
946-013 Parking Operations	69 Parking Facilities	07 Operating Transfers	1,877,140.00
946-014 Great American Ballpark Capital Reserve	68 Stadiums	05 Capital Outlay	2,120,000.00
946-016 Parking Capital Reserve	69 Parking Facilities	05 Capital Outlay	1,450,000.00
946-017 Banks TIF Debt	68 Stadiums	06 Debt Service	2,002,900.00
946-018 Parking Debt Reserve	69 Parking Facilities	07 Operating Transfers	1,020,000.00
		TOTAL RESTRICTED FUNDS $	**816,551,400.10**

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APPENDIX C
FINANCIAL STATEMENT

[SEE ATTACHED]

FINANCIAL STATEMENT
HAMILTON COUNTY
Section 133.07 O.R.C.

STATE OF OHIO, COUNTY OF HAMILTON

I, Dusty Rhodes, County Auditor of Hamilton County, Ohio do hereby certify that the following statement concerning the finances of said County are true and correct as appear from the records in my office:

1	Assessed valuation of the taxable property of the county, as shown on the tax duplicate for the year 2022 , which is the latest duplicate at the date hereof:			$ 22,501,640,980
2	Total amount of all bonds, notes and certificates of indebtedness ('securities') issued and outstanding (do not include industrial development revenue bonds issued pursuant to Sec. 140.06 O.R.C.), and including the present issue of $ 1,375,000			$ 1,286,344,018
3	Exempt debt:			
[1]	Securities issued in anticipation of the levy or collection of special assessments (excluding County portion)	$	$ 3,018,059	
[2]	Securities described in Sec. 307.201 O.R.C. for subways.....		$ -	
[3]	Self Supporting Securities issued for any purpose including, without limitation , any of the following general purposes:			
	(a) Water systems or facilities		$ -	
	(b) Sanitary sewerage systems or facilities, or surface and storm water drainage and sewerage systems or facilities, or a combination of those systems or facilities:		$ 370,044,323	
	(c) County or joint county scrap tire collection , storage, monocell, monofill, or recovery facilities, or any combination of those systems or facilities		$ -	
	(d) Off-street parking lots, facilities, or buildings, or on street parking facilities, or any combination of off-street or on street parking facilities:		$ 20,280,000	
	(e) Facilities for the care or treatment of the sick or infirm, and for housing and for persons providing such care or treatment and their families:		$ -	
	(f) Recreational, sports, convention, auditorium, museum, trade show, and other public attraction facilities:		$ 1,721,144	
	(g) Facilities for natural resources exploration, development, recovery, use and sale:		$ -	
	(h) Correctional and detention facilities and related rehabilitation facilities:		$ -	
[4]	Securities issued for the purpose of purchasing, constructing, improving, or extending water or sanitary or surface and storm water sewerage systems or facilities, or a combination of those systems or facilities, to the extent that an agreement entered into with another subdivision requires the other subdivision to pay to the County amounts equivalent to debt charges on the securities:		$ -	
[5]	Voted general obligation securities issued for the purpose of permanent improvements for sanitary sewerage or water systems or facilities to the extent that the total principal amount of voted securities outstanding for the purpose does not exceed an amount equal to two percent of the County's tax valuation:		$ -	
[6]	Securities issued for permanent improvements to house agencies, departments, boards, or commissions of the County or any municipal corporations located, in whole or in part, in the County, to the extent that the revenues other than revenues from unvoted County property taxes, derived from leases or other agreements between the County and those agencies, departments, boards, commissions, or municipal corporations relating to the use of the permanent improvements are sufficient to cover the cost of all operating expenses of the permanent improvements paid by the County and debt charges on the securities:		$ -	
[7]	Securities issued pursuant to Section 133.08 O.R.C. (Revenue Bonds)		$ 438,785,000	
[8]	Securities issued for the purpose of acquiring or constructing roads, highways, bridges, or viaducts or acquiring or making other highway permanent improvements or for the purpose of procuring and maintaining computer systems for the office of the clerk of any county operated municipal court, for the office of the clerk of the court of common pleas, or for the office of the clerk of the probate, juvenile, or domestic relations division of the court of common pleas to the extent that the legislation authorizing the issuance of the securities includes a covenant to appropriate from moneys distributed to the county pursuant to division (B) of section 2101.162, 2151.541,2153.081, 2301.031, or 2303.201 or Chapter 4501, 4503, 4504, or 5735 of the Ohio Revised Code a sufficient amount to cover debt charges on and financing costs relating to securities as they become due		$ -	
[9]	Securities issued for the purpose of acquiring , constructing, improving, and equipping a County or multicounty jail, workhouse, juvenile detention facility, or correctional facility		$ -	
[10]	Securities issued for the acquisition, construction, equipping, or repair of any permanent improvement or any class or group of permanent improvements enumerated in a resolution adopted pursuant to division (D) of sec. 5739.026 O.R.C. to the extent that the legislation authorizing the issuance of securities includes a covenant to appropriate from moneys received from taxes authorized under Sec. 5739.023 and division (A)(5) of Sec 5739.026 O.R.C. an amount sufficient to pay debt charges on the securities and those moneys shall be pledged for that purpose.		$ -	

[11]	Securities issued for county or joint county solid waste or hazardous waste collection, transfer disposal facilities, or resource recovery and solid or hazardous waste recycling facilities, or any combination of those facilities:	$ -		
[12]	Securities issued for the acquisition, construction, and equipping of a port authority, educational and cultural facility Section 307.671 of the O.R.C..	$ -		
[13]	Securities issued the acquisition construction, equipping and improving of a municipal educational and cultural facility under division (B)(1) of Section 307.672 of the O.R.C.:	$ -		
[14]	Securities issued for energy conservation measures under Section 307.04 O.R.C.:	$ 6,618,813		
[15]	Securities issued for the acquisition, construction, equipping, improving, or repair of a sports facility under Section 307.673 O.R.C.:	$ -		
[16]	Securities issued in anticipation of the collection of current revenues for the fiscal year or other period not to exceed twelve consecutive months, or securities issued in anticipation of the collection of the proceeds from a specifically identified voter approved tax levy:	$ -		
[17]	Securities issued for purposes described in Section 133.23, O.R.C.:	$ -		
[18]	Securities issued under Chapters 122.725 or 761 or Section 131.23 O.R.C.:	$ -		
[19]	Securities issued to pay final judgments or court approved settlements under authorizing laws and securities issued under Section 2744.081, O.R.C.:	$ -		
[20]	Sales tax supported bonds issued pursuant to O.R.C. Section 133.081:	$ 308,901,679		
4	Total of items in 3:	$ 1,149,369,018		
5	Total securities subject to direct limitation (2 minus 4):			$ 136,975,000
a.	Amount in sinking fund or bond retirement fund applicable to principal thereof:	$ 4,757,148		
b.	Net amount subject to overall debt limitation (5 minus 5a):	$ 132,217,852		
6	Securities include in item 5 above but issued WITHOUT AUTHORITY OF AN ELECTION:			$ 136,975,000
a.	Amount in sinking fund or bond retirement fund applicable to principal thereof:			$ 4,757,148
b.	Line 6a minus Line 6b:			$ 132,217,852
c.	Amount of Line 1 times .01:			$ 225,016,410
d.	Line 6c must be greater than line 6b:			$ 92,798,558

I further certify that the income, after covering the cost of all operating expenses of the facilities described in item 3 is sufficient to pay interest on and retire the securities for each use.

The net indebtedness of the county, without a vote of the electors, issued for the purpose of paying the County's share of the cost of the construction, improvements, maintenance or repair of the state highways, shall not exceed an amount equal to .005 times the amount of Line 1.

The amount on 5b shall never exceed without the vote of the electors, an amount equal to one of the following limitations that applies to the County:

(1) a county with a valuation not exceeding $100,000,000, 3% of that tax valuation:

(2) a county with a valuation exceeding $100,000,000, but not exceeding $300,000,000, $3,000,000 plus 1-1/2% of that valuation in excess of $100,000,000, and

(3) a county with a tax valuation exceeding $300,000,000, $6,000,000 plus 2-1/2% of that tax valuation in excess of $300,000,000.

7	Amount of bonds or notes listed in 2 issued in current year:		$ 1,375,000
8	Total amount of bonds or notes expected to be issued in the current year:	$ -	
9	Amount of bonds or notes issued in current year for organizations described in Sec. 501(c)(3) of the Internal Revenue Code (i.e. non-profit hospital, nursing home or housing corporations) by the County or any of its agencies (i.e. county hospital commission):		0.00
10	Capitalized leases entered into by the County during the current year:	0.00	

LESSOR	PROPERTY LEASED	FACE AMOUNT OF LEASE

11	Total amount capitalized leases to be entered into by the County during the current year:	0.00
12	Total of 8,9,and 10:	$ -

IN WITNESS THEREOF, I have hereunto set my hand this day August 1, 2022

Dusty Rhodes, Hamilton County Auditor

APPENDIX D
TEN MILL CERTIFICATE

[SEE ATTACHED]

TEN MILL CERTIFICATE
FOR POLITICAL SUBDIVISIONS ISSUING UNVOTED GENERAL OBLIGATION BONDS AND NOTES

The undersigned County Auditor of Hamilton County, Ohio hereby certifies in connection with a proposed issue of Bonds of the County of Hamilton in the principal amount of $ 1,375,000.00 , dated September 2, 2022 ,that the tax rates required to produce the highest annual debt charges for the proposed issue and all other issues of said subdivision and the subdivisions overlapping it, which are payable from taxes subject to the 10 mill limitation of Article XII, Section 2, Ohio Constitution, based upon the facts hereinafter set forth and assuming that all levies were to be made therefor on the general tax duplicate are as follows:

OVERLAPPING SUBDIVISION	ASSESSED VALUATION		Present Principal Amount	Debt Charges for fiscal year in which they will total the highest to wit, For Principal	For Interest	2023 Required Tax Rate for Two Previous Columns
Hamilton County	$ 22,501,640,980	(a) Special Assessment bonds & notes in original or refunded form:	$ 3,018,059	$ 313,744	$ 108,587	0.019 Mills
		(b) All other bonds & notes payable from or secured by taxes inside the 10 mill limitation:	$ 162,498,813	$ 9,348,579	$ 7,494,386	0.749 Mills
City of Wyoming	$ 357,814,350	(a) Special Assessment bonds & notes in original or refunded form:	$ -	$ -	$ -	Mills
		(b) All other bonds & notes payable from or secured by taxes inside the 10 mill limitation:	$ 7,135,000	$ 1,190,000	$ 199,672	3.884 Mills
Cincinnati CSD	$ 7,580,442,820	(a)Bonds & notes payable from taxes inside the 10 mill limitation:	$ 80,360,000	$ 9,181,682	$ 3,008,191	1.608 Mills
		(a)Bonds & notes payable from taxes inside the 10 mill limitation:	$ -	$ -	$ -	Mills
		(a) Special Assessment bonds & notes in original or refunded form:	$ -	$ -	$ -	Mills
		(b) All other bonds & notes payable from or secured by taxes inside the 10 mill limitation:	$ -	$ -	$ -	Mills
		Proposed Issue: 20 yrs @ 4.75%	$ 1,375,000	$ 68,750	$ 65,313	0.006 Mills
					TOTAL	6.266 Mills

DATED: 8/1/22

DUSTY RHODES, HAMILTON COUNTY AUDITOR

APPENDIX E
2022 TAX RATE TABLE

[SEE ATTACHED]

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RATES OF TAXATION FOR TAXES PAID IN 2022

The sales tax credit for tax year 2021 is calculated at 1.352425 times the owner occupancy credit.

'Rates of Taxation on one ($1.00) dollar in the various townships, cities, villages and school districts of Hamilton County for the tax year 2021, as prepared by Hamilton County Auditor Dusty Rhodes.

DTE CODE	TAX DISTRICT NUMBER	SPECIAL DISTRICT	CITY VILLAGE	TOWNSHIP	SCHOOL	HAMILTON COUNTY RATE	GREAT PARKS OF HAMILTON COUNTY RATE	CINTI-HAMILTON COUNTY LIBRARY RATE	SPECIAL DISTRICT RATE	TOWNSHIP RATE	SCHOOL RATE	CITY VILLAGE RATE	JOINT VOCATIONAL RATE	TOTAL FULL RATE	RESIDENTIAL AGRICULTURAL REDUCTION FACTORS	COMMERCIAL INDUSTRIAL REDUCTION FACTORS	RESIDENTIAL AGRICULTURAL EFFECTIVE RATE	COMMERCIAL INDUSTRIAL EFFECTIVE RATE
						MILLS	MILLS	MILLS	MILLS	MILLS	MILLS	MILLS	MILLS	MILLS			MILLS	MILLS
1110	001		Cincinnati		Cincinnati	20.90	1.98	2.00	0.00	0.00	72.85	11.47	0.00	109.20	0.307375	0.185064	75.634697	88.991088
0020	002	Anderson Park		Anderson	Cincinnati	20.90	1.98	2.00	2.28	18.12	72.85	0.00	0.00	118.13	0.340100	0.188609	77.954074	95.849633
0210	003	L.M.J. F. & R. D.*		Columbia	Cincinnati	20.90	1.98	2.00	14.05	20.41	72.85	0.00	0.00	132.19	0.321975	0.187478	89.628210	107.407359
0230	004	Silverton FD		Columbia	Cincinnati	20.90	1.98	2.00	0.00	27.11	72.85	0.00	0.00	124.84	0.325543	0.195124	84.199297	100.480744
0220	005	Ridge FD		Columbia	Cincinnati	20.90	1.98	2.00	0.00	30.58	72.85	0.00	0.00	128.31	0.322834	0.187653	86.887259	104.232364
0150	006	L.M.J. F. & R. D.*		Columbia	Cincinnati	20.90	1.98	2.00	14.05	20.41	72.85	0.00	0.00	132.19	0.321975	0.187478	89.628210	107.407359
0240	007	L.M.J. F. & R. D.*	Fairfax		Cincinnati	20.90	1.98	2.00	14.05	0.00	72.85	2.76	0.00	114.54	0.324386	0.196921	77.384850	91.984681
0340	008			Delhi	Cincinnati	20.90	1.98	2.00	0.00	34.57	72.85	0.00	0.00	132.30	0.349570	0.219044	86.051984	103.320540
0430	009			Green	Cincinnati	20.90	1.98	2.00	0.00	14.66	72.85	0.00	0.00	112.39	0.337032	0.199063	74.511016	90.017416
1115	010		Cincinnati	Green	Cincinnati	20.90	1.98	2.00	0.00	15.27	72.85	9.71	0.00	122.71	0.308688	0.182321	84.831016	100.337416
0850	011			Springfield	Cincinnati	20.90	1.98	2.00	0.00	28.80	72.85	0.00	0.00	126.53	0.306585	0.167395	87.737892	105.349547
1161	012		Cincinnati	Columbia	Cincinnati	20.90	1.98	2.00	0.00	20.87	72.85	9.71	0.00	128.31	0.305358	0.176045	89.129578	105.721792
0980	013			Sycamore	Cincinnati	20.90	1.98	2.00	0.00	8.75	72.85	0.00	0.00	106.48	0.338429	0.201834	70.444159	84.988785
0625	014		Norwood		Cincinnati	20.90	1.98	2.00	0.00	0.00	72.85	11.40	0.00	109.13	0.360402	0.218663	69.799393	85.267392
0680	015	D.P.S.J.F.D.+	Silverton		Cincinnati	20.90	1.98	2.00	7.90	0.00	72.85	8.15	0.00	113.78	0.318435	0.201130	77.548526	90.895444
0550	016		Madeira		Cincinnati	20.90	1.98	2.00	0.00	0.00	72.85	7.50	0.00	105.23	0.318971	0.192046	71.664697	85.021088
0010	017		Amberley		Cincinnati	20.90	1.98	2.00	0.00	0.00	72.85	15.00	0.00	112.73	0.309933	0.189742	77.791353	91.340496
1100	018		Wyoming		Cincinnati	20.90	1.98	2.00	0.00	0.00	72.85	10.00	0.00	107.73	0.311569	0.187589	74.164697	87.521088
0070	019		Cheviot		Cincinnati	20.90	1.98	2.00	0.00	0.00	72.85	20.13	0.00	117.86	0.320098	0.193161	80.133295	95.094051
0495	020		Indian Hill		Cincinnati	20.90	1.98	2.00	0.00	0.00	72.85	0.96	0.00	98.69	0.340109	0.204772	65.124697	78.481088
0557	021		Mariemont		Cincinnati	20.90	1.98	2.00	0.00	0.00	72.85	16.35	0.00	114.08	0.374337	0.231675	71.375717	87.650615
0280	022	L.M.J. F. & R. D.*	Golf Manor		Cincinnati	20.90	1.98	2.00	14.05	0.00	72.85	32.52	0.00	144.30	0.293039	0.191246	102.014583	116.703335
0551	023		Madeira	Columbia	Cincinnati	20.90	1.98	2.00	0.00	20.87	72.85	7.98	0.00	126.58	0.309531	0.178451	87.399578	103.991792
0990	025			Sycamore	Deer Park	20.90	1.98	2.00	0.00	8.75	98.72	0.00	2.70	135.05	0.422140	0.353319	78.040065	87.334270
0690	026	D.P.S.J.F.D.+	Silverton		Deer Park	20.90	1.98	2.00	7.90	0.00	98.72	8.15	2.70	142.35	0.401866	0.344989	85.144432	93.240929
0320	027	D.P.S.J.F.D.+	Deer Park		Deer Park	20.90	1.98	2.00	7.90	0.00	98.72	12.45	2.70	146.65	0.392354	0.339831	89.111360	96.813789
1130	031		Cincinnati		Finneytown	20.90	1.98	2.00	0.00	0.00	105.47	9.15	2.70	142.20	0.367894	0.211920	89.885478	112.065040
0740	032			Springfield	Finneytown	20.90	1.98	2.00	0.00	28.80	105.47	0.00	2.70	161.85	0.355523	0.192194	104.308673	130.743499
0745	033		Wyoming	Springfield	Finneytown	20.90	1.98	2.00	0.00	28.21	105.47	7.54	2.70	168.80	0.340885	0.184281	111.258673	137.693499
1150	041		Cincinnati		Forest Hills	20.90	1.98	2.00	0.00	0.00	72.94	10.33	2.70	110.85	0.383373	0.210146	68.353171	87.555356
0030	042	Anderson Park		Anderson	Forest Hills	20.90	1.98	2.00	2.28	18.12	72.94	0.00	2.70	120.92	0.406116	0.209776	71.812548	95.553901
0600	043		Newtown		Forest Hills	20.90	1.98	2.00	0.00	0.00	72.94	11.73	2.70	112.25	0.388559	0.216983	68.634287	87.893710
0035	044		Newtown	Anderson	Forest Hills	20.90	1.98	2.00	0.00	16.31	72.94	10.55	2.70	127.38	0.388726	0.206653	77.864170	101.056545
1025	059		Indian Hill	Symmes	Indian Hill	20.90	1.98	2.00	0.00	17.35	49.53	0.65	2.70	95.11	0.377246	0.337672	59.230141	62.994021
0305	060		Terrace Park		Indian Hill	20.90	1.98	2.00	0.00	0.00	49.53	13.28	2.70	90.39	0.346123	0.310751	59.103948	62.301292
0160	061	L.M.J. F. & R. D.*		Columbia	Indian Hill	20.90	1.98	2.00	14.05	20.41	49.53	0.00	2.70	111.57	0.348084	0.285106	72.734372	79.760817
0215	062	L.M.J. F. & R. D.*		Columbia	Indian Hill	20.90	1.98	2.00	14.05	20.41	49.53	0.00	2.70	111.57	0.348084	0.285106	72.734372	79.760817
0200	063	L.M.J. F. & R. D.*		Columbia	Indian Hill	20.90	1.98	2.00	14.05	20.41	49.53	0.00	2.70	111.57	0.348084	0.285106	72.734372	79.760817
0940	064			Sycamore	Indian Hill	20.90	1.98	2.00	0.00	8.75	49.53	0.00	2.70	85.86	0.376307	0.332143	53.550321	57.342243
1020	066			Symmes	Indian Hill	20.90	1.98	2.00	0.00	18.00	49.53	0.00	2.70	95.11	0.377246	0.337672	59.230141	62.994021
0540	067		Madeira		Indian Hill	20.90	1.98	2.00	0.00	0.00	49.53	7.50	2.70	84.61	0.352667	0.321895	54.770859	57.374546
0490	068		Indian Hill		Indian Hill	20.90	1.98	2.00	0.00	0.00	49.53	0.96	2.70	78.07	0.382211	0.348860	48.230859	50.834546
0275	069		Milford		Indian Hill	20.90	1.98	2.00	0.00	0.00	49.53	18.30	2.70	95.41	0.343982	0.297458	62.590723	67.029551

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						MILLS	MILLS	MILLS	MILLS	MILLS	MILLS	MILLS	MILLS	MILLS			MILLS	MILLS
0520	071		Lockland		Lockland	20.90	1.98	2.00	0.00	0.00	57.42	11.52	2.70	96.52	0.198541	0.105439	77.356880	86.343106
0040	072		Arlington Hts		Lockland	20.90	1.98	2.00	0.00	0.00	57.42	20.52	2.70	105.52	0.205709	0.122520	83.813638	92.591761
0370	073		Evendale		Lockland	20.90	1.98	2.00	0.00	0.00	57.42	0.00	2.70	85.00	0.218063	0.110061	66.464712	75.644850
1030	081			Symmes	Loveland	20.90	1.98	2.00	0.00	18.00	81.39	0.00	2.70	126.97	0.425650	0.372958	72.925311	79.615587
0525	082		Loveland		Loveland	20.90	1.98	2.00	0.00	0.00	81.39	12.10	2.70	121.07	0.414352	0.365392	70.904412	76.832028
1035	083		Loveland	Symmes	Loveland	20.90	1.98	2.00	0.00	18.27	81.39	10.52	2.70	137.76	0.408002	0.356552	81.553694	88.641503
1120	091		Cincinnati		Madeira	20.90	1.98	2.00	0.00	0.00	112.17	11.40	2.70	151.15	0.448754	0.320284	83.320860	102.739137
0530	092		Madeira		Madeira	20.90	1.98	2.00	0.00	0.00	112.17	7.50	2.70	147.25	0.460640	0.328767	79.420860	98.839137
0500	093		Indian Hill		Madeira	20.90	1.98	2.00	0.00	0.00	112.17	0.96	2.70	140.71	0.482050	0.344048	72.880860	92.299137
0120	101			Columbia	Mariemont	20.90	1.98	2.00	0.00	20.41	121.79	0.00	2.70	169.78	0.463835	0.294816	91.030224	119.726186
0180	102	L.M.J. F. & R. D.*		Columbia	Mariemont	20.90	1.98	2.00	14.05	20.41	121.79	0.00	2.70	183.83	0.446778	0.284221	101.698856	131.581753
0190	103	L.M.J. F. & R. D.*		Columbia	Mariemont	20.90	1.98	2.00	14.05	20.41	121.79	0.00	2.70	183.83	0.446778	0.284221	101.698856	131.581753
0250	104	L.M.J. F. & R. D.*	Fairfax		Mariemont	20.90	1.98	2.00	14.05	0.00	121.79	2.76	2.70	166.18	0.461696	0.301005	89.455496	116.159075
0505	105		Indian Hill		Mariemont	20.90	1.98	2.00	0.00	0.00	121.79	0.96	2.70	150.33	0.486495	0.317133	77.195343	102.655482
0555	106		Mariemont		Mariemont	20.90	1.98	2.00	0.00	0.00	121.79	16.35	2.70	165.72	0.496462	0.325218	83.446363	111.825009
0300	107		Terrace Park		Mariemont	20.90	1.98	2.00	0.00	0.00	121.79	13.84	2.70	163.21	0.456967	0.297334	88.628432	114.682228
0270	108		Milford		Mariemont	20.90	1.98	2.00	0.00	0.00	121.79	18.30	2.70	167.67	0.453956	0.291165	91.555207	118.850487
0260	111		Milford		Milford	20.90	1.98	2.00	0.00	0.00	82.47	18.30	2.70	128.35	0.408315	0.227783	75.942801	99.114094
0090	121			Colerain	Mt. Healthy	20.90	1.98	2.00	0.00	23.21	74.91	0.00	2.70	125.70	0.372301	0.261026	78.901873	92.889146
0830	122			Springfield	Mt.Healthy	20.90	1.98	2.00	0.00	28.80	74.91	0.00	2.70	131.29	0.345585	0.229807	85.918161	101.118643
0595	124		Mt.Healthy		Mt.Healthy	20.90	1.98	2.00	0.00	0.00	74.91	22.47	2.70	124.96	0.344563	0.241921	81.903530	94.729612
1170	125		Mt.Healthy	Springfield	Mt.Healthy	20.90	1.98	2.00	0.00	29.18	74.91	20.97	2.70	152.64	0.316322	0.204416	104.356725	121.438071
0800	134			Springfield	No.College Hill	20.90	1.98	2.00	0.00	28.80	66.93	0.00	2.70	123.31	0.350888	0.248439	80.042013	92.675093
0610	135		No.College Hill		No.College Hill	20.90	1.98	2.00	0.00	0.00	66.93	24.88	2.70	119.39	0.336134	0.258534	79.259016	88.523666
0080	141			Colerain	Northwest	20.90	1.98	2.00	0.00	23.21	63.79	0.00	1.93	113.81	0.351249	0.224361	73.834451	88.275547
0440	142			Green	Northwest	20.90	1.98	2.00	0.00	14.66	63.79	0.00	1.93	105.26	0.357555	0.228835	67.623863	81.172913
0790	143			Springfield	Northwest	20.90	1.98	2.00	0.00	28.80	63.79	0.00	1.93	119.40	0.322859	0.191751	80.850739	96.505044
0615	145		No.College Hill		Northwest	20.90	1.98	2.00	0.00	0.00	63.79	23.58	1.93	114.18	0.310145	0.202544	78.767742	91.053617
0410	146		Forest Park		Northwest	20.90	1.98	2.00	0.00	0.00	63.79	16.83	1.93	107.43	0.339716	0.212353	70.934375	84.616942
0395	147		Fairfield	Forest Park	Northwest	20.90	1.98	2.00	0.00	0.00	63.79	8.44	1.93	99.04	0.355564	0.232625	63.825000	76.000832
1160	151		Cincinnati		Norwood	20.90	1.98	2.00	0.00	0.00	64.04	11.35	2.70	102.97	0.275852	0.202258	74.565520	82.143567
0620	152		Norwood		Norwood	20.90	1.98	2.00	0.00	0.00	64.04	11.40	2.70	103.02	0.331682	0.237626	68.850216	78.539871
1140	161		Cincinnati		Oak Hills	20.90	1.98	2.00	0.00	0.00	50.29	9.10	2.70	86.97	0.305988	0.230536	60.358309	66.920306
0330	162			Delhi	Oak Hills	20.90	1.98	2.00	0.00	34.57	50.29	0.00	2.70	112.44	0.349470	0.256317	73.145596	83.619758
0450	163			Green	Oak Hills	20.90	1.98	2.00	0.00	14.66	50.29	0.00	2.70	92.53	0.334220	0.240067	61.604628	70.316634
0075	164		Cheviot		Cincinnati	20.90	1.98	2.00	0.00	0.00	72.85	20.13	0.00	117.86	0.320098	0.193161	80.133295	95.094051
0720	170			Springfield	Princeton	20.90	1.98	2.00	0.00	28.80	65.38	0.00	2.70	121.76	0.340635	0.175787	80.284348	100.356277
0960	172			Sycamore	Princeton	20.90	1.98	2.00	0.00	8.75	65.38	0.00	2.70	101.71	0.380685	0.213495	62.990615	79.995515
0510	173		Lincoln Hts		Princeton	20.90	1.98	2.00	0.00	0.00	65.38	57.83	2.70	150.79	0.255772	0.169155	112.222216	125.283259
1080	174		Woodlawn		Princeton	20.90	1.98	2.00	0.00	0.00	65.38	10.08	2.70	103.04	0.366994	0.206422	65.225009	81.770321
0670	175		Sharonville		Princeton	20.90	1.98	2.00	0.00	0.00	65.38	0.00	2.70	92.96	0.389941	0.219796	56.711153	72.527818
0420	176		Glendale		Princeton	20.90	1.98	2.00	0.00	0.00	65.38	21.58	2.70	114.54	0.330003	0.188169	76.741537	92.987180
0050	177		Blue Ash		Princeton	20.90	1.98	2.00	0.00	0.00	65.38	3.08	2.70	96.04	0.377435	0.212747	59.791153	75.607818
0710	178		Springdale		Princeton	20.90	1.98	2.00	0.00	0.00	65.38	3.08	2.70	96.04	0.377435	0.212747	59.791153	75.607818
0360	179		Evendale		Princeton	20.90	1.98	2.00	0.00	0.00	65.38	0.00	2.70	92.96	0.389941	0.219796	56.711153	72.527818

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The sales tax credit for tax year 2021 is calculated at 1.352425 times the owner occupancy credit.

'Rates of Taxation on one ($1.00) dollar in the various townships, cities, villages and school districts of Hamilton County for the tax year 2021, as prepared by Hamilton County Auditor Dusty Rhodes.

DTE CODE	TAX DISTRICT NUMBER	SPECIAL DISTRICT	CITY VILLAGE	TOWNSHIP	SCHOOL	HAMILTON COUNTY RATE	GREAT PARKS OF HAMILTON COUNTY RATE	CINTI-HAMILTON COUNTY LIBRARY RATE	SPECIAL DISTRICT RATE	TOWNSHIP RATE	SCHOOL RATE	CITY VILLAGE RATE	JOINT VOCATIONAL RATE	TOTAL FULL RATE	RESIDENTIAL AGRICULTURAL REDUCTION FACTORS	COMMERCIAL INDUSTRIAL REDUCTION FACTORS	RESIDENTIAL AGRICULTURAL EFFECTIVE RATE	COMMERCIAL INDUSTRIAL EFFECTIVE RATE
						MILLS	MILLS	MILLS	MILLS	MILLS	MILLS	MILLS	MILLS	MILLS			MILLS	MILLS
0910	181			Sycamore	Reading	20.90	1.98	2.00	0.00	8.75	77.09	0.00	2.70	113.42	0.402456	0.195496	67.773498	91.246953
0630	182		Reading		Reading	20.90	1.98	2.00	0.00	0.00	77.09	3.52	2.70	108.19	0.399076	0.193094	65.014036	87.299256
0390	183		Evendale		Reading	20.90	1.98	2.00	0.00	0.00	77.09	0.00	2.70	104.67	0.412497	0.199587	61.494036	83.779256
0310	191	W.J.A.D.#		Crosby	Southwest	20.90	1.98	2.00	2.25	10.24	47.93	0.00	2.70	88.00	0.377760	0.294651	54.757159	62.070746
0470	192			Harrison	Southwest	20.90	1.98	2.00	0.00	5.24	47.93	0.00	2.70	80.75	0.376926	0.303398	50.313228	56.250635
0480	193		Harrison	Harrison	Southwest	20.90	1.98	2.00	0.00	0.06	47.93	16.90	2.70	92.47	0.372029	0.292673	58.068569	65.406600
1070	194	W.J.A.D.#		Whitewater	Southwest	20.90	1.98	2.00	2.25	16.81	47.93	0.00	2.70	94.57	0.351714	0.280097	61.308477	68.081285
1075	195		Cleves	Whitewater	Southwest	20.90	1.98	2.00	0.00	0.00	47.93	13.63	2.70	89.14	0.351579	0.282849	57.800301	63.926909
0475	196		Harrison	Harrison	Southwest	20.90	1.98	2.00	0.00	1.87	47.93	15.09	2.70	92.47	0.372029	0.292673	58.068569	65.406600
1171	197		Harrison	Crosby	Southwest	20.90	1.98	2.00	0.00	8.37	47.93	15.09	2.70	98.97	0.370416	0.285212	62.309933	70.742638
0650	201		St.Bernard		St.Bernard	20.90	1.98	2.00	0.00	0.00	67.67	11.28	2.70	106.53	0.157120	0.077354	89.792106	98.289558
0350	202		Elmwood Pl		St.Bernard	20.90	1.98	2.00	0.00	0.00	67.67	17.78	2.70	113.03	0.137117	0.080432	97.531704	103.938862
0970	210			Sycamore	Sycamore	20.90	1.98	2.00	0.00	8.75	74.45	0.00	2.70	110.78	0.456678	0.283320	60.189305	79.393918
1010	211		Montgomery		Sycamore	20.90	1.98	2.00	0.00	0.00	74.45	16.05	2.70	118.08	0.434686	0.272208	66.752311	85.937716
1040	212			Symmes	Sycamore	20.90	1.98	2.00	0.00	18.00	74.45	0.00	2.70	120.03	0.451228	0.291464	65.869125	85.045696
1015	213		Montgomery	Symmes	Sycamore	20.90	1.98	2.00	0.00	18.24	74.45	14.59	2.70	134.86	0.425393	0.274528	77.491593	97.837191
0060	214		Blue Ash		Sycamore	20.90	1.98	2.00	0.00	0.00	74.45	3.08	2.70	105.11	0.457808	0.286403	56.989843	75.006221
0660	215		Sharonville		Sycamore	20.90	1.98	2.00	0.00	0.00	74.45	0.00	2.70	102.03	0.471628	0.295049	53.909843	71.926221
0380	216		Evendale		Sycamore	20.90	1.98	2.00	0.00	0.00	74.45	0.00	2.70	102.03	0.471628	0.295049	53.909843	71.926221
0527	217		Loveland		Sycamore	20.90	1.98	2.00	0.00	0.00	74.45	12.03	2.70	114.06	0.440837	0.279396	63.778226	82.192137
0485	218		Indian Hill		Sycamore	20.90	1.98	2.00	0.00	0.00	74.45	0.96	2.70	102.99	0.467232	0.292299	54.869843	72.886221
0560	221			Miami	Three Rivers	20.90	1.98	2.00	0.00	15.91	50.00	0.00	2.70	93.49	0.281851	0.180713	67.139832	76.595224
0570	222		Addyston	Miami	Three Rivers	20.90	1.98	2.00	0.00	0.68	50.00	8.09	2.70	86.35	0.300193	0.183940	60.428373	70.466855
0580	223		Cleves	Miami	Three Rivers	20.90	1.98	2.00	0.00	0.68	50.00	13.99	2.70	92.25	0.286457	0.177427	65.824353	75.882414
0590	224		North Bend	Miami	Three Rivers	20.90	1.98	2.00	0.00	0.68	50.00	15.88	2.70	94.14	0.272986	0.168853	68.441103	78.244265
0585	225		Cleves	Miami	Three Rivers	20.90	1.98	2.00	0.00	8.66	50.00	10.90	2.70	97.14	0.276840	0.175884	70.247836	80.054639
0593	226		North Bend	Miami	Three Rivers	20.90	1.98	2.00	0.00	7.51	50.00	13.94	2.70	99.03	0.264218	0.167763	72.864586	82.416490
0565	227		Cleves	Miami	Three Rivers	20.90	1.98	2.00	0.00	2.61	50.00	12.05	2.70	92.24	0.286488	0.177446	65.814353	75.872414
0770	233			Springfield	Winton Woods	20.90	1.98	2.00	0.00	28.80	91.93	0.00	2.70	148.31	0.363403	0.202540	94.413787	118.271336
0750	234		Wyoming	Springfield	Winton Woods	20.90	1.98	2.00	0.00	28.21	91.93	7.54	2.70	155.26	0.347136	0.193474	101.363787	125.221336
1095	236		Wyoming		Winton Woods	20.90	1.98	2.00	0.00	0.00	91.93	10.00	2.70	129.51	0.375797	0.224440	80.840592	100.442877
0460	237		Greenhills		Winton Woods	20.90	1.98	2.00	0.00	0.00	91.93	32.73	2.70	152.24	0.385971	0.225449	93.479813	117.917693
0715	238		Springdale		Winton Woods	20.90	1.98	2.00	0.00	0.00	91.93	3.06	2.70	122.57	0.397075	0.237148	73.900592	93.502877
0400	239		Forest Park		Winton Woods	20.90	1.98	2.00	0.00	0.00	91.93	18.51	2.70	138.02	0.375617	0.217047	86.177423	108.063234
1090	241		Wyoming		Wyoming	20.90	1.98	2.00	0.00	0.00	100.65	10.00	2.70	138.23	0.450231	0.373112	75.994664	86.654774

*L.M.J.F. & R. D.= Little Miami Joint Fire & Rescue District
+D.P.S.J.F.D.= Deer Park/Silverton Joint Fire District
#W.J.A.D.= Western Joint Ambulance District

APPENDIX F
COUNTY INVESTMENT POLICY

[SEE ATTACHED]

HAMILTON COUNTY

INVESTMENT POLICIES

Objectives:

1) To invest all county moneys in accordance with the guidelines of O.R.C. section 135, with the priorities being: Safety, Liquidity, Yield, in that order.

2) To secure all securities in accordance with the U.C.C. section 9-305, as codified in Ohio in O.R.C. section 1309.24.

3) To limit market risk and insure reliable return on investments through diversity and management of the investment portfolio.

4) To safeguard Repurchase Agreement (Repo) transactions so as to avoid all security risk, and to limit and track market risk.

General Comments:

1) The Treasurer's duties are outlined in the O.R.C., specifically section 135.35 dealing with Investments.

2) The Treasurer's Office is bound by the State Law to manage all county funds. Thus, the Investments under this Investment Policy refer to all funds, general and special. In particular, ALL Trust Fund moneys are invested in the same type securities as the General Fund. All Trust Fund Investments are segregated.

Policies:

1) In order to invest all county moneys in accordance with the guidelines of O.R.C. section 135, the Treasurer's Office continuously monitors new legislation in the investment arena. Further, the Treasurer is responsible for seeing that all investments are in accordance with the provisions of O.R.C. section 135.35 dealing with Eligible deposits or investments for county moneys.

Daily records of all investments are kept by the Treasurer, and monthly summaries, detailing all changes in the portfolio, are given to the Hamilton County Auditor's Office. All records are open to inspection of the State Examiners, and are audited annually.

2) All investments shall have a maximum maturity of five (5) years from the date of settlement pursuant to O.R.C. 135.35(C).

3) O.R.C. section 1309.24 specifies that a security interest in "instruments" may be "perfected" by the "taking possession of the collateral." O.R.C. section 1309.01 defines "Instrument" in part, as a security as defined in section 1308.01 of the Revised Code, which section defines a security (O.R.C. 1308.01 (A) (1)). In order for the Treasurer's Office to perfect a security interest in all government securities purchased, or accepted as repo collateral (see objective and policy 4), the Treasurer's Office takes possession of the securities.

4) In order to limit market risk and insure reliable return on investments, the Treasurer's Office will continually monitor and track all investments, and will diversify and manage the investment portfolio. Through the purchasing of various Treasury securities – Bills and Notes, - and the purchase of other securities as permitted by O.R.C. section 135.35, the Treasurer's Office can lock in yield and coupon flow in order to limit market risk, and can spread the maturity of the portfolio along the yield curve, in order to ensure a reliable return.

It is an express policy of the Treasurer's Office to value overall long term portfolio performance over the short term needs of the county. This entails two aspects of the Investment Policy. First, the Treasurers Office will not invest funds that are needed on a short term basis, in instruments with a long term maturity. Even though an interest rate move is predicted, short term funds will be invested in short term instruments so as not to expose the transaction to market fluctuations. Secondly, while the interest of the Budgetary Departments is to set overall interest earned goals, the Investment Department will not sacrifice the long term portfolio goals for the interest of the short term monetary needs.

5) Repurchase Agreements, or Repos, are a safe investment vehicle when they are done properly. In order to safeguard the transaction, it is vital that that the Treasurer's Office perfect a security interest in the collateral, and track and prevent any market risk. As long as these two risks are handled properly (the security risk and market risk) the Treasurer's Office will be secured in the Repo transaction.

Security Risk is alleviated by the Treasurer's Office perfecting a security interest by taking possession of the collateral (see O.R.C. 1309.24 and objective policy 2 above). The Treasurer's Office takes possession of the repo collateral in a third-party disinterested trustee bank, and said bank may not be in control or qualify as an agent for the repo dealer or the repo bank participant.

Market risk is alleviated by daily tracking of prices of the entire set of repo collateral. Two indices are set – one no longer than 5 years and no shorter than 4 years, and another no longer than 2 years and no shorter than one year. If the daily closing bid side price as found in the Wall Street Journal is lower than or equal to the weighted average price or the repo collateral, steps must be taken to re-price or add more collateral to the portfolio. The longer term index is used as a first guide to put the Treasurer's Office on notice, while the second shorter term index is dispositive as to the need for more collateral. If, within the Investment Officer's discretion, the average maturity of the aggregate of the

repo collateral is better represented by the longer term index, re-pricing or additional collateral may be required.

6) The Investment Authority may for the limited purposes set forth n O.R.C. 135.80 (Linked Deposit Authorized Loans), accept CDs at less than market rate.

7) All entities that hold or transact funds with Hamilton County shall sign this policy, acknowledge their agreement to abide by the policy's contents, and acknowledge their comprehension and receipt of this investment policy.

Adopted with amendment: 5/24/04

APPENDIX G
COUNTY DEBT POLICY

[SEE ATTACHED]

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VOL. 257
FEB 22 1995
IMAGE 2708

RESOLUTION ADOPTING A DEBT POLICY

WHEREAS, The Board of County Commissioners of Hamilton County, Ohio maintains the lawful authority in accordance with the O.R.C. to establish, adopt, revise and modify policies, procedures and other rules of debt management under the Board's jurisdiction; and

WHEREAS, the County Administrator has recommended to the Board a debt policy; and

WHEREAS, the debt policy has been forwarded to the County's bond counsel, the County Auditor, the County Treasurer and various investment bankers for comments; and

WHEREAS, the proposed debt policy has been discussed at staff and modifications have been made based on these discussions.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Hamilton County, Ohio that the debt policy attached to this resolution be adopted; and

BE IT FURTHER RESOLVED that the Clerk of this Board be and hereby is authorized and directed to certify copies of this resolution to the County Administrator, the County Auditor, the County Treasurer, the Director of Administrative Services, and John Fischer from Peck, Shaffer & Williams, the County's bond counsel.

ADOPTED at a regularly adjourned meeting of the Board of County Commissioners of Hamilton County, Ohio this 22nd day of February, 1995.

Mr. Bedinghaus, AYE Mr. Dowlin, AYE Mr. Guckenberger, AYE

CERTIFICATE OF CLERK

IT IS HEREBY CERTIFIED that the foregoing is a true and correct transcript of a resolution adopted by the Board of County Commissioners in session the 22nd day of February, 1995.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Office of County Commissioners of Hamilton County, Ohio this 22nd day of February, 1995.

Jacqueline Panioto, Clerk
Board of County Commissioners
Hamilton County, Ohio

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IMAGE 2709

HAMILTON COUNTY DEBT POLICY

This process is intended to be used for the purpose of making recommendations to the Board regarding the issuance of debt. It is understood that the Board of County Commissioners makes the final decision.

1. Hamilton County will not use long-term debt to finance current operations.

2. The economic benefits of purchase vs. lease purchase vs. straight lease will be reviewed at the time of acquisition for routine purchases. These installments, if used, will not exceed five years in duration.

3. Hamilton County will use long term debt to finance capital improvement projects that cannot be financed from current revenue sources or which logically should be paid for by multiple generations of taxpayers.

4. The total unvoted general obligation debt service of the Hamilton County general fund will not exceed 10 percent of the total general fund operating budget. Debt for all other restricted funds will be issued after a case by case determination that debt service can be paid from the restricted fund without general fund supplementation.

5. Hamilton County will not incur unvoted net debt or total net debt exceeding the limitations in Section 133.07 of the Ohio Revised Code, a copy of which is attached.

6. Debt for obligations having a duration of five years or less may be funded through the use of short term notes if the County Administrator and Director of Administrative Services advise that (A) the projected interest rates relative to the costs associated with bonded debt issuance are to the advantage of the County, and (B) such analysis is made at each renewal.

7. Construction projects having debt obligations of more than five years may, on the advice of the County Administrator and the Director of Administrative Services, be funded through short term notes during construction to be followed by longer term bonding when the project is completed. The County Administrator and the Director of Administrative Services will use the Delphos Bond Index, the condition of the bond yield curve, and the advice of investment counselors in determining appropriate debt issuance in each instance.

8. Projects not involving construction having debt obligations of more than five years will be funded through bonding at the time of

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acquisition.

9. Notes to be issued in an amount of $250,000 in principal or less may be purchased through an informal bid process involving all municipal underwriters having an office in Hamilton County listed in the "Bond Buyers Municipal Marketplace." If, in the opinion of the Director of Administrative Services, it is determined that market or other conditions dictate that the informal process is not appropriate, a formal process may be used.

10. Notes to be issued in an amount greater than $250,000 in principal shall be purchased through a formal competitive bid process involving all firms.

11. All General Obligation Bonds will be issued with all maturities and interest rates subject to a formal competitive bid process unless the Board of County Commissioners directs otherwise.

12. Absent compelling arguments on a case by case basis, all General Obligation Bonds will be issued with a call feature with the exception of special assessment bonds. Exceptions must be approved by the Board of County Commissioners.

13. Revenue Bonds may be issued through a negotiated sale after consideration of the following factors as enumerated in the California Debt Advisory Commission Issue Brief No. 1 dated September, 1992:

A. Issuer characteristics
    1. Market familiarity
    2. Credit strength
    3. Policy goals
B. Financing characteristics
    1. Type of debt instrument
    2. Issue size
    3. Complexity of the issue
    4. Market conditions
    5. Story bonds

and if (a) the underwriter(s) have been chosen through a competitive process within the preceding five years, (b) no significant changes in the market place have taken place which would likely result in significantly improved performance by alternative underwriter(s), and (c) this policy does not conflict with other policies which may be mandated by law or adopted by the Commissioners.

14. Revenue Bonds underwriting services will be solicited from all major and local investment banking firms. All firms expressing an interest in providing the service will be allowed to participate in the process individually or as part of a group. Firms will be allowed to submit multiple proposals individually or as a part of one or more groups. Individual bids, multiple bid proposals, and any combination of these beneficial to the county will be evaluated by the County Administrator, the Director of Administrative Services, and the affected department based on criteria attached,

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and recommended to the Board for approval.

15. Investment of capital funds will be done by the Hamilton County Treasurer in a manner consistent with the Uniform Depository Act, Section 135 of the Ohio Revised Code, subject to review by the County's Investment Advisory Commitee established by Section 135.341 of the Ohio Revised Code.

16. All bonds, as prescribed by Ohio law, will be financed for a period not to exceed the expected useful life of the project.

17. No bonds will be issued which provide for balloon principal payments at the end of the term of issuance except that level debt service as defined in ORC 133.21 is permissable.

18. No bonds will be issued involving variable-rate debt.

19. Hamilton County will maintain good communications with bond rating agencies about its financial condition and will follow a policy of full disclosure on every financial report and bond prospectus.

20. For each issue of debt, Hamilton County will consult bond counsel.

2/22/95

APPENDIX H
AUTHORIZING RESOLUTION

[SEE ATTACHED]

On the motion of Mr. Summerow Davis seconded by Mr. Reece
the following resolution was adopted...

15

Resolution No. 23
Authorizing an Annual Information Statement for Hamilton County, Ohio, for the Year Ended December 31, 2021

WHEREAS it is the practice of the Board of County Commissioners to prepare an Annual Information Statement (AIS) in conjunction with the County Auditor, as fiscal officer of the County, setting forth summary operating, demographic, economic, and financial data with respect to the County and the Metropolitan Sewer District of Greater Cincinnati; and

WHEREAS the AIS is supplied on an annual basis to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system to meet the requirements of Securities and Exchange Commission Rule 15c2-12; and

WHEREAS the AIS is also supplied to rating agencies which have rated bonds and notes issued by the County and to investment banks and other financial institutions which have underwritten or which hold bonds and notes issued by the County; and

WHEREAS the AIS for the year ended December 31, 2021 (with certain updated information for 2022) has been prepared by County staff in conjunction with the County Auditor in accordance with Government Finance Officers Association guidelines, and has been presented to this Board of County Commissioners for approval;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of Hamilton County, Ohio:

SECTION 1. That the AIS for the year ended December 31, 2021 is hereby approved by this Board, and this Board hereby determines that the information set forth in the AIS is true and correct in all material respects and the AIS does not omit any information in order to make the statements therein, in light of the circumstances under which they are made, misleading in any material respect; and the AIS shall be executed on behalf of the County by the County Administrator and the County Auditor.

SECTION 2. That the County Administrator is hereby authorized and directed to file the AIS with the appropriate persons referred to in the preambles to this resolution.

SECTION 3. That it is found and determined that all formal actions of this Board of County Commissioners concerning and relating to the passage of this resolution were taken in an open meeting of this Board; and that all deliberations of this Board of County Commissioners and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law.

SECTION 4. That the Clerk of this Board is directed to file a copy of this resolution with the County Auditor of Hamilton County, Ohio.

ADOPTED at a regularly adjourned meeting of the Board of Commissioners of Hamilton County, Ohio this 11th day of August 2022.

Ms. Summerow Dumas Yes Ms. Reece Yes Ms. Driehaus Yes

CERTIFICATE OF CLERK

IT IS HEREBY CERTIFIED that the foregoing is a true and correct transcript of a resolution adopted by the Board of Commissioners of Hamilton County, Ohio this 11th day of August 2022.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Board of Commissioners of Hamilton County, Ohio, this 11th day of August 2022.

Leslie Hervey, Clerk
Board of Commissioners
Hamilton County, Ohio

RECEIPT

The undersigned County Auditor of Hamilton County, Ohio acknowledges receipt on August 12, 2021 of a certified copy of the foregoing resolution.

Dusty Rhodes, Auditor
Hamilton County, Ohio

APPENDIX I
MSD COMMITMENT LETTER

Attached please find copies of the following documents:

1. Final approved MSD Commitment Letter;

2. Resolution adopted on August 14, 2017 by the Board of County Commissioners of Hamilton County, Ohio, adopting and approving the MSD Commitment Letter; and

3. Ordinance No. 0231-2017 adopted on August 14, 2017 by the Council of the City of Cincinnati, Ohio, approving the MSD Commitment Letter.

[SEE ATTACHED]

MSD Operation Transition and Cooperation Agreement Commitment Letter

August 14, 2017

Hon. Michael R. Barrett
U.S. District Judge
Potter Stewart U.S. Courthouse
100 East 5th Street, Room 239
Cincinnati, OH 45202

Re: MSD Operation Transition and Cooperation Agreement between Hamilton County Commissioners and City of Cincinnati in *United States, et al. v. Bd. of County Comm'rs of Hamilton County and City of Cincinnati*, Case No. 1:02-cv-00107-MRB-KLL ("MSD Case")

Dear Judge Barrett:

This revised commitment letter ("Commitment Letter"), bearing revisions, additions, edits, changes, modifications, and terms, all elicited pursuant to the public hearing, public informational and Special Meeting processes employed by the City and County over the 20 days that include the date of the Public Release of the original Commitment Letter, July 26, 2017 through the joint vote by the City and County on August 14, 2017, states the terms whereby the Board of Commissioners of Hamilton County ("BOCC") and the City of Cincinnati ("City") (collectively, the BOCC and City are the "parties"), for the cost efficient and effective operations of the Metropolitan Sewer District of Greater Cincinnati; for the cost effective issuance of bonds in order to improve, upgrade, or build new, facilities required for the efficient operations of the MSD and required for full compliance with the Consent Decree Order upon the MSD, City of Cincinnati and Hamilton County as set forth in the Minutes of United States, et al. v. Bd. of County Comm'rs of Hamilton County and City of Cincinnati, Case No. 1:02-cv-00107-MRB-KLL ("MSD Case"); and to maintain the lowest sewer rates possible for the benefit of MSD ratepayers, current or future, agree to resolve certain disputes between them.

Upon due authorization by each party, this Commitment Letter shall, upon the voted approval of both BOCC and City, be binding upon the parties and then memorialized in a MSD Operation Transition and Cooperation Agreement ("Agreement"), whose drafting and implementation will be subject to the Court's continued mediation if needed, and then the Court's approval and Order taking continuing jurisdiction over, and enforcement of, the Agreement ("the Order"). The Order shall work to assure and guarantee the ongoing enforceability of the terms and conditions in this Commitment Letter and in the Agreement to survive the seating of new Members of the Cincinnati City Council, the Hamilton County Commission, the Mayor of the City of Cincinnati, and all persons acting for or on behalf of them or for and on behalf of the City of Cincinnati and Hamilton County for the duration of the Agreement and Commitment Letter. The effective date of the Agreement shall be the date of entry of that Court Order ("Effective Date").

This Commitment Letter is the result of an extensive mediation led by this Court under a Protective Order. The parties greatly appreciate the Court's leadership and good judgment throughout the mediation. The parties hereby request that the Court terminate the Protective Order so that they may engage in public discussion of this Commitment Letter.

The parties agree as follows:

1. Transfer of Operations.

The 1968 Operating Agreement shall be terminated and replaced by the Agreement that shall transfer all of the operations of the Ohio Revised Code ("ORC") Chapter 6117 County Sewer District known as the Metropolitan Sewer District of Greater Cincinnati or MSD ("Sewer District") from the City to the BOCC, subject to the terms below.

There shall be a MSD Citizens Board ("Citizens Board"), which shall have the power, authority, and duty (a) to oversee the Director of the Sewer District and daily operations of the Sewer District, (b) the specific supermajority approvals identified in Section 2 and Section 3 below and, (c) to report to the BOCC regarding the performance of the Sewer District Director and Sewer District. The Citizens Board will oversee the Director and daily operations of the District by simple majority vote. All power, authority, or duties not assigned to the Citizens Board as identified above shall remain with the BOCC (e.g., legislation, rules, policies, budgets, rates, debt, and legal matters) under ORC 6117. As a result of the Citizen Board's power regarding the hiring and firing of the Sewer District Director, and the ability of the appointing party to terminate a member without cause, a state law change may be required prior to the Effective Date and thus is a condition precedent to the Agreement and Order.

The Citizens Board shall have 5 citizen members, 3 appointed by BOCC and 2 by City. Such appointments shall be pursuant to the appointing powers of the city and county respectively; shall be done in accordance with Ohio's open meetings laws and public document laws; shall be pursuant to those qualifications and credentials befitting of such a Board as determined to be in the best interests of the appointing authority, of ratepayers, and in the best interests of the MSD, all as set forth in writing and as adopted by the City and County respectively in accordance with their own obligations under the law to conduct business in open and for all documents relied upon, or generated in the process thereof, and also done in accordance with Ohio's open meetings laws and public document laws. Members will serve staggered 3 year terms with 2 members (one from BOCC, one from City) having initial 2 year terms and the balance 3 year terms. Citizen Board members will serve as County employees, and thus be subject to Ohio ethics and other laws, with an initial salary of $12,000/year, uniformly adjustable by the BOCC. The Citizens Board and its members shall comply with the Ohio Open Meetings Act, R.C. 121.22; the Ohio Public Records Act, R.C. 149.43 et seq.; Ohio record retention laws, R.C. 9.01 and R.C. 121.211; and Ohio ethics laws, R.C. 102.03 and R.C. 2921.42 (addressing ethics, conflicts of interest, and interests in public contracts); and shall make the same financial disclosures required of Hamilton County Commissioners under R.C. 102.02.

The BOCC shall appoint each new Sewer District Director as recommended by a supermajority of the Citizens Board (4 votes). The BOCC may fire a Sewer District Director for cause. The Citizens Board may fire a Sewer District Director upon a supermajority vote. The Sewer District Director shall appoint a Deputy Director with the approval of a supermajority of the Citizens Board, who shall serve as Interim Director during any period when the position of Sewer District Director is vacant. All Sewer District employees shall be directed by and report to the Director, who shall have the delegated power to hire and fire Sewer District employees (subject to collective bargaining agreements and applicable law).

The Citizens Board shall control Sewer District procurement, subject to state law and the policies and legislation of the BOCC; such policies and regulations of the BOCC to include all current and newly adopted regulations of the BOCC as recommended by the County Office of Inclusion and pursuant to said Office's Advisory Board, for the purpose of implementing a procurement process that is obligated to ensure full inclusion and opportunity for minorities, including specifically businesses owned by African Americans, women and people with disabilities that work with the Metropolitan Sewer District, or that shall have the opportunity to work with the MSD and shall take all actions required to implement said recommendations, including if necessary, the adoption of a Croson study to improve the outcomes adopted by the Board up to and including April 30, 2018, or the Court's approval and Order taking continuing jurisdiction over, and enforcement of, the Agreement, whichever shall last occur.

2. Protection of Workforce and Pensions.

All present and future Sewer District employees shall be County BOCC employees and shall be Members of the Cincinnati Retirement System ("CRS") for their pensions (unless the employee is already in the Ohio Public Employee Retirement System ("OPERS")). This arrangement will require a state law change prior to the Effective Date and thus is a condition precedent to the Agreement and Order. The City is a party to the Collaborative Settlement Agreement and Consent Decree (entered by the Court on 10/5/15) ("Pension Decree"). The County is not a party to the Pension Decree. The BOCC shall pay into CRS the employer share of pension contributions for Sewer District employees as determined by the Pension Decree or subsequent means by which the City's employer contribution is determined. Because the BOCC will become the employer of Sewer District employees the City shall notify and consult with the BOCC prior to agreeing to any change in the CRS employer's share applicable to Sewer District personnel or any change in the benefits to current or future Sewer District retirees. Additionally, the County reserves the right, at its sole discretion, to seek to become an intervening defendant in the Pension Decree, which the City shall not oppose, for the purposes of participating in any potential change in the CRS employer's share applicable to Sewer District personnel or any change in benefits to current or future Sewer District retirees. The parties recognize that the eventual transition of all employee pensions from CRS to OPERS may one day be desirable and in the common public interest, understand this is not possible at present, but agree to collaboratively reevaluate and consider such a transition at least once every 5 years.

The terms and conditions of all employees of the Sewer District shall transition to the BOCC "as is." AFSCME and CODE will be recognized by the BOCC as the exclusive bargaining representatives of their existing units at the Sewer District, the BOCC will consent to and support certification of CODE and AFSCME as the exclusive representatives of said units if requested, and the BOCC will enter into collective bargaining agreements with AFSCME and CODE on the same material terms as their existing agreements with the City. The Sewer District job functions listed on attached Exhibit 1 (without any minimum or maximum number of employees) cannot be shifted to non-Sewer District employees (private or public) without approval by a supermajority of the Citizens Board. The Sewer District has made significant investment in its facilities at the Gest Street campus, which will remain the main location for employees engaged in Sewer District operations.

The City and County are committed to promoting the economic success of all people and have established policies to promote and protect diversity and inclusion in their hiring and contracting practices. The Sewer District shall not discriminate against any Sewer District employee or contractor based on race, gender, age, color, religion, disability status, marital status, sexual orientation or transgender status, or ethnic, national, or Appalachian regional origin. The Sewer District shall comply with all applicable laws, regulations and policies regarding contracting, including those designed to address discrimination against women, minorities, disadvantaged citizens, and small businesses; it being the intent of the Parties to include all current and newly adopted regulations of the BOCC as recommended by the County Office of Inclusion and pursuant to said Office's Advisory Board, for the purpose of improving the employment outcomes adopted by the Board up to and including April 30, 2018, or the Court's approval and Order taking continuing jurisdiction over, and enforcement of, the Agreement, whichever shall last occur.

3. Environmental/Odor-Related Matters.

In connection with the mediation, the BOCC and City agreed to implement a number of odor control projects, as listed in Exhibit 2, and agree to take future action as necessary to plan, design and construct them. To further address odor matters and other extraordinary environmental impact upon adjoining neighborhoods (hereinafter referred to as "extraordinary environmental impact" and as shall be defined with greater particularity during the drafting of the Agreement within 45 days following adoption of this CL) raised by operations of the Sewer District, a supermajority approval of the Citizens Board is required for future Sewer District projects or actions which would (a) result in the construction of new Sewer District wastewater treatment plants ("Plants") or materially increase the volume, or materially alter the types, of waste feedstocks transported into the Sewer District's Plants and thus potentially increase odors, or (b) otherwise materially change the operations of MSD in a manner which would result in, to a reasonable degree of probability, an extraordinary environmental impact surrounding any such changed MSD operation (subsections (a) and (b) shall be referred to as a "Material Change"). However, changes to the volume or content of wastewater (including separate and combined sewer flows) conveyed through MSD's sewage collection system and its treatment at the Plants, and the construction of those Consent Decree projects approved by the Consent Decree regulatory agencies as of the Effective Date, or approved thereafter by those agencies, and any Consent Decree projects which require

express approval by the Court, shall not constitute a Material Change. Approval by the Citizens Board shall not be unreasonably withheld. However, if emergency or other temporary exigent circumstance occurs (e.g., if one Plant needs to transport and treat more waste because another is offline), Sewer District may make a Material Change to one or more Plants for a period not to exceed 120 days (which period may be extended upon approval by a supermajority of the Citizens Board, which shall not be unreasonably withheld). The foregoing notwithstanding, none of the requirements or restrictions of this Section shall apply if Sewer District is mandated to take an action by federal or state laws or regulations.

4. Assets and Bond Obligations.

BOCC and City disagree regarding their respective rights in certain assets ("Assets") of the Sewer District ("Dispute"). The following shall apply during the Agreement:

A. The BOCC shall have the right to use all Assets which are or may be subject to the Dispute; and

B. The City shall not sell, transfer, lease, separate, or otherwise dispose of or encumber the Assets or any part thereof that would impair Sewer District bonds or other obligations payable from Sewer District revenues.

The parties otherwise reserve and do not waive their existing claims, defenses, and positions regarding the Assets.

5. City will be removed as a Co-Defendant.

City shall be removed as a defendant, and shall not remain or act to become a party, to the United States, et al. v. Bd. of County Comm'rs of Hamilton County and City of Cincinnati, Case No. 1:02-cv-00107-MRB-KLL ("MSD Case"), except as necessary to enforce the Agreement. Court approval is required under the terms of the Consent Decrees in the MSD Case, and thus this is a condition precedent to the Agreement and Order. Any required change[s] in state law that serve as conditions precedent to the effective date of this Agreement shall also serve as a condition precedent to the effective date of this section 5.

6. A smooth transition will occur.

BOCC and City shall work collaboratively and expeditiously to prepare the Agreement and other necessary documents within 45 days of the approval of this Commitment Letter by their respective governments. Each party shall delegate authority to execute the Agreement in its official action approving this Commitment Letter. The Agreement is intended to memorialize the terms of this Commitment Letter, but shall provide necessary additional detail in order to ensure the terms of the Commitment Letter are fully implemented. Further clarifying, the City and BOCC shall prepare the Agreement in such a manner that it shall include such other additional agreed upon language that embodies the unambiguous clarifying detail necessary to a full understanding of the

terms and conditions set forth in the Commitment Letter that were elicited from the comments of officials and from the general public during the public hearing and educational settings convened between the date of public release of the Commitment Letter and the date of final city and county vote upon the Commitment Letter, or Agreement if deemed necessary by both a majority of the City and BOCC.

BOCC and City, respectively, shall select the Citizens Board within 30 days after the Effective Date. The Citizens Board shall work expeditiously to provide the recommended candidate for Sewer District Director to the BOCC within 120 days after the Effective Date. Planning for the transition of Sewer District operation from the City to BOCC shall begin on the date of this Commitment Letter. The parties agree that their respective administrations shall work expeditiously, cooperatively, and in good faith to implement this Commitment Letter and then the Agreement. City agrees to fully and expeditiously cooperate and assist BOCC and its administration in the transition and implementation of the Agreement and BOCC's implementation of the MSD Case Consent Decrees. For example, the transition is anticipated to require a shared services agreement, whereby City will provide administrative services to Sewer District for a temporary period of time after the Agreement, which shared services agreement shall be subject to the Agreement and executed at or before the Effective Date. The transition will plan for, and the parties will execute in an orderly manner, all necessary assignments/transfers of contracts, transition and transfer of finances, systems, data, personnel and other matters, and cooperation in unwinding any contracts that cannot be assigned (e.g., City department-wide gas and electric contract). City shall tender the undertaking, prosecution and defense of all legal matters to BOCC and County on behalf of Sewer District. The City and BOCC will continue to cooperate to promote economic development throughout the community. The Sewer District shall not unreasonably withhold cooperation related to development projects. The Commitment Letter, upon approval by the parties, and the Agreement upon approval by the parties and issuance of the Order, shall be subject to the continuing jurisdiction of the Court and applicable law, and each may be modified only by written agreement of the parties. The parties shall not take any actions inconsistent with or contrary to the terms of this Commitment Letter. If the Effective Date of the Agreement is not on or before April 30, 2018, the parties agree to a short term extension of the 1968 Operating Agreement, effective through passage of this Commitment Letter by both parties, to the earlier of the Effective Date or September 30, 2018, at which time the 1968 Operating Agreement shall terminate. If any condition precedent listed in this Commitment Letter is not met or expected to be met by April 30, 2018, then the parties shall resume Court mediation, or seek other remedies.

7. Term.

The term of the Agreement shall be the later of 45 years after the Effective Date or the date of termination of the MSD Case Consent Decree.

Respectfully,

John Cranley
Mayor
City of Cincinnati

Todd Portune
President
Board of Commissioners of Hamilton County

David Mann
Vice Mayor
City of Cincinnati

Denise Driehaus
Vice President
Board of Commissioners of Hamilton County

COMMITMENT LETTER EXHIBIT 1: MSD JOB FUNCTIONS

	Title[1]	Bargaining Unit	Class Code
1.	Accounting Technician 2	AFSCME	105
2.	Accounting Technician 3	AFSCME	106
3.	Administrative Specialist	CODE	001
4.	Administrative Technician	CODE	008
5.	Assistant Facilities Maintenance Manager	N/A	541
6.	Assistant Fleet Services Manager	N/A	685
7.	Assistant Supervisor of Customer Service	CODE	039
8.	Assistant Treatment Superintendent	N/A	168
9.	Automotive Mechanic Crew Chief	AFSCME	677
10.	Building and Grounds Maintenance Crew Leader	CODE	867
11.	Chemist	CODE	054
12.	Civil Engineering Technician 1	AFSCME	521
13.	Civil Engineering Technician 2	AFSCME	522
14.	Civil Engineering Technician 3	AFSCME	523
15.	Clerk Typist 3	AFSCME	062
16.	Computer Systems Analyst	CODE	139
17.	Deputy Director	N/A	535
18.	Deputy Sewers Director	N/A	527
19.	Division Manager	N/A	110
20.	Electrical Maintenance Worker 2	AFSCME	614
21.	Electrical Maintenance Worker 3 (General)	AFSCME	611
22.	Employment and Training Supervisor	N/A	983
23.	Engineering Technical Supervisor	CODE	084
24.	Engineering Technician 3	AFSCME	497
25.	Engineering Technician 4	AFSCME	498
26.	Environmental/Safety Specialist	CODE	072
27.	Facility Maintenance Specialist	AFSCME	855
28.	Fleet Services Supervisor	CODE	098
29.	HVAC Specialist	CODE	619
30.	Industrial Investigator	CODE	091
31.	Industrial Waste Inspector	AFSCME	460
32.	Information Technology Assistant Manager	N/A	045
33.	Information Technology Manager	N/A	046
34.	Laboratory Assistant	AFSCME	287
35.	Laboratory Technician 2	AFSCME	289
36.	Laboratory Technician 4	AFSCME	291
37.	Laborer	AFSCME	601
38.	Maintenance Fabrication Apprentice	AFSCME	673
39.	Maintenance Fabrication Specialist	AFSCME	674
40.	Maintenance Fabrication Crew Leader	AFSCME	675

[1] As described in the MSDGC Job Classifications dated 3/29/17 and City of Cincinnati Class Specification Bulletin, to be updated to account for anticipated title and descriptive changes to reflect employee transitions to County employees, and to be made an exhibit to the MSD Operation Transition and Cooperation Agreement or Court Order.

COMMITMENT LETTER EXHIBIT 1: MSD JOB FUNCTIONS

	Title	Bargaining Unit	Class Code
41.	Maintenance Crew Leader	AFSCME	641
42.	Maintenance Machinist	AFSCME	679
43.	Maintenance Machinist Helper	AFSCME	678
44.	Maintenance Machinist Crew Leader	AFSCME	681
45.	Motor Equipment Operator 1	AFSCME	657
46.	Motor Equipment Operator 2	AFSCME	658
47.	Motor Equipment Operator 3	AFSCME	659
48.	Plant Maintenance Specialist	AFSCME	712
49.	Plant Maintenance Worker	AFSCME	701
50.	Plant Operator 2	AFSCME	703
51.	Plant Operator 2 – OH Cert 3	AFSCME	713
52.	Plant Supervisor	CODE	119
53.	Pretreatment Specialist	AFSCME	606
54.	Principal Engineer	N/A	216
55.	Public Works/Utilities Superintendent	N/A	257
56.	Public Works Inspector 2	AFSCME	472
57.	Real Property Specialist	CODE	234
58.	Reproduction Machine Operator 2	AFSCME	877
59.	Senior Accountant	CODE	111
60.	Senior Administrative Specialist	CODE	013
61.	Senior Chemist	CODE	284
62.	Senior Computer Programmer Analyst	CODE	043
63.	Senior Engineer	CODE	273
64.	Senior Engineering Technician	CODE	165
65.	Senior Environmental/Safety Specialist	CODE	130
66.	Senior Plant Supervisor	CODE	180
67.	Senior Real Property Specialist	CODE	235
68.	Sewer Construction Inspector	AFSCME	725
69.	Sewer Maintenance Crew Leader	CODE	805
70.	Sewers Chief Engineer	N/A	544
71.	Sewers Director	N/A	530
72.	Stockhandler	AFSCME	866
73.	Storekeeper	AFSCME	874
74.	Supervising Chemist	N/A	286
75.	Supervising Engineer	N/A	515
76.	Supervising Management Analyst	N/A	041
77.	Supervising Real Property Specialist	N/A	236
78.	Supervising Storekeeper	AFSCME	875
79.	Supervisor of Customer Service	CODE	750
80.	Supervisor of Maintenance	CODE	640
81.	Supervising Accountant	N/A	254
82.	Supervising Environmental/Safety Specialist	N/A	131
83.	Supervising Surveyor	CODE	503
84.	Supervisor of Industrial Waste	CODE	609

COMMITMENT LETTER EXHIBIT 1: MSD JOB FUNCTIONS

	Title	Bargaining Unit	Class Code
85.	Surveyor	CODE	504
86.	Technical Systems Analyst	CODE	044
87.	Treatment Superintendent	N/A	256
88	Treatment Supervisor	N/A	304
89.	Truck Driver	AFSCME	651
90.	Utility Technician	AFSCME	604
91.	Wastewater Collection Supervisor	CODE	198
92.	Wastewater Collection Crew Leader	AFSCME	721
93.	Wastewater Collection Equipment Specialist	AFSCME	723
94.	Wastewater Collection Inspector	AFSCME	474
95.	Wastewater Collection Pipelayer	AFSCME	784
96.	Wastewater Collection Superintendent	N/A	710
97.	Water Customer Service Representative 2	AFSCME	768
98.	Water Works Dispatcher	AFSCME	757
99.	Water Works Maintenance Field Supervisor	CODE	759
100.	Graphic Designer	CODE	080

COMMITMENT LETTER EXHIBIT 2: MSD ODOR PROJECT UPDATE

MILL CREEK PROJECT	STATUS	NEXT STEPS	CONCURRENCE?	ADDITIONAL FUNDING REQUIRED
Mill Creek Septage Receiving Station	Design underway, to be complete in Q4 2017.	MSD to request construction authorization in late 2017 or 2018 and will be in 2018 CIP.	YES	$964,600 (Construction)
Influent Headworks	Design underway, to be complete in Q3 2017	MSD to request construction authorization in late 2017 or 2018 and will be in 2018 CIP.	YES	$1,259,000 (Construction)
Primary Settling & Skimmings	Project deferred by MSD	Design to proceed if modeling is completed and demonstrates that additional equipment is required. Possible 2018 CIP if equipment is required.	YES	$2,890,400 (Design & Construction)
Polymer Replacement System	Construction legislation approved by BOCC on 4/5/17 for $6,641,900.	Construction is expected to start in July 2017, currently out to bid.	YES	$0
Solids Handling Phase 1	MSD & BOCC agreed to remove facility improvements from this project; evaluate scaled-down project after a new solids handling master plan is completed (Aug. 2018). Two approved projects:	Planning for a "consensus" Solids Handling Improvement Plan for Mill Creek to advance through a joint effort after selection of a design firm. After the master plan is completed, then project work will be prioritized and design will be proposed for funding, followed by construction.	YES	$1,000,000 - $1,500,000 (Design)(estimated) $5,000,000 - $10,000,000 (Construction)(estimated)
	1. Digester Covers and Odor Control project	Design underway. MSD to request construction authorization in late 2017 or 2018 and will be in 2018 CIP.	YES	$3,500,000 (Construction)
	2. Non-Potable Water project	MSD to request design authorization in 2017 and construction authorization in late 2017 or 2018	YES	$5,100,000 (Design and Construction)

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On motion of Mr. Portune, seconded by Ms. Driehaus the following resolution was adopted by a two to one vote....

A RESOLUTION ADOPTING AND APPROVING THE COMMITMENT LETTER TO ENTER INTO A MSD OPERATION TRANSITION AND COOPERATION AGREEMENT

COM'RS MIN.
VOL. 347
AUG 14 2017
IMAGE 3036

BY THE BOARD:

WHEREAS, the Metropolitan Sewer District of Greater Cincinnati ("MSD") was created and exists as a County Sewer District under Chapter 6117 of the Ohio Revised Code; and

WHEREAS the City of Cincinnati ("City"), by Ordinance of City Council adopted April 10, 1968, consented to be consolidated into the pre-existing County Sewer District Number 1, now known as the Metropolitan Sewer District of Greater Cincinnati; and,

WHEREAS, the Board of County Commissioners, Hamilton County, Ohio ("County") is a party to an operating agreement dated April 10, 1968 ("1968 Operating Agreement"), with the City of Cincinnati (the "City") pursuant to which the County exercises authority and control as the owner of MSD, and the City provides certain management and operations services on behalf of the County; and

WHEREAS, the County and City entered into two Consent Decrees (collectively "Consent Decree") on June 9, 2004 in a matter pending in the United States District Court for the Southern District of Ohio, Western Division, Case No. C-1-02-107, captioned *United States of America, the State of Ohio, and Ohio River Valley Water Sanitation Commission vs. The Board of County Commissioners of Hamilton County, Ohio and the City of Cincinnati, Ohio*;

WHEREAS, multiple disputes arose between the County and City regarding the 1968 Operating Agreement and related to the Consent Decree, , resulting in the Board filing its Motion to Enforce the District Court's June 2014 Order and a Motion for Court-Ordered Mediation on February 22, 2016, which the City opposed in substance but supported for Mediation; and

WHEREAS the Board and City were directed into court-ordered mediation, supervised by District Court Judge Michael Barrett, to resolve their disputes, subject to a Court Protective Order limiting disclosure of Mediation-related information; and

WHEREAS the result of the Mediation was an agreed upon MSD Operation Transition and Cooperation Agreement Commitment Letter ("Commitment Letter") filed with the District Court on July 26, 2017, and for which the Court modified its Protective Order to allow the disclosure and distribution of the Commitment Letter; and

WHEREAS, the Commitment Letter shall become binding upon the County and City upon the voted approval of both the County and City, and further provides for the terms of a MSD Operation Transition and Cooperation Agreement ("Agreement") which will not become effective until the conditions precedent described in the Commitment Letter occur;

WHEREAS; approval of the Commitment Letter may result in a short-term extension of the 1968 Operating Agreement until September 30, 2018 or the Effective Date of the Agreement, whichever is earlier,;;

COM'RS MIN.
VOL. 347
AUG 14 2017
IMAGE 3039

WHEREAS the Board held several public meetings with the City to present and discuss the terms of the Commitment Letter with the public;

NOW THEREFORE BE IT RESOLVED the Board of County Commissioners of Hamilton County, Ohio, formally approves and adopts the attached MSD Operation Transition and Cooperation Agreement Commitment Letter, and the County Administrator is hereby authorized to take all necessary action to comply with the terms of the Commitment Letter.

BE IT FURTHER RESOLVED, that this Board of County Commissioners hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of the Board of County Commissioners and that all deliberations of this Board of County Commissioners and of its committees, if any, which resulted in formal action were taken in meetings open to the public, in full compliance with applicable legal requirements, including Section 121.22 of the Ohio Revised Code.

BE IT FURTHER RESOLVED, that the Clerk of the Board be and hereby is authorized and directed to certify copies of this resolution to Jeff Aluotto, Hamilton County Administrator, John Cranley, Mayor of the City of Cincinnati, the Council of the City of Cincinnati, Harry Black, City Manager of the City of Cincinnati, and James W. Harper, Assistant Prosecuting Attorney Hamilton County.

ADOPTED at a regularly adjourned meeting of the Board of County Commissioners of Hamilton County, Ohio, this 14th day of August, 2017.

Mr. Portune YES Ms. Driehaus YES Mr. Monzel NO

EMERGENCY

PBM/C

~~PBM/B~~

City of Cincinnati

An Ordinance No. 231 - 2017

AUTHORIZING the City Manager to take all necessary actions to comply with the terms of the attached Commitment Letter between the Parties in the case of *United States of America, et al. v. Board of County Commissioners of Hamilton County, Ohio, et al.*, notwithstanding any contrary provisions of the Cincinnati Municipal Code ("CMC") or City ordinances.

WHEREAS, the two defendant parties ("Parties"), the Board of Commissioners of Hamilton County, Ohio ("County") and the City of Cincinnati ("City"), requested the United States District Court for the Southern District of Ohio to conduct a mediation of the disputes between the Parties ("Mediation") in *United States of America, et al. v. Board of County Commissioners of Hamilton County, Ohio, et al.*, Case No. 1:02CV107 ("the Litigation"); and

WHEREAS, following good faith negotiations and a successful mediation effort overseen by Judge Michael Barrett of the United States District Court for the Southern District of Ohio, the Parties reached an accord as described in the attached Commitment Letter which shall become binding upon the parties upon the voted approval of both the County and City; and

WHEREAS, the attached Commitment Letter provides for the terms of a MSD Operation Transition and Cooperation Agreement ("Agreement") which will not become effective until the conditions precedent described in the Commitment Letter occur, if ever; and

WHEREAS, approval of the Commitment Letter may result in a short-term extension of the 1968 Operating Agreement until September 30, 2018 or the Effective Date of the Agreement, whichever is earlier; now, therefore,

BE IT ORDAINED by the Council of the City of Cincinnati, State of Ohio:

Section 1. That the Commitment Letter between the Parties, attached hereto and incorporated by reference, in the case of *United States of America, et al. v. Board of County Commissioners of Hamilton County, Ohio*, et al., Case No. 1:02CV107 ("the Litigation") is hereby approved, and the City Manager is hereby authorized to take all necessary action to comply with the terms of the Commitment Letter, notwithstanding any contrary provisions of the Cincinnati Municipal Code ("CMC") or City ordinances.

Section 2. That this ordinance shall be an emergency measure necessary for the preservation of the public peace, health, safety and general welfare and shall, subject to the terms of Article II, Section 6 of the Charter, be effective immediately. The reason for the emergency is the immediate need to authorize the City Manager to promptly take all necessary actions to comply with the terms of the attached Commitment Letter between the Parties in the case of *United States of America, et al. v. Board of County Commissioners of Hamilton County, Ohio, et al.*

Passed: August 14, 2017

John Cranley, Mayor

Attest: _____
Clerk

I HEREBY CERTIFY THAT ORDINANCE No. 231-2017
WAS PUBLISHED IN THE CITY BULLETIN
IN ACCORDANCE WITH THE CHARTER ON 8-29-2017
CLERK OF COUNCIL

APPENDIX J
TRANSITION AGREEMENT

Please note that the Transition Agreement did not become effective (see "THE METROPOLITAN SEWER DISTRICT (MSD) OF GREATER CINCINNATI – Status of the MSD Operating Agreement – Transaction Agreement Does Not Become Effective" herein).

[SEE ATTACHED]

MSD OPERATION TRANSITION AND COOPERATION AGREEMENT

between

THE BOARD OF COUNTY COMMISSIONERS OF HAMILTON COUNTY, OHIO

and

THE CITY OF CINCINNATI, OHIO

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A – Commitment Letter
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MSD OPERATION TRANSITION AND COOPERATION AGREEMENT

THIS MSD OPERATION TRANSITION AND COOPERATION AGREEMENT is made as of June 13, 2018 (the "Agreement"), by and between THE BOARD OF COUNTY COMMISSIONERS OF HAMILTON COUNTY, OHIO, a political subdivision of the State of Ohio (the "BOCC"), and the CITY OF CINCINNATI, an Ohio municipal corporation (the "City").

WITNESSETH:

WHEREAS, the City and BOCC entered into an agreement on or about April 10, 1968 (as amended from time to time, the "1968 Operating Agreement"), providing for the management and operation of the O.R.C. Chapter 6117 County Sewer District known as the Metropolitan Sewer District of Greater Cincinnati (the "MSD");

WHEREAS, the City and BOCC pursuant to City Ordinance 231-2017 and [County Resolution Adopting and Approving the Commitment Letter to Enter into a MSD Operation Transition and Operation Agreement], entered into a revised MSD Operation Transition and Cooperation Agreement Commitment Letter on August 14, 2017, which is attached to this Agreement as Annex A (the "Commitment Letter") for the purpose of transitioning the management and operation of the MSD from the City to the BOCC, subject to certain terms and conditions; and

WHEREAS, the City and the BOCC intend that the 1968 Operating Agreement will automatically terminate upon the transition of the MSD as contemplated by this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto covenant and agree as follows intending to be legally bound hereby:

ARTICLE 1 — DEFINITIONS

1.1 Definitions. Unless otherwise defined in this Agreement or the context otherwise requires, the terms or words defined in this Article and other terms or words defined in this Agreement, whenever used in this Agreement, have the meaning specified in this Article for all purposes of this Agreement, applicable to both the singular and plural forms of any of the terms or words defined in this Agreement.

"1968 Operating Agreement" has the meaning set forth in the recitals.

"Accounts Receivable" means all trade accounts receivable and other rights to payment from ratepayers of the MSD and the full benefit of all security for such accounts or rights to payment, including all trade accounts receivable representing amounts receivable with respect to services provided to ratepayers of the MSD and any claim, remedy or other right related to the foregoing.

"Agreement" means this Agreement as it may be duly amended, modified, supplemented or restated from time-to-time in accordance herewith.

"Assignment and Assumption Agreement" has the meaning set forth in Section 7.3(d).

"BOCC" has the meaning set forth in the introductory paragraph.

"Cause" has the meaning set forth in Section 2.6(c).

"Citizens Board" has the meaning set forth in Section 2.5.

"City" has the meaning set forth in the introductory paragraph.

"Commitment Letter" has the meaning set forth in the recitals.

"Consent Decree" means the "Interim Partial Consent Decree on Sanitary Sewer Overflows" and the Consent Decree titled "Combined Sewer Overflows, Wastewater Treatment Plants and Implementation of Capacity Assurance Program Plan for Sanitary Sewer Overflows," including all modifications, successors, amendments, replacements or follow-ons thereto, entered in the Court action under the MSD Case on June 9, 2004.

"Contracts" has the meaning set forth in Section 3.1(a).

"Cooperation Functions" has the meaning set forth in Section 2.4(b).

"Court" means the United States Court for the Southern District of Ohio.

"CRS" has the meaning set forth in Section 2.7(b).

"Disputed Assets" has the meaning set forth in Section 3.2.

"Effective Date" means the date of entry of the order by the Court approving, and taking jurisdiction over, this Agreement, which date will be after the satisfaction or waiver of all of the conditions set forth in Sections 7.3, 7.4, and 7.5 of this Agreement.

"Extraordinary Environmental Impact" has the meaning set forth in Section 4.1(b).

"Laws" mean and include any and all applicable federal, state and local laws, rules, codes, ordinances, regulations, circulars, orders of any court, governmental entities, bodies, authorities or agencies applicable to the MSD, including the work, services, or activities performed by or on behalf of the MSD.

"Liens" mean and include any and all types or kinds of liens, charges, claims, encumbrances, adverse claims, security interests upon real or personal property or claims or demands of any kind whatsoever, arising, in any manner, from or relating to this Agreement, the MSD or any work, project, services, or activities performed under or in connection with the MSD or related agreements.

"Material Change" has the meaning set forth in Section 4.1(b).

"MSD" has the meaning set forth in the recitals.

"MSD Accounts" mean all funds held by the City for use in connection with the MSD, including funds held in the City's Operating Fund (Fund 701) and Capital Fund (Fund 704).

"MSD Assets" has the meaning set forth in Section 3.1.

"MSD Case" means *United States of America, et al. v. Board of County Commissioners of Hamilton County, Ohio, et al.*, Case No. 1:02CV107, filed in the United States District Court, Southern District of Ohio on February 15, 2002.

"MSD Director" means the Director of MSD as set forth in Section 2.6.

"OPERS" has the meaning set forth in Section 2.7(b).

"O.R.C." means the Ohio Revised Code, as amended from time to time.

"Pension Decree" has the meaning set forth in Section 2.7(c).

"Plant" means (a) the following existing MSD wastewater treatment plants at their current locations: Mill Creek, Little Miami, Muddy Creek, Sycamore, Polk Run, Indian Creek, and Taylor Creek; and (b) any new wastewater treatment plant intended to treat domestic and industrial dry weather sewage flow and not to address combined sewer overflows under the Consent Decree.

"Records" has the meaning set forth in Section 3.1(d).

"Restricted Contract" has the meaning set forth in Section 3.4.

"Privileged Documents" has the meaning set forth in Section 3.3.

"Shared Services Agreement" has the meaning set forth in Section 2.3.

"Supermajority Vote" has the meaning set forth in Section 2.5(e).

"TCT" has the meaning set forth in Section 2.4(b).

"Term" has the meaning set forth in Section 7.2.

"Transaction Documents" means this Agreement, the Bill of Sale, the Assignment and Assumption Agreement, and the Shared Services Agreement.

"Transition Plan" has the meaning set forth in Section 2.4(c).

"Transitioning Functions" has the meaning set forth in Section 2.4(b).

1.2 The word "include" means include, without limitation, and the word "including" means including, but not limited to.

1.3 The words "and" or "or" mean and include both the conjunctive and the disjunctive whenever necessary or advisable to give the provision its intended meaning and effect.

ARTICLE 2 – TRANSFER OF OPERATIONS

2.1 Termination of Prior Agreement. Automatically, on the Effective Date, this Agreement shall become effective and the 1968 Operating Agreement shall be terminated in its entirety and replaced by this Agreement.

2.2 Transfer of MSD Operations. Subject to the provisions set forth in this Agreement, all of the management and operation of the MSD will be transferred automatically and without further action by the parties to the BOCC on the Effective Date. Further, any agency authority that was granted to the City by the BOCC pursuant to the 1968 Operating Agreement will terminate on the Effective Date.

2.3 Shared Services Agreement. The parties recognize that some administrative and other services currently performed by the City on behalf of MSD cannot be transferred immediately to the BOCC. As a result, the parties will enter into a shared services agreement that will provide for the City's continued provision of certain administrative services, including the Transitioning Functions, to the BOCC for a period of time after the Effective Date (the "Shared Services Agreement"). The parties will execute the Shared Services Agreement in the form of Annex B hereto on the date of this Agreement.

2.4 Transition and Cooperation Planning. The City and the BOCC have been working cooperatively since execution of the Commitment Letter to plan for the transition of operations from the City to the BOCC, and to plan for operational cooperation (e.g., Section 8.1) after the transition is complete. The Parties planning activities include the following:

(a) The BOCC and the City has each appointed a transition coordinator. The BOCC transition coordinator will coordinate transition activities with the City transition coordinator, MSD Director, and other senior MSD staff, as appropriate. The BOCC and the City, through their transition coordinators, will work collaboratively and in good faith to ensure the transition planning process described in this Agreement is performed in an expeditious manner.

(b) Each of the functional areas of management and operation of the MSD that cannot be transitioned fully on the Effective Date ("Transitioning Functions") and each of the functional areas of management and operation that require continued cooperation during the Term of the Agreement ("Cooperation Functions") are identified on Annex C hereto.

(c) Consistent with paragraph 6 of the Commitment Letter, the parties shall work collaboratively and expeditiously to develop a plan for the transition of the requisite Transitioning Function from the City to the BOCC (each, a "Transition Plan") and for cooperation respecting each Cooperation Function (each, a "Cooperation Plan") after the execution of this Agreement.

(d) Upon completion of each Transition Plan or Cooperation Plan, such Plan will be added to the Shared Services Agreement as a Shared Services Schedule (as defined therein) by the BOCC and the City.

2.5 MSD Citizens Board.

(a) Within 30 days after the Effective Date, the MSD Citizens Board (the "Citizens Board") shall be formed by the BOCC and City appointing the members thereto. The term for each of the initial board members will begin on the 31st day after the Effective Date, provided that if such day is not a business day, the term will begin on the next business day. The Citizens Board shall oversee the MSD Director and the daily operations of MSD. The Citizens Board shall report directly to the BOCC regarding the performance of the MSD Director and the MSD. Written reports shall be provided directly to the BOCC with a simultaneous copy to the County Administrator. Nothing herein is intended to, nor shall affect the duties and obligations of the County Administrator. Consistent with the terms of this Agreement, the BOCC shall establish the rules and regulations for the operation of the MSD. The Citizens Board shall establish its own rules for the internal operations of the Citizens Board.

(b) The Citizens Board shall be comprised of five citizen members, three of whom will be appointed by the BOCC and two of whom will be appointed by the City. Such appointments shall be pursuant to the appointing powers of the City and BOCC respectively; shall be done in accordance with Ohio's open meetings laws and public document laws; shall be pursuant to those qualifications and credentials befitting of such a board as determined to be in the best interests of the appointing authority, of ratepayers, and in the best interests of the MSD, all as set forth in writing and as adopted by the City and BOCC, respectively, in accordance with their own obligations under the law to conduct business in open and for all documents relied upon, or generated in the process thereof, and also done in accordance with Ohio's open meetings laws and public document laws. Members will serve staggered three-year terms with two members (one from the BOCC and one from the City) having initial two-year terms and the balance having three-year terms.

(c) Citizen Board members will serve as BOCC employees and will have an initial salary of $12,000 per year. The salary shall be uniformly adjustable by the BOCC. The Citizens Board shall meet at least once each month.

(d) The Citizens Board and its members shall comply with the Ohio Open Meetings Act, O.R.C. 121.22; the Ohio Public Records Act, O.R.C. 149.43 et seq.; Ohio record retention laws, O.R.C. 9.01 and O.R.C. 121.211; and Ohio ethics laws, O.R.C. 102.03 and O.R.C. 2921.42 (addressing ethics, conflicts of interest, and interests in public contracts); and shall make the same financial disclosures required of Hamilton County Commissioners under O.R.C. 102.02.

(e) Except as otherwise specifically set forth in this Agreement, all actions of the Citizens Board will be by simple majority vote. Anything requiring a "Supermajority Vote" of the Citizens Board will mean a vote of four of the five members, if all five seats of the Citizens Board are filled. If there are any vacancies on the Citizens Board, the number of votes needed to approve a matter requiring a Supermajority Vote will be reduced by the number of vacancies that exist at the time of the vote.

(f) Within 120 days after the Effective Date, the Citizens Board shall work expeditiously to provide the recommended candidate for the MSD Director to the BOCC. Thereafter, the MSD Director will be appointed as set forth in Section 2.6 herein.

(g) The Citizens Board shall control MSD procurement, subject to state law and the policies and legislation of the BOCC. Such policies and regulations of the BOCC will include all current and newly adopted regulations of the BOCC as recommended by the Hamilton County Office of Inclusion and pursuant to said Office's Advisory Board, for the purpose of implementing a procurement process that is obligated to ensure full inclusion and opportunity for minorities, including specifically businesses owned by African Americans, women and people with disabilities that work with the MSD, or that may have the opportunity to work with the MSD. The BOCC shall take all actions required to implement such recommendations, including, if necessary, the adoption of a Croson study to improve the outcomes adopted by the BOCC, up to and including April 30, 2018, or the Court's approval and order taking continuing jurisdiction over, and enforcement of, this Agreement, whichever is the last to occur.

(h) As set forth in paragraph 4.2 below, upon the Effective Date, the Hamilton County Prosecuting Attorney shall accept and assume legal representation of MSD and the Citizens Board. Regardless of the foregoing, nothing in this undertaking shall prevent or prohibit individual Citizens Board members, regardless of appointing authority (BOCC or City), from seeking independent legal counsel at their own expense. The parties agree that the provision of legal advice to the individual Citizens Board members is a matter of attorney-client privilege, work product doctrine or other privilege. The parties also agree that the individual City-appointed members may seek legal advice from the City Solicitor at the City's expense. In the event that the BOCC, the City, or a member of the Citizens Board, with the consent of their appointing authority, claims a material breach of the "Commitment Letter" or of this Agreement, that party or person may request Court-led mediation to resolve the issue. In the event of a mediation impasse and upon Court determination of the good-faith, justiciable issue, the reasonable legal fees of the Citizens Board member or appointing authority for mediation or litigation will be paid from the MSD Sanitary Fund in accordance with current practice.

(i) All power, authority, or duties not assigned to the Citizens Board in this Agreement will remain with the BOCC under O.R.C. Chapter 6117, unless the BOCC determines it appropriate to delegate such power, authority or duties as may be permissible. Nothing in this Section 2.5(i) permits the BOCC to exercise its power, authority, or duties in a manner that conflicts with the express terms of this Agreement

2.6 MSD Director; Deputy Director; Interim Director.

(a) *MSD Director*. After the Effective Date, the BOCC shall appoint each new MSD Director as recommended by a Supermajority Vote of the Citizens Board. The MSD Director may be terminated by: (i) the BOCC for Cause; or (ii) the Citizens Board, with or without Cause, by a Supermajority Vote.

(b) *MSD Deputy Director.* The MSD Director shall appoint a Deputy Director with the approval of a Supermajority Vote of the Citizens Board. The Deputy Director will carry out such duties as may be assigned by the MSD Director from time to time and shall serve as Interim MSD Director during any period when the position of MSD Director is vacant. The Deputy Director may be terminated at any time with or without Cause by the MSD Director.

(c) *Interim Period.* Prior to the appointment of the Citizens Board and the MSD Director as set forth in this Agreement, the daily operation of the MSD will be overseen by the MSD Director in place at the Effective Date. Such then current MSD Director will report to the BOCC and coordinate with the City and MSD transition coordinators for the daily operation of the MSD.

(d) *Cause.* For purposes of this Section 2.6, "Cause" means conduct that is reasonably determined by the BOCC to involve: (i) insubordination; (ii) material malfeasance, material nonfeasance, or material misfeasance in the performance of duties; (iii) a conviction or plea of guilty or *nolo contendere* to any felony or crime of moral turpitude or crime that involves a breach of trust or fiduciary duty; or (iv) fraud, dishonesty, a knowing misappropriation of funds, or willful violation of any applicable law.

2.7 Employee Matters.

(a) As of the Effective Date, all present and future MSD employees will be common law employees of BOCC and shall be directed by and report to the MSD Director, who shall have the delegated power to hire and fire MSD employees (subject to collective bargaining agreements and applicable law).

(b) As of the Effective Date, all present and future MSD employees will be members of and accrue a benefit under the Cincinnati Retirement System ("CRS"); provided, however, that any such MSD employee who is already a member of the Ohio Public Employee Retirement System ("OPERS") will continue to be a member of OPERS and continue to accrue a pension benefit under OPERS, and will not become a member of CRS.

(c) The City is a party to the Collaborative Settlement Agreement and Consent Decree entered by the Court on October 5, 2015 (the "Pension Decree"). The BOCC is not a party to the Pension Decree, but agrees to continue to pay the employer contribution attributable to each MSD employee into CRS under the Pension Decree. The employer contribution for each MSD employee shall be determined by the Pension Decree or such subsequent means by which the City's employer contribution is determined. Because the BOCC will become the common law employer of MSD employees after the date of the execution of this Agreement, the City will notify and consult with the BOCC prior to agreeing to any change in the employer contribution for each MSD employee or any change in the prospective benefit accrual rates for current or future MSD retirees. The BOCC reserves the right, at its sole discretion, to seek to become an intervening defendant in the Pension Decree, which the City will not oppose, for the purposes of participating in any potential change in the employer contribution for each MSD employee or any change in prospective benefit accrual rates for current or future MSD retirees.

(d) The City and BOCC recognize that it may be desirable and in the common public interest if the assets and liabilities of CRS are merged into OPERS at some time in the future. The City and BOCC agree to collaboratively reevaluate and consider the merger of the assets and liabilities of CRS into OPERS at least once every five years. Immediately prior to every such five year evaluation, the parties will each appoint a designated representative to discuss the potential merger of such assets and liabilities. After the evaluation and consideration is completed by such representatives, they will report back to the BOCC and City regarding the feasibility of such a

merger. This provision shall not be binding on OPERS and shall in no way require OPERS to agree to the merger of CRS into OPERS.

(e) On the Effective Date, the employment terms and conditions of MSD employees will transition to the BOCC "as is," meaning that each represented and unrepresented employee will transition with his/her current position, current compensation, and current pension benefits. As a result, they will be employees of the County, subject to the existing agreements and policies of the BOCC. On the Effective Date, AFSCME and CODE will be recognized by the BOCC as the exclusive bargaining representatives of their existing units at the MSD. The BOCC will consent to and support certification of CODE and AFSCME as the exclusive representatives of said units if requested, and the BOCC will enter into collective bargaining agreements with AFSCME and CODE on the same material terms as their existing agreements with the City. CODE and AFSCME members will be provided the employee benefits negotiated in the CODE and AFSCME collective bargaining agreements with the BOCC, and all other MSD employees will be provided standard County employee benefits. The MSD Job Functions listed on Exhibit 1 to the Commitment Letter (without any minimum or maximum number of employees) cannot be shifted to non-MSD employees (private or public) without approval of a Supermajority Vote of the Citizens Board.

(f) The MSD has made significant investment in its facilities at the Gest Street campus, which will remain the main location for employees engaged in MSD operations during the Term.

(g) The City and BOCC are committed to promoting the economic success of all people and have established policies to promote and protect diversity and inclusion in their hiring and contracting practices. The MSD will not discriminate against any MSD employee or contractor based on race, gender, age, color, religion, disability status, marital status, sexual orientation or transgender status, or ethnic, national, or Appalachian regional origin. The MSD will comply with all applicable laws, regulations, and policies regarding contracting, including those designed to address discrimination against women, minorities, disadvantaged citizens, and small businesses. It is the intent of the parties to include all current and newly adopted regulations of the BOCC as recommended by the Hamilton County Office of Inclusion and pursuant to said Office's Advisory Board, for the purpose of improving the employment outcomes adopted by the Advisory Board up to and including April 30, 2018, or the Court's approval and order taking continuing jurisdiction over, and enforcement of, this Agreement, whichever is the last to occur.

ARTICLE 3 — TRANSFER OF ASSETS

3.1 Transfer of Certain Assets. On the Effective Date, the City will transfer, convey, assign, and deliver all of the City's right, interest, control and use, including as an agent of the BOCC, in the assets that comprise the MSD and are not Disputed Assets described in Section 3.2, Retained Documents described in Section 3.3, or Intellectual Property described in Section 3.4 (collectively, the "MSD Assets"), including the following:

(a) any agreement, contract, lease, consensual obligation, promise, or undertaking (whether written or oral and whether express or implied) related to the MSD (the "Contracts"), including those listed on Annex D attached hereto;

(b) all personal property consisting of all materials, supplies, machinery, tools, parts, computers, office furniture, office equipment, surveying equipment, construction equipment, sewer maintenance equipment, auxiliary equipment, motor vehicles, and all other personal property of every kind or nature, wherever located and owned, leased or acquired, in any manner, by the City or in the possession or control of the City, its agents, employees, or representatives or to which the City is entitled under or in connection with or related to the MSD and used in the operation of the MSD, except (i) as set forth in Annex E attached hereto, and (ii) the Intellectual Property described in Section 3.4;

(c) all licenses and permits owned, held, possessed, or entitled in the name of the City and utilized in the operation of the MSD;

(d) the MSD Accounts, and any other sewer revenues, funds, accounts or cash and cash equivalents that represent revenues generated by the operation of the MSD;

(e) all documents, opinions, emails, communications, memoranda, files, information, books, blueprints, maps, diagrams, ledgers, surveys, reports, books of account and other management documents, resolutions, rules and regulations, and all other records relative to the MSD (collectively, the "Records"), except for the Retained/Privileged Documents described in Section 3.3;

(f) all warranties, indemnities, commercial insurance policies, and guarantees related to the operation of the MSD Assets; and

(g) any and all other tangible and intangible assets that are not Disputed Assets, Retained/Privileged Documents, Intellectual Property, or listed on Annex E, but which are used, leased, or licensed by the City for the operation of the MSD.

3.2 Use of Disputed Assets.

(a) The BOCC and City disagree regarding their respective rights in all real property interests, treatment plants, fixtures, buildings, and system pipes owned or leased and used in the operation of the MSD (the "Disputed Assets").

(b) On and after the Effective Date, the following will apply during the Term:

i. The BOCC shall have the right to use all Disputed Assets;

ii. The City shall not sell, transfer, lease, separate, or otherwise dispose of or encumber the Disputed Assets or any part thereof in any way that would impair MSD bonds or other obligations payable from MSD revenues; and

(c) Notwithstanding anything to the contrary in this Agreement, the parties reserve and do not waive their existing claims, defenses, and positions regarding the Disputed Assets.

3.3 Retained/privileged Documents. The BOCC agrees that the City may maintain, and not transfer to the BOCC as part of Section 3.1(e) documents, memoranda, expert reports, studies and the like that were prepared in anticipation of litigation by or at the request of the City Solicitor or

the City's outside counsel where the City has taken legal positions adverse to the County. The City shall, however, deliver or make available to the County all information and/or documents reasonably necessary for the BOCC to fulfill its obligation to operate MSD and assume legal representation of MSD as set forth in paragraph 4.2. This information includes, but is not limited to, drafts and final forms of reports or other documents necessary to the operation or legal representation of MSD whether prepared by MSD, its consultants, contractors or third parties. In the event of a dispute regarding claims of privileged documents, the Court retains jurisdiction to resolve the matter.

3.4 Intellectual Property. For the duration of the Term, City hereby grants to BOCC a non-exclusive, royalty-free, and nontransferable license to use the intellectual property described on Annex F hereto (the "Intellectual Property") as reasonably required by BOCC for the purpose of, and for use solely in connection with, the operations of the MSD during the Term. Subject to the foregoing, City shall otherwise retain all of its right, title, interest, and ownership in and to the Intellectual Property, including without limitation, the sole right to license or sell the Intellectual a Property to others and to modify the Intellectual Property, including for other possible uses or applications.

3.5 Accounts Receivable. In the event that the City receives payment of any Accounts Receivable for the MSD after the Effective Date, then the City will remit such payment to the BOCC within 5 business days.

3.6 Transfer of Contracts. If there are any Contracts that require a consent prior to transfer and such consent has not been obtained prior to the Effective Date (each a "Restricted Contract"), the BOCC may elect at the Effective Date whether to:

(a) accept the assignment of such Restricted Contract, in which case, as between the BOCC and the City, such Restricted Contract will, to the maximum extent practicable and notwithstanding the failure to obtain the applicable consent, be transferred at the Effective Date pursuant to the Assignment and Assumption Agreement as elsewhere provided under this Agreement; or

(b) reject the assignment of such Restricted Contract, in which case, (A) neither this Agreement nor the Assignment and Assumption Agreement nor any other document will constitute a sale, assignment, assumption, conveyance or delivery or an attempted sale, assignment, assumption, transfer, conveyance or delivery of such Restricted Contract, and (B) the City will retain such Restricted Contract and all liabilities arising therefrom or relating thereto and the parties will make provision for the eventual transfer of such Restricted Contract under the Shared Services Agreement.

Notwithstanding the foregoing, the parties recognize that there may be some Contracts that may be deemed Restricted Contracts under this Section and as to which the City is a party but are utilized for multiple City purposes, including the MSD, but that would be in the best interest of the MSD for the BOCC to have the benefit of after the Effective Date. The parties agree to work in good faith in unwinding any such Contracts that cannot be assigned (e.g., City department-wide gas and electric contract).

3.7 Assignment of Licenses and Permits. On the Effective Date, the City will assign and transfer to the BOCC, and the BOCC will accept, all its right, title and interest in and to the licenses and permits related to the MSD, including those listed on Annex G. Further, the City will cooperate and work with the BOCC to cause reissuance, issuance and/or transfer, as appropriate, of the licenses and permits, and, in addition, to the extent that the BOCC is not able to obtain transfer, assignment, issuance or reissuance of such licenses and permits on or immediately after the Effective Date, the City and the BOCC will amend the Shared Services Agreement in a manner reasonably acceptable to both parties to enable the BOCC to perform all appropriate actions and operations pursuant to such licenses and permits as of the Effective Date such that the MSD may continue to operate after the Effective Date as it did before the Effective Date in an uninterrupted fashion.

ARTICLE 4 – CERTAIN AGREEMENTS

4.1 Environmental/Odor-Related Matters.

(a) The BOCC and City have agreed to implement certain odor control projects as listed on Exhibit 2 to the Commitment Letter. The parties agree to take future action as necessary to plan, design and construct them.

(b) To further address odor matters and other extraordinary environmental impact upon adjoining neighborhoods ("Extraordinary Environmental Impact") raised by operations of the MSD, after the Effective Date, a Supermajority Vote of the Citizens Board will be required prior to engaging in any future MSD projects or actions that would (i) result in the construction of new Plants or materially increase the volume or materially alter the types of waste feedstocks transported into Plants and, thus, potentially increase odors, or (ii) otherwise materially change the operations of the MSD in a manner that would result in, to a reasonable degree of probability, an Extraordinary Environmental Impact surrounding any such changed MSD operation (e.g., the transportation or treatment of any non-sewage waste not generated by MSD) (each a "Material Change"). However, changes to the volume or content of wastewater (including separate and combined sewer flows) conveyed through MSD's sewage collection system and its treatment at the Plants and the construction of those Consent Decree projects already approved by the Consent Decree regulatory agencies as of the Effective Date, or approved thereafter by those agencies, and any Consent Decree projects which require express approval by the Court, will not constitute a Material Change.

(c) Notwithstanding the foregoing, if an emergency or other temporary exigent circumstance occurs (e.g., if one Plant needs to transport and treat more waste because another is offline), MSD may make a Material Change to one or more Plants for a period not to exceed 120 days (which period may be extended upon approval by a Supermajority Vote of the Citizens Board).

(d) Any approval required by the Citizens Board under this Section 4.1 shall not be unreasonably withheld. None of the requirements or restrictions of this Section 4.1 shall apply if the MSD is mandated to take an action by federal or state laws or regulations.

4.2 Transfer and Assumption of Legal Representation. On the Effective Date, the City shall transfer and the BOCC and Hamilton County, Ohio Prosecuting Attorney shall accept and assume the legal representation of MSD for all MSD-related legal matters, including but not limited to the Consent Decree and its Sewer Back-Up ("SBU") claims, and also for those matters set forth on Annex H hereto, and for such MSD legal and Consent Decree matters that may be ongoing or arise after the Effective Date. The parties shall jointly take all actions, including but not limited to petitioning the Court and other courts, as needed, to transfer the legal representation of MSD from the City to the BOCC. The MSD Sanitary Fund will continue, after the Effective Date, to pay normal and historic claims for damages or judgments arising or resulting from the operations and/or management of MSD performed in the scope of duties for MSD (including compliance with the Consent Decree).

4.3 Reconciliation of Funds and Accounts. Following the transfer of the MSD Accounts on the Effective Date, the BOCC will reconcile the MSD Accounts against the audited statements for the most recently completed fiscal year of the City. The BOCC will complete such reconciliation within 75 days after the audited statements of the City for such recently completed fiscal year become available. The parties agree that any differences or issues that may arise from such reconciliation will be addressed and settled between representatives of the parties.

ARTICLE 5 — REPRESENTATIONS AND WARRANTIES BY THE CITY

The City hereby represents and warrants to the BOCC, as of the date of execution of this Agreement and on the Effective Date as follows:

5.1 Authorization. The City has full power and authority to make, execute, deliver, and perform the Transaction Documents.

5.2 Execution. This Agreement has been, and on the Effective Date the other Transaction Documents will be, duly and validly executed and delivered by the City and have been or will be duly authorized by all necessary or advisable governmental and other action all as required by applicable Laws including all authorizations and approvals by the City Council and the Mayor and constitutes (or upon such execution and delivery will constitute) legal, valid and binding obligations of the City enforceable against the City in accordance with all of the terms and provisions in this Agreement.

5.3 No Conflicts. Assuming that the City obtains all necessary consents with respect to the assignment or transfer of the Contracts and licenses and permits, the execution, delivery and performance of this Agreement by the City and the consummation by the City of the transactions contemplated in this Agreement will not: (a) breach or result in a default (or an event which, with the giving of notice or the passage of time, or both, would constitute a default) or otherwise give any person a basis for accelerated or increased rights or termination or nonperformance under any Contracts; (b) result in the violation of any provision of applicable Laws; or (c) result in the creation or imposition of any Liens upon the MSD or MSD Assets.

5.4 No Other Representations. Except for the representations and warranties made in this Article 5, the BOCC understands and agrees that neither the City nor anyone acting on its behalf makes any express or implied representations or warranties with respect to the MSD.

ARTICLE 6 — REPRESENTATIONS AND WARRANTIES OF THE BOCC

The BOCC hereby represents and warrants to the City, as of the date of execution of this Agreement and on the Effective Date as follows:

6.1 Authorization. The BOCC has full power and authority to make, execute, deliver and perform the Transaction Documents.

6.2 Execution. This Agreement has been, and on the Effective Date the other Transaction Documents will be, duly and validly executed and delivered by the BOCC and have been or will be duly authorized by all necessary or advisable governmental and other action all as required by applicable Laws and constitutes (or upon such execution and delivery will constitute) legal, valid and binding obligations of the BOCC enforceable against the BOCC in accordance with all of the terms and provisions in this Agreement.

6.3 No Conflicts. The execution, delivery and performance of this Agreement by the BOCC and the consummation by the BOCC of the transactions contemplated in this Agreement will not: (a) breach or result in a default (or an event which, with the giving of notice or the passage of time, or both, would constitute a default) or otherwise give any person a basis for accelerated or increased rights or termination or nonperformance under any agreement by which the BOCC or its assets are bound or (b) result in the violation of any provision of applicable Laws.

6.4 No Other Representations. Except for the representations and warranties made in this Article 6, the City understands and agrees that neither the BOCC nor anyone acting on its behalf makes any express or implied representations or warranties with respect to the MSD.

ARTICLE 7 — EXTENSION, TERM AND CONDITIONS PRECEDENT

7.1 Extension of 1968 Operating Agreement. If the Effective Date is not on or before April 30, 2018, the parties agree that the 1968 Operating Agreement will automatically be extended to the earlier of the Effective Date or September 30, 2018, at which time the 1968 Operating Agreement will terminate. If any condition precedent set forth in Sections 7.3, 7.4 or 7.5 of this Agreement is not met or expected to be met by April 30, 2018, then the parties will resume Court mediation on the MSD Case, or seek other remedies.

7.2 Term. The term of this Agreement (the "Term") shall be the later of 45 years from the Effective Date or the date of termination of the Consent Decree.

7.3 Conditions Precedent to the Effective Date. The Effective Date will not occur prior to the completion of the following, as necessary and appropriate:

(a) Any state law changes required to ensure that MSD employees may be members of CRS;

(b) Any state law changes required related to the power granted to the Citizens Board in the Commitment Letter; and

(c) The City shall be removed as a defendant, and shall not remain or act to become a party to, the MSD Case, except as necessary to enforce this Agreement; the County shall then be the sole defendant in the MSD Case.

7.4 Conditions Precedent to the Obligations of the BOCC. Unless otherwise specified, the BOCC's obligations hereunder are subject to the satisfaction by the City immediately prior to the Effective Date of each of the following conditions precedent:

(a) *Representation and Warranties.* All representations and warranties made by the City will be correct, true and complete in all material respects, as of the Effective Date, with the same force and effect as though such representations and warranties had been made again on the Effective Date;

(b) *Consents and Approvals.* The City will have obtained or made each consent to assignment or transfer, authorization, approval, exemption, filing, registration or qualification, if any, which are necessary (under applicable Laws or otherwise) for the City to execute, deliver and perform the Transaction Documents, or in the case of licenses and permits that are not transferable or for which a consent to assignment cannot be obtained, the BOCC will have satisfied itself that it will be able to obtain or enter into similar permits and agreements in its own name, or to otherwise obtain the benefits of such permits and agreements.

(c) *Other Transaction Documents.* The City and any other parties thereto (other than the BOCC) will have executed and delivered to the BOCC the following documents and instruments, in form and substance satisfactory to the BOCC and its counsel, as are necessary or desirable in order to consummate the transactions contemplated hereby, each dated as of the Effective Date (the "Transaction Documents"):

(i) a Bill of Sale in substantially the form attached here to as Annex I;

(ii) an Assignment and Assumption Agreement in substantially the form attached hereto as Annex J (the "Assignment and Assumption Agreement");

(iii) the Shared Services Agreement; and

(iv) the Nineteenth Supplemental Trust Agreement in the form attached hereto as Annex K, reflecting that the City is no longer a party to the Trust Agreement dated October 1, 1985 or any related documents, including the Seventeenth Supplemental Trust Agreement, dated July 15, 2013.

7.5 Conditions Precedent to the Obligations of the City. Unless otherwise specified, the City's obligations hereunder are subject to the satisfaction by the BOCC immediately prior to the Effective Date of each of the following conditions precedent:

(a) *Representation and Warranties.* All representations and warranties made by the BOCC will be correct, true and complete in all material respects, as of the Effective Date, with the same force and effect as though such representations and warranties had been made again on the Effective Date;

(b) *Other Transaction Documents*. The BOCC and any other parties thereto (other than the City) will have executed and delivered to the City the following documents and instruments, in form and substance satisfactory to the City and its counsel, as are necessary or desirable in order to consummate the transactions contemplated hereby, each dated as of the Effective Date:

(i) the Assignment and Assumption Agreement;

(ii) the Shared Services Agreement; and

(iii) the Nineteenth Supplemental Trust Agreement in the form attached hereto as Annex K.

ARTICLE 8 — MISCELLANEOUS

8.1 Cooperation.

(a) The parties agree that their respective administrations shall work expeditiously, cooperatively, and in good faith to implement this Agreement and the Shared Services Agreement. The City agrees to fully and expeditiously cooperate and assist the BOCC and its administration in the transition and implementation of this Agreement and the BOCC's implementation of the Consent Decree. The parties will execute in an orderly manner, all necessary assignments/transfers of contracts, transition and transfer of finances, systems, data, personnel and other matters, and cooperate in unwinding any contracts that cannot be assigned (e.g., City department-wide gas and electric contract). The City and BOCC will continue to cooperate to promote economic development throughout the community. The MSD shall not unreasonably withhold cooperation related to development projects.

(b) BOCC and the City agree that MSD shall be permitted to participate fully in the City's permitting and planning processes in substantially the same manner that it currently is involved in those processes (or as otherwise requested by the City and agreed by the BOCC, if those processes change over the Term). In order to promote efficient and effective business and neighborhood development, the BOCC will ensure that the MSD will communicate with all jurisdictions served by the MSD, including the City, with respect to permitting and planning processes.

(c) The parties recognize that certain stormwater functions and responsibilities will remain interconnected with the MSD beyond the period of transition and will continue to evolve throughout the Term of this Agreement just as such interconnected systems exist in other MSD jurisdictions with combined sewer overflows. As a result, the BOCC and the City will continue to cooperate on stormwater management to allow for the cost-effective maintenance and use of stormwater assets and the expeditious review of stormwater impacts for development projects, land use applications, and permits. Prior to implementing any new MSD stormwater detention policy, the BOCC will ensure that the MSD will provide the draft policy to all jurisdictions affected by the policy for review and comment, including the City.

8.2 Third Party Disputes. Each party hereby agrees to reasonably assist the other party in the event any disputes arise between any party and any third party arising out of the operation and

maintenance of the MSD. In the event of a dispute between the BOCC or the City and any third party, the City and the BOCC will cooperate with each other to resolve and defend such dispute.

8.3 Notices. Any notice required or desired to be given to a person under the provisions in this Agreement will be in writing and either personally delivered or delivered by sending the notice by first class mail, certified mail, return receipt requested, postage prepaid, or a reliable and reputable overnight courier service, charges prepaid, to the address provided below or to such other address as directed in writing. Notice pursuant to this paragraph will be conclusively deemed to have been given to the person entitled thereto, upon the earlier of actual receipt or the second business day after deposit in the United States mail or the next business day after timely deposit with an overnight courier service for delivery to that person. Unless otherwise directed, notice will be delivered to the following addresses:

If to the City:
City Manager
Office of City Manager
801 Plum Street, Suite 152
Cincinnati, Ohio 45202

With a copy to:
City Solicitor
Office of the City Solicitor
801 Plum Street, Room 214
Cincinnati, OH 45202

If to the BOCC:
County Administrator
Hamilton County Administration
138 E. Court Street
Cincinnati OH 45202

With a copy to:
Hamilton County Prosecutor
Hamilton County Prosecutor's Office
230 E. Ninth Street
Suite 4000
Cincinnati OH 45202

8.4 Effect of Waiver or Consent. No course of dealing, custom or conduct nor any delay or failure on the part of the City or the BOCC to exercise any right, power or remedy will be or be deemed a waiver or release of such right, power or remedy or otherwise prejudice or impair the rights, powers, benefits and/or remedies of the City or the BOCC. No waiver or release by the City or the BOCC will be valid or binding unless given in a writing signed by the City or the BOCC to be charged with the waiver or release. A waiver or consent, express or implied, to or of any breach or default by any party in the performance by that party of any of its/his duties or obligations with respect to this Agreement is not a consent or waiver to or of any other breach or default in the performance by that party or any other party of the same or any other duties or obligations of that party or any other party with respect to this Agreement. Failure on the part of a party to declare any party in default or breach with respect to this Agreement, irrespective of how long that failure continues, does not constitute a waiver or release by that party of its rights

with respect to that default or breach until the period of the applicable statute of limitations has expired.

8.5 Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original as against any party whose signature appears thereon, and all of which will together constitute one and the same instrument. If executed in multiple counterparts, this Agreement will become binding when any counterpart or counterparts, individually or taken together, bear the signatures of all of the parties. This Agreement, to the extent signed and delivered by means of facsimile machine or other electronic transmission (including .pdf), will be treated in all manner and respects and for all purposes as an original agreement and will be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. Neither party will raise the use of facsimile machine or other electronic transmission to deliver a signature or the fact that any signature or agreement was transmitted or communicated through the use of facsimile machine or other electronic transmission as a defense to the formation or enforceability of this Agreement and each party forever waives any such defense.

8.6 Amendments and Binding Effect. All amendments to this Agreement must be in writing, signed by the City and the BOCC and will take effect immediately. Oral agreements to amend or change this Agreement, or any part thereof, will not be valid or binding and the City and the BOCC, for themselves and their successors, fully and forever waive and release any and all rights to make, assert or claim that this Agreement has been amended by an oral agreement. This Agreement and all provisions herein will be binding upon and inure to the benefit of the City and the BOCC and their respective successors; provided that neither party may assign or transfer any of its rights or interests under this Agreement without first obtaining the prior written consent of the other party which consent will not be unreasonably withheld, delayed or conditioned.

8.7 Governing Law and Jurisdiction. This Agreement and the rights and duties of the City and the BOCC will be governed by and interpreted and enforced in accordance with the laws of the State of Ohio. The parties agree that jurisdiction over this Agreement will remain with the United States District Court for the Southern District of Ohio, which currently maintains jurisdiction over the Consent Decree, MSD Case, and Pension Decree.

8.8 Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

8.9 Interpretation and Construction. In no event will any construction, interpretation, enforcement, presumption or inference, in favor of or against the City, the BOCC or any person be made as a consequence of the identity of the draftsman of this Agreement. The City and the BOCC covenant and agree that this Agreement will be construed and interpreted in a neutral manner and in interpreting this Agreement, there will be no presumption or inference, by operation of law or otherwise, that any provision or part of this Agreement will be more strictly construed against any person for any reason whatsoever. In interpreting this Agreement, the use of any gender will include all genders; the singular will include the plural and the plural the singular and words used in the past or present tense will include the future whenever necessary or advisable to

produce the intended meaning or effect unless the application of the foregoing would result in a construction inconsistent with the manifest intent or objectives of this Agreement. All references to annexes are to annexes attached hereto, each of which is incorporated herein and made a part hereof for all purposes. The paragraph headings in this Agreement are for convenience only they do not form a part of this Agreement and will not affect or be used in its construction or interpretation. The provisions in this Agreement, in all circumstances, will always control and supersede any course of conduct, dealing, performance, custom or usage inconsistent or in conflict with any of the provisions in this Agreement.

8.10 Further Actions. The City and the BOCC agree that each party will cooperate fully and act in good faith with the other party and will comply fully with all provisions and applicable Laws relating to the preparation and maintenance of complete and accurate Records. If, at any time after the execution of this Agreement, any further action is necessary or desirable to carry out the intent or any of the purposes or objectives of this Agreement, the City and the BOCC will take or cause to be taken all such necessary, advisable or convenient action and execute, acknowledge, deliver and file all necessary, desirable or convenient documentation. After the Effective Date, the parties agree that any rules, regulations, policies, or contracts of the MSD that now reference the City or its departments, officers, or personnel will be modified automatically and without any further action of the parties so that such rules, regulations, policies and contracts refer to Hamilton County or the appropriate Hamilton County department, officers or personnel.

8.11 Entire Agreement. This Agreement, exhibits hereto, any documents incorporated herein, duly executed amendments hereto and the Commitment Letter contain the entire agreement and understandings by and between the City and the BOCC with respect to the subject matter hereof and supersedes all prior and contemporaneous inducements, agreements and/or understandings, express or implied, oral or written, with respect thereto.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the City and the BOCC, by their duly authorized representatives, have executed this Agreement as of the date first set forth above.

THE CITY OF CINCINNATI

By: _____

Name: Patrick Duhaney

Title: Acting City Manager

APPROVED AS TO FORM:

_____

THE BOARD OF COMMISSIONERS OF HAMILTON COUNTY

By: _____

Name: Jeffrey Aluotto

Title: County Administrator

APPROVED AS TO FORM:

_____

ADDENDUM
VOLUNTARY DISCLOSURE
REGARDING THE IMPACT OF THE COVID-19 PANDEMIC

The County is providing this Addendum on a voluntary basis and by releasing such Addendum undertakes and assumes no obligation to further update the information contained herein except as otherwise required by law.

This Addendum is current only as of date of this Annual Information Statement to which it is attached and the County makes no representation as to the accuracy or completeness of the information contained herein after the release of such Annual Information Statement.

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Information provided in the Financial Statements and Reports of the County

FY 2020 Audited Financial Statements. The Audited Financial Statements of the County for FY 2020 (including the 2020 Annual Comprehensive Financial Report (the "2020 ACFR")), which are posted separately on EMMA, provided information regarding the impact of the COVID-19 Pandemic on the County as of the date thereof, including, but not limited to, information available in the following sections in the 2020 ACFR:

- Schedule of Expenditures of Federal Awards (numbered pgs. 1-6)
- Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by Government Auditing Standards– Emphasis of Matter (numbered pg. 9)
- Independent Auditor's Report on Compliance with Requirements applicable to each Major Federal Program and on Internal Control over Compliance required by the Uniform Guidance (numbered pg. 12)
- Introductory Letter to ACFR
  - Factors Affecting Financial Condition – Local Economy (numbered pg. 3)
  - Long-Term Financial Planning and Major Initiatives (numbered pg. 3)
- Independent Auditor's Report – Emphasis of Matter (numbered pg. 10)
- Management's Discussion and Analysis
  - Changes in Net Position (numbered pgs. 22-23)
  - Governmental Funds - Public Emergency Grants Fund (numbered pg. 27)
  - Proprietary Funds - Other Enterprise Funds (numbered pg. 28)
  - General Fund Budgetary Highlights (numbered pg. 29)
  - Economic Factors, Next Year's Budgets and Rates, and Other Significant Matters (numbered pg. 32)
- Notes to the Basic Financial Statements
  - Note C – Fund Accounting – Governmental Funds (numbered pg. 56)
  - Note L – COVID-19 (numbered pg. 113)
- Operating Indicators by Function/Program (numbered pgs. 198-199)

<u>Unaudited</u> 2021 Annual Comprehensive Financial Report. The Unaudited 2021 Annual Comprehensive Financial Report, which is attached as ***Appendix A-1*** to this Annual Financial Information Statement, provides information regarding the impact of the COVID-19 Pandemic on the County as of the date thereof, including, but not limited to, information available in the following sections:

- Introductory Letter - Factors Affecting Financial Condition
  - Local Economy (numbered pg. 3)
  - Long-Term Financial Planning and Major Initiatives (numbered pg. 3)
- Independent Auditor's Report
  - Emphasis of Matter (numbered pg. 9)
- Management's Discussion and Analysis
  - Changes in Net Position - Governmental Activities (numbered pg. 23)
  - Financial Analysis of the County's Funds
    - Governmental Funds – General Fund (numbered pg. 26) and Public Emergency Grants Fund (numbered pg. 27)
    - Proprietary Funds - Other Enterprise Funds (numbered pg. 28)
  - Economic Factors, Next Year's Budget and Rates, and Other Significant Matters (numbered p. 32)
- Notes to the Basic Financial Statements
  - Note C – Fund Accounting – Public Emergency Grants (numbered pg. 58)
  - Note L – COVID-19 (numbered pg. 113)
- Statistical Schedules - Operating Indicators by Function/Program (Last Ten Fiscal Years) – Table Note 10 (numbered pg. 199)

Additional Information

Federal Financial Assistance. The U.S. Congress adopted the following legislation in order to provide federal financial assistance in managing the collateral effects of the COVID-19 Pandemic:

1. In March 2020, three separate measures including (i) the Coronavirus Preparedness and Response Supplemental Appropriations Act, (ii) the Families First Coronavirus Response Act, and (iii) the Coronavirus, Relief and Economic Security (or "CARES") Act, providing approximately $3 trillion to deliver fast and direct economic assistance to American workers, families and small businesses;

2. In December 2020, the Coronavirus Response and Relief Supplemental Appropriations Act (the "CRRSA Act"), providing approximately $900 billion in additional assistance; and

3. In March 2021, the American Rescue Plan Act of 2021 (the "ARP Act"), providing approximately $1.9 trillion in additional assistance.

County Response to the COVID-19 Pandemic. The COVID-19 Pandemic has been unprecedented as it relates to the economy, which has led to increased uncertainty across the United States, including the County. The County continues to actively monitor its revenue collections, and implemented various expense reduction measures. As a general matter, revenue levels have returned to pre-COVID-19 Pandemic levels. Two revenue areas that have sustained a continued impact from the COVID-19 Pandemic are parking revenues and the hotel lodging tax. Parking revenues in County garages are projected for 2022 at 84% of 2019 collections ($13.5M vs $16.0M). Lodging tax is projected at 89% of 2019 collections ($16.4M vs $18.5M). Q2 lodging tax reached 95% of 2019 levels. Otherwise, property tax revenues, sales tax revenues and non-tax revenues have returned to pre COVID-19 Pandemic levels or have increased.

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While the COVID-19 Pandemic has the potential to adversely affect the finances of the County, to date, the COVID-19 Pandemic has not had a material adverse impact thereon. The federal relief funds received have assisted the County in managing such impact and covering necessary expenditures. The County cannot predict the full effect that the COVID-19 Pandemic will have on its financial condition or operations and will continue to monitor the impact.

[END OF ADDENDUM]