

Comprehensive Annual
FINANCIAL REPORT

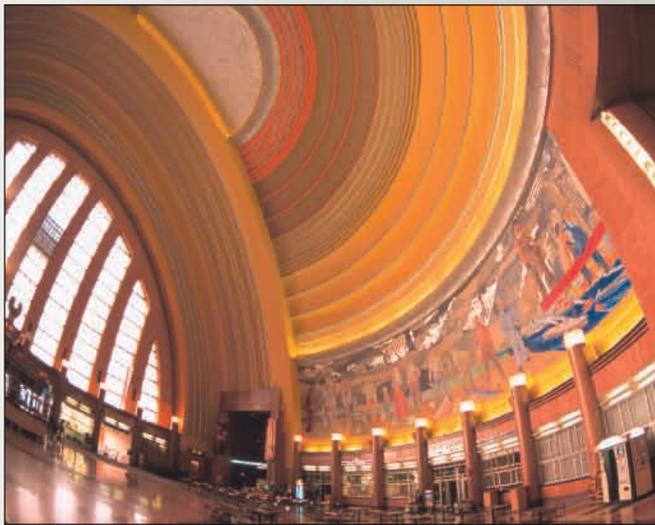
FOR THE YEAR ENDED DECEMBER 31, 2008



2008

CITY OF CINCINNATI, OHIO

75th Anniversary UNION TERMINAL



Built in 1933, the Cincinnati Union Terminal was first proposed in the early part of the 20th century as a solution to the chaotic existing railroad system. While the success of the train station was short lived, the building (now the Cincinnati Museum Center) stands today as a National Historical Landmark and is named as one of the top 50 architecturally significant buildings in America by the American Institute of Architects.



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FOR THE YEAR ENDED DECEMBER 31, 2008

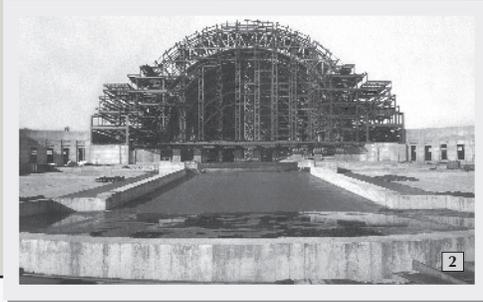
Director of Finance:
Joe Gray

Assistant Director of Finance:
Kathleen A. Creager, CPA

Finance Manager:
Christopher A. Bigham, CPA

CITY OF CINCINNATI, OHIO

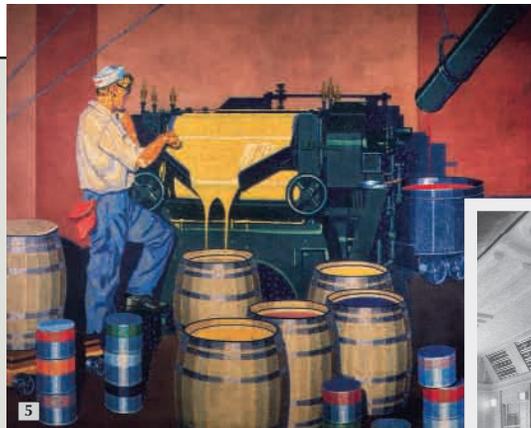




INTRODUCTORY SECTION

Designed by the New York firm of Fellheimer and Wagner, the Cincinnati Union terminal was originally a self-sustaining complex of 22 distinct buildings. Work began in August 1929, and was completed in March 1933. Behind its magnificent art deco façade is the largest freestanding half-dome in the western hemisphere, with a span of 180 feet and a height of 106 feet. Their first designs were classical in style until Paul Phillippe Cret, a friend of Steward Wagner, was engaged as a consultant and influenced the art deco style of the building. The final design followed the popular art deco style of that era. The project eventually cost \$41,000,000 to complete and was finished on March 31, 1933.

Fellheimer and Wagner commissioned artist Winold Reiss to design and create huge color mosaic murals for the rotunda and the train concourse to assist in creating Art Deco style for the entire building. The concourse was 450 feet long and contained 14 mosaic murals depicting scenes of Cincinnati's leading industries. The murals in the rotunda depict the development of the nation; he drew the portraits from life, frequently using Cincinnatians as his subjects. The murals were executed in small colored-glass pieces called "terasse." In 1972, just before the concourse was demolished, the murals were moved to their current home in the Greater Cincinnati Airport.



**CITY OF CINCINNATI, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For the year ended December 31, 2008**

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City of Cincinnati



DEPARTMENT OF FINANCE

SUITE 250, CITY HALL
801 PLUM STREET
CINCINNATI OH 45202
PHONE (513) 352-3731

June 30, 2009

JOE GRAY
DIRECTOR OF FINANCE

The Honorable Mayor, Members of City Council,
and the Citizens of the City of Cincinnati, Ohio

We are pleased to submit the City of Cincinnati's Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2008. State law requires that the City of Cincinnati annually publish a complete set of financial statements for the results of its fiscal operations, presented in conformity with generally accepted accounting principles (GAAP). This report is prepared by the Department of Finance, which is responsible for the accuracy of the data and the completeness and fairness of its presentation, including disclosures. We believe that the information presented is accurate in all material respects and reported in a manner designed to show the financial position and operating results of the City.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A) that is located on page 19. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

The Administration believes that the City's internal control structure provides reasonable assurance that assets are safeguarded, transactions are recorded and reported appropriately, and policies are followed. The concept of reasonable assurance recognizes that the cost of a control procedure should not exceed the expected benefit.

An important element of the City's control structure is the ongoing program to promote control consciousness throughout the organization. The Administration's commitment to this program is emphasized through written policies and procedures, and a well-qualified financial staff.

The firm of Clark, Schaefer, Hackett and Co. was selected, by the Auditor of the State of Ohio, in October 2004 to perform the City's audit for the five years 2004 to 2008. Clark, Schaefer, Hackett and Co. has audited the accompanying financial statements. Their report is included herein.

A single audit is an organization-wide financial and compliance audit that is conducted in lieu of the traditional grant-by-grant multiple audits performed in the past. Federal law requires us to have this single audit of all City activities. We have remained in compliance with this requirement since its inception in 1985. Clark, Schaefer, Hackett and Co. conducted the single audit for the 2008 fiscal year.

Profile of the Government

Cincinnati was founded in 1788, chartered as a village in 1802, and incorporated as a City in 1819. It is located on the Ohio River in Southwestern Ohio near the junction of Ohio, Indiana and Kentucky. Voters approved major revisions to the City Charter in 1926 to provide for home rule and the council-manager form of government. The City's form of government was modified in 2001 based on a charter amendment approved by the voters in 1999 to implement a strong Mayor form of government. The Mayor is chosen through a direct election and the nine-members of City Council are chosen in a separate at-large election.

The Mayor is elected to a four-year term and City Council members are elected to two-year terms. Term limits enacted in November 1993 limit members of City Council to four consecutive two-year terms and the Mayor to two consecutive four-year terms. The Mayor appoints the City Manager subject to prior approval of the City Council.

The City is the only governmental unit in the reporting entity; it has no component units. In determining what constitutes the City reporting entity, the criteria established by the Governmental Accounting Standards Board were used. The City is not financially accountable for any potential component units. Hamilton County and the Cincinnati City School District are separate governmental jurisdictions that overlap the City's boundaries. These entities are not included in the City's financial reports.

An annual operating budget is adopted each fiscal year for the General Fund and several Special Revenue Funds which operate on an annual budget. Budgetary data is presented for these funds as well as the Capital Projects Fund, Debt Service Fund and other Special Revenue Funds which are mostly grants. For each budgeted expenditure classification, the level of appropriation control, which may not be exceeded, is: personal service, non-personal service, capital outlay, and debt service. Any revisions that alter the appropriation control classification of any division within a City department must be approved by the City Council. Encumbrances do not lapse at year-end and are included as expenditures in the current year budget (Non-GAAP Budgetary Basis).

The City provides the full range of municipal services including police and fire protection, parks, recreation, public services (highways, streets, and waste collection), health and human services, culture, public improvements, planning and zoning, general administrative, water and sewer services.

Information Useful in Assessing the Government's Economic Condition

Local Economy

Forty-three percent of the nation's population, 41% of the nation's purchasing power, 44% of the nation's manufacturing establishments, and 54% of the nation's value added by manufacturing are located within 600 miles of the City. The City's diverse economic base has been and continues to be a source of financial stability for the City. Among its prominent manufacturing groups are transportation equipment, which includes aircraft engines and auto parts; food and kindred products; metalworking and general industrial machinery; chemicals; fabricated metal products; printing and publishing.

According to the Greater Cincinnati Chamber of Commerce in its Economic Outlook 2009, the economic slowdown which began in 2007 will continue through 2009. Recovery will depend primarily on the results of the Federal Government stimulus which began in 2008 with the banking industry. However, the regional area maintains recognition as a good place to live which helps improve prospects for future growth and immigration. Recently, expansion and relocation activity has turned more favorable.

During the past five years, the unemployment rate in the Cincinnati MSA rose slightly from an initial low of 5.1% (2004) to a high of 5.8% (2008). Regional job growth is expected to decline by 1.5% in 2009. The overall economic slowdown will continue to affect job growth and unemployment throughout 2009.

Cincinnati's keys to successful recovery are in its ability to attract and maintain business and to reduce impact of loss of population and jobs to growing suburban areas.

Per the U.S. 2000 Census the City of Cincinnati's population was 331,285. The 2008 updated population estimates made by the Census Bureau has the Cincinnati population at 332,458.

Long Term Financial Planning

City Council established standards for a minimum working capital reserve account in 1984 to assure a strong financial position and to protect Cincinnati's general obligation bond rating during periods of fiscal stress. The policy called for achievement of a minimum reserve level, for emergency needs of a catastrophic nature, of no less than 5% or more than 8% of general operating revenues by December 31, 1986. The targeted year-end reserve level was achieved in January of each year 1985 through 2008. For 2009, the target reserve of \$25.3 million (6.9% of 2009 estimated revenues) has already been achieved.

Actual Non-GAAP General Fund expenditures/encumbrances in 2008 were \$365.9 million which is a \$4 million increase compared with 2007 expenditure/encumbrances of \$361.9 million. Actual Non-GAAP revenue in 2008 of \$360.7 million was greater than the original 2008 revenue estimate of \$356.7 million by \$4 million.

Standard and Poor's rates the City's general obligation bonds "AA+", the second highest rating. The City's bond rating by Moody's is Aa1", the second highest rating. The ratings reflect the City's strong financial management and healthy local economy.

Relevant Financial Policies

Cash temporarily idle during the year was invested in Certificates of Deposit, obligations of the U.S. Treasury, and the State Treasurer's investment pool. The City has an investment committee that meets regularly to review investment policies and procedures. Beginning in March 2003, separate portfolios were created for general investments and bond investments in order to track specific interest earned on bond proceeds.

The City's Investment Policy, which was approved by the Mayor and City Council, is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits are either insured by federal depository insurance or collateralized. The investments held by the City at December 31, 2008 were either backed by the full faith and credit of the U.S. Government or were investments with a credit rating of A-/A3 and above. The Investment Policy uses a laddered approach to schedule investment maturities whose weighted average maturity of the general investment portfolio is not to exceed two years. As of December 31, 2008, the weighted average maturity was 722.37 days. The Investment Policy also identifies a benchmark that is used to monitor the performance of the investment portfolio. During 2008, the benchmark ranged from 3.02% to 4.56% and the rate of return for general investments ranged from 3.82% to 4.73%. The rate of return on general investments was 4.20% in 2008 compared to 4.85% for all investments in 2007.

The City maintains a comprehensive all-risk property insurance program through a commercial carrier, covering approximately \$1 billion in property values. The program contains a \$100,000 deductible, provides 100% replacement cost of property and has a maximum limit of \$100 million for earthquake damage and \$100 million for flood damage.

The City of Cincinnati Retirement System's (CRS) net plan assets decreased from \$2.68 billion as of December 31, 2007 to \$1.82 billion as of December 31, 2008. The decrease of \$865 million was due to the fourth quarter market conditions in 2008. (See Pension Trust Fund financial statements on pages 48 and 49 and footnote 20.)

The Cincinnati Retirement System's actuary reported the funding progress of the plan as of December 31, 2008 deteriorated. The funding ratio at year-end 2008 was 71.2% down from 86.2% year-end 2007. The decrease in the funding ratio was due primarily to a change in the value of plan net assets as well as the increase in retiree health care costs. The City Council changed retiree health care so that those retiring from the CRS after September 2007 will have the same medical coverage as active employees.

Major Initiatives

In 2008, the City continued to improve customer service throughout city government and promote revitalization of neighborhoods, downtown, and the riverfront area. Major initiatives, accomplishments, and positive changes were made in the following areas and are of particular interest.

In November 2007, the City of Cincinnati and Hamilton County approved a series of agreements to develop the Banks on the city's central riverfront. This vibrant riverfront development will include a variety of residential options, entertainment venues including restaurants and bars, riverfront offices and hospitality spaces, and an expansive green 40-acre riverfront park. This first of its kind project in Cincinnati will benefit the entire Greater Cincinnati region. In addition to creating a destination where people can live, work, and play, the Banks will be a catalyst for regional economic growth. It will drive more than \$600 million in private investment to our riverfront, provide a place to live for more than 3,000 residents and create hundreds of jobs during construction alone.

The first phase, which has already begun, will include infrastructure improvements, parking garages, commercial and retail spaces. The City expects to receive \$24.7 million in federal stimulus funding that will go towards the funding of Phase II. The Phase I public infrastructure and garage is expected to be complete by the end of 2010.

The Baldwin Office Complex Project is a newly completed project immediately east of downtown. Corporex Companies, LLC constructed an office and hotel development consisting approximately of 250,000 square feet of single tenant commercial office space, an approximately 123-room select service hotel, and approximately 1,100 parking spaces. The \$86 million dollar project created 300 new jobs and retained 529 existing full time positions.

Queen City Square Tower, the second office building in this complex was commenced construction in June, 2008. The building includes 800,000 square feet of Class A office space, 25,000 square feet of street level retail space and a 1,700 space parking garage. The City pledged TIF revenues for this project.

In April 2007, Neyer Properties, Inc. began construction of a 400,000 square foot Class A office complex known as Keystone Parke east of downtown along I-71. The development will sit atop a three level parking garage and is scheduled for completion in 2010. Upon completion, the tenants at the site will employ approximately 2,000 people.

Tax Incentive Districts

Ohio cities may now create Tax Incentive Districts up to 300 acres in size. In the past, the City's TIF authority was limited to specific projects. This change provides Cincinnati with a new tool to stimulate development and investment in depressed portions of the community. Under the new legislation, eleven areas of Cincinnati were approved as Tax Incentive Districts by Cincinnati's City Council in December 2002 and an additional nine TIF districts were approved in December 2005.

In 2008, the City began development on the Madison Circle project. The development includes 130,000 square foot nursing home facility, a 110 unit assisted living facility and a pet care facility. Approximately 600 jobs are anticipated to be created or retained at completion of the project.

Awards and Acknowledgements

Certificate of Achievement and Budget Award

During 2008 the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Cincinnati for its comprehensive annual financial report for the fiscal year ended December 31, 2007. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual 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.

This is the twenty-eighth consecutive year that the City has received this award. In 1979, for our 1978 annual financial report, we were the first governmental unit in Ohio to receive the Certificate. As of December 31, 2006, 116 municipal reporting entities in Ohio and only 1,782 units nationwide are holders of the Certificate. We believe our current report continues to conform to the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its' eligibility for another certificate.

We are equally proud of the GFOA's Award for Distinguished Budget Presentation earned by the City for its 2007/2008 biennial budget. This is the 22nd consecutive year that the City has received this award. For the fiscal years beginning in 2007, only 15 entities in Ohio and only 704 nationwide received the award.

The preparation of this Comprehensive Annual Financial Report was accomplished by the efficient and dedicated services provided by the entire staff of the Department of Finance. Each member of the Department has our sincere appreciation for the contribution made in the preparation of this report. Appreciation is also expressed to those in other City departments for their cooperation and assistance in matters pertaining to the financial affairs of the City. We hereby acknowledge and thank all who contributed their time and effort.

Respectfully,



Joe Gray
Director of Finance

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Cincinnati
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

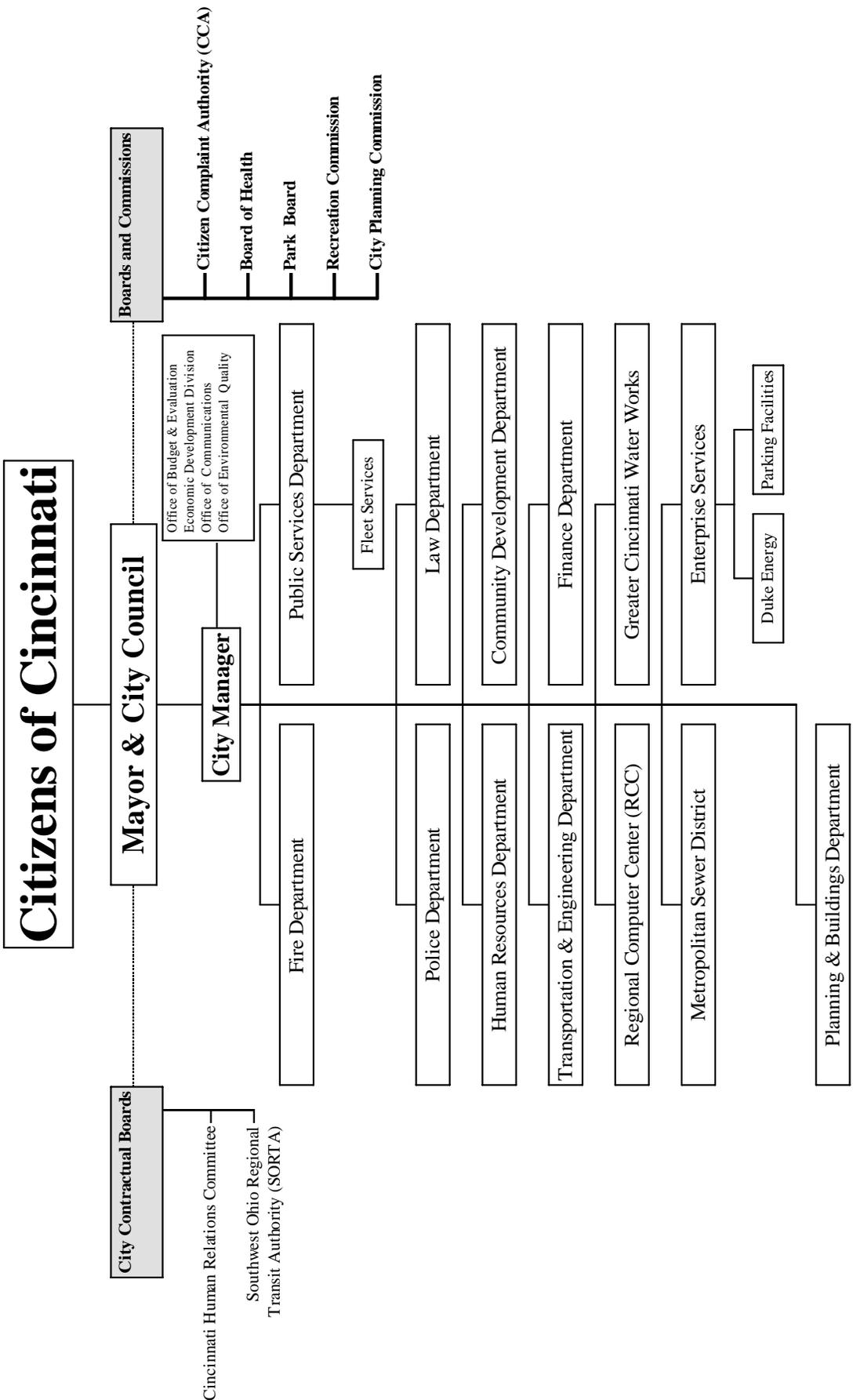
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

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CITY OF CINCINNATI, OHIO

Principal City Officials

CITY COUNCIL

Mark Mallory, Mayor
First term

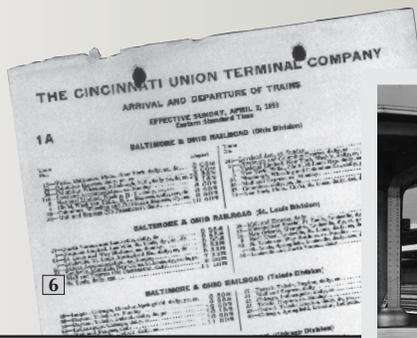
David Crowley, Vice Mayor, fourth term
Chris Monzel, third term
Jeff Berding, second term
Chris Bortz, second term
Roxanne Qualls, first term

Y. Laketa Cole, third term
John Cranley, fourth term
Leslie Ghiz, second term
Cecil Thomas, second term

CITY MANAGER

Milton Dohoney, Jr.

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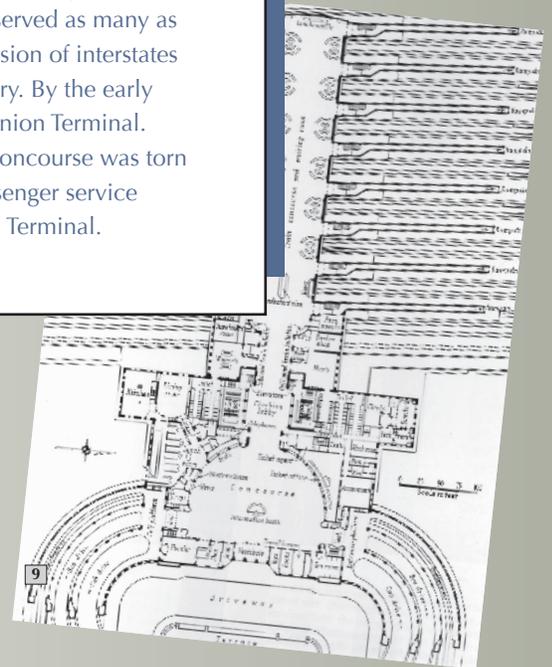


FINANCIAL SECTION

The construction of Union Terminal was the cooperative project of the railroad companies that served the city. Union Terminal centralized the freight and passenger operations of the Big Four railroad companies. The Union Terminal concourse extended from the rear of the rotunda and was built above 16 tracks and 8 platforms where passengers would board. The entry to the terminal rotunda was through the main doors or through side entrances from the three vehicular tunnels used by cars, taxicabs and interurban buses.



The station was designed to accommodate 17,000 passengers and 216 trains a day. During World War II, Cincinnati Union Terminal experienced success as a major transfer point for soldiers; the station served as many as 20,000 passengers a day. In the 1950s, the sudden expansion of interstates and airlines led to the rapid decline of the railroad industry. By the early 1970s, only two passenger trains a day passed through Union Terminal. Passenger train service left Union Terminal in 1972; the concourse was torn down in 1974, but the rest of the building remained. Passenger service resumed in 1991 when Amtrak began operating at Union Terminal.



INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cincinnati, Ohio as of and for the year ended December 31, 2008, which collectively comprise the City of Cincinnati, Ohio's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Cincinnati, Ohio's management. Our responsibility is to express opinions on the financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cincinnati, Ohio as of December 31, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2009 on our consideration of the City of Cincinnati, Ohio'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 described the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing* and should be considered in assessing the results of our audit.

105 east fourth street, ste. 1500
cincinnati, oh 45202

www.cshco.com
p. 513.241.3111
f. 513.241.1212

The management's discussion and analysis and the budgetary information on pages 19-31 and 103-106, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

Clark, Schaefer, Harshbarger & Co.

Cincinnati, Ohio
June 29, 2009

City of Cincinnati

Management's Discussion and Analysis

As management of the City of Cincinnati (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2008. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 5 - 9 of this report. The government-wide financial statements are presented on a GAAP basis; that is, they reflect accrual basis of accounting. The GAAP fund financial statements will differ from those presented on a budgetary basis.

Financial Highlights

- The assets of the City, including all Governmental and Business-type activities, exceeded its liabilities at the close of the most recent fiscal year by \$1.7 billion (net assets). Of this amount, \$159.8 million is considered unrestricted. The unrestricted net assets of the City's governmental activities have a balance of \$64.4 million. The unrestricted net assets of the City's business type activities are \$95.4 million and may be used to meet the on-going obligations of the City's parking, convention center, stormwater, aviation and golf business-type activities. Unrestricted net assets do not include assets with externally imposed restrictions or restrictions imposed by law. They do include assets that are obligated but not paid such as encumbrances and on-going projects.
- The City's total net assets increased \$14.9 million in 2008. Net assets of the governmental activities increased by \$10.4 million which represents a 1.2% increase from the 2007 balance. Net assets of business-type activities increased \$4.5 million or 0.5% increase from 2007. Governmental activities investment in capital assets, net of related debt decreased \$2.8 million. Governmental activities restricted net assets decreased \$14 million. Business-type activities investment in capital assets, net of related debt decreased \$32.1 million. Business-type activities restricted net assets decreased by \$41.5 million.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$425.1 million, an increase of \$41 million in comparison with the prior year. On a combined basis approximately 46.2%, \$196.6 million, is considered unreserved at December 31, 2008. Unreserved fund balance includes \$107.4 million designated for capital projects.
- At the end of the current fiscal year, the general fund reported a fund balance of \$66.7 million. The unreserved fund balance for the general fund was \$53.5 million, or 14.9% of the total general fund expenditures. There was a \$6.8 million decrease in general fund balance for the year ended December 31, 2008.
- The City's total debt service increased by \$14 million (1.8%) during the current fiscal year.

Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The government-wide financial statements can be found on pages 35 to 37 of this report.

The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net assets changed during the most recent

fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus revenue and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, and earned but unused vacation leave).

Both of the government-wide financial statements (statement of net assets and statement of activities) distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, economic development, community development, parks and recreation, public safety, transportation and engineering, enterprise services, public services, and public health. The business-type activities of the City include the Water Works, Parking Facilities, Convention Center, General Aviation, Municipal Golf, and Stormwater Management Funds.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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 *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The basic governmental fund financial statements can be found on pages 38 to 42 of this report.

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 City's near term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 28 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, the capital projects fund, and the debt service fund, all of which are considered to be major funds. Data from the other 25 funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* found elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary funds. The City maintains two different types of proprietary funds - enterprise and internal service. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water works, parking facilities, convention center, municipal airport, municipal golf courses and stormwater management system. *Internal service funds* are an accounting device to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds for its printing services and general stores operation, municipal garage, property management function, self-insurance medical fund, workers' compensation fund and regional computer center. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements. The basic proprietary fund financial statements can be found on pages 43 to 47 of this report.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Works Fund and the Convention Center Fund which are considered to be major funds of the City. The other enterprise funds are combined

into a single, aggregated presentation in the proprietary fund financial statements. All internal service funds are also combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the other enterprise funds and internal service funds are provided in the form of *combining statements* found elsewhere in this report.

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

The basic fiduciary fund financial statements can be found on pages 48 and 49 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 53 to 100 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Funding Progress of the City's Pension and Health Care Plans, Employer Contributions to the City's Pension and Health Care Plans and the Budgetary Comparison of the City's General Fund. Required supplementary information can be found on pages 103 to 106 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 111 to 181 of this report.

CITY OF CINCINNATI'S Net Assets

(AMOUNTS IN THOUSANDS)

	Governmental Activities		Business-type Activities		Total	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Current and other assets	\$673,796	\$635,587	\$185,135	\$212,164	\$858,931	\$847,751
Capital assets	<u>963,801</u>	<u>929,350</u>	<u>1,082,568</u>	<u>1,059,215</u>	<u>2,046,369</u>	<u>1,988,565</u>
Total Assets	1,637,597	1,564,937	1,267,703	1,271,379	2,905,300	2,836,316
Long-term liabilities outstanding	523,191	454,878	360,542	368,064	883,733	822,942
Other liabilities	<u>241,337</u>	<u>247,401</u>	<u>61,259</u>	<u>61,962</u>	<u>302,596</u>	<u>309,363</u>
Total liabilities	764,528	702,279	421,801	430,026	1,186,329	1,132,305
Net assets:						
Invested in capital assets, net of						
Related debt	645,883	648,708	707,549	739,650	1,353,432	1,388,358
Restricted	162,774	176,785	42,929	84,453	205,703	261,238
Unrestricted	<u>64,412</u>	<u>37,165</u>	<u>95,424</u>	<u>17,250</u>	<u>159,836</u>	<u>54,415</u>
Total net assets	<u>\$873,069</u>	<u>\$862,658</u>	<u>\$845,902</u>	<u>\$841,353</u>	<u>\$1,718,971</u>	<u>\$1,704,011</u>

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$1.7 billion at the close of the most recent fiscal year.

The largest portion of the City's net assets \$1.35 billion (78.7%) reflects its investment in capital assets (e.g. land,

construction in progress, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are *not* available for spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, because the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net assets \$205.7 million (12%) represents resources that are subject to external restrictions on how they may be used. The remaining balance \$159.8 million (9.3%) represents *unrestricted net assets* and may be used to meet the government's ongoing obligations to citizens and creditors. It is important to note that although the total unrestricted net assets is \$159.8 million; the unrestricted net assets of the City's business-type activities (\$95.4 million) may not be used to fund governmental activities.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same held true for the prior fiscal year.

Overall, net assets of the City increased \$14.9 million in 2008. Net assets for governmental activities increased \$10.4 million, while net assets of business-type activities increased \$4.5 million.

There was a decrease of \$14 million in restricted net assets reported in connection with the City's governmental activities and restricted net assets reported in connection with the City's business-type activities decreased by \$41.5 million in 2008. The key factors in these changes were the decrease in expenditures of funds restricted for capital projects and in unspent bond proceeds. The reason for the increase in business type assets is a increase in restricted activities for Water Works and a decrease in unspent bond proceeds.

The City's governmental activities amount invested in capital assets, net of related debt, decreased \$2.8 million as debt increased and bond proceeds and capital grants were used to complete certain capital projects during 2008. The City's business-type activities amount invested in capital assets, net of related debt, decreased \$32.1 million.

CITY OF CINCINNATI
Changes in Net Assets
(AMOUNTS IN THOUSANDS)

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues:						
Program Revenues:						
Charges for Services	\$ 139,476	\$ 131,374	\$ 151,617	\$ 149,327	\$ 291,093	\$ 280,701
Operating Grants and Contributions	43,632	38,051			43,632	38,051
Capital Grants and Contributions	21,502	12,559	5,293	5,140	26,795	17,699
General Revenues:						
Property Taxes	75,062	75,393			75,062	75,393
Income Taxes	319,565	304,466			319,565	304,466
Admission Taxes	4,570	4,309			4,570	4,309
Shared Taxes	73,079	67,927			73,079	67,927
Occupancy Taxes	2,222	2,131	1,287	1,274	3,509	3,405
Unrestricted Investment Earnings	19,363	23,361	6,320	8,380	25,683	31,741
Miscellaneous	699	127	2,455	3,819	3,154	3,946
Total Revenues	699,170	659,698	166,972	167,940	866,142	827,638
Expenses:						
General Government	139,727	141,045			139,727	141,045
Community Development	48,658	45,910			48,658	45,910
Parks and Recreation	44,616	42,069			44,616	42,069
Public Safety	247,924	235,945			247,924	235,945
Transportation and Engineering	37,965	37,734			37,965	37,734
Transit System	45,389	43,814			45,389	43,814
Public Services	60,227	53,166			60,227	53,166
Public Health	45,703	43,367			45,703	43,367
Interest on long-term debt	21,276	19,034			21,276	19,034
Water Works			113,804	108,314	113,804	108,314
Parking Facilities			8,969	10,397	8,969	10,397
Convention Center			18,372	14,588	18,372	14,588
General Aviation			2,753	2,319	2,753	2,319
Municipal Golf			6,369	6,428	6,369	6,428
Stormwater Management			8,452	8,258	8,452	8,258
Total Expenses	691,485	662,084	158,719	150,304	850,204	812,388
Change in net assets before transfers and special item	7,685	(2,386)	8,253	17,636	15,938	15,250
Transfers	2,726	3,500	(2,726)	(3,500)		
Special Items		16,543	(978)		(978)	16,543
Change in net assets	10,411	17,657	4,549	14,136	14,960	31,793
Net assets – January 1 st	862,658	845,001	841,353	827,217	1,704,011	1,672,218
Net assets – December 31st	\$ 873,069	\$ 862,658	\$ 845,902	\$ 841,353	\$ 1,718,971	\$ 1,704,011

Governmental activities. Governmental activities increased the City's net assets in 2008 by \$10.4 million, thereby accounting for 58.8% of the increase in net assets of the City. Key elements of the change in net assets include:

Revenues

- Charges for Services increased by \$8.1 million. This includes increase of \$2.4 million in General Government. Fees charged to the City Retirement System for medical claims increased \$4.4 million and the Regional Computer Center charges decreased by \$2.0 million. Community Development and Planning revenue increased \$1.2 million due to increases in the vacant building maintenance licenses fees and permit fees. Public Safety EMS fees increased by \$4.3 million due to increases in EMS fees and impound fees.
- Operating Grants and Contributions increased by \$5.6 million.
- Capital Grants and Contributions increased by \$8.9 million. General Government decreased \$10.0 million; Transportation and Engineering increased \$18.2 million; Parks and Recreation increased \$1.7 million.
- Investment earnings decreased by \$4 million due to a decrease in the general investment rate of return.
- Shared Taxes increased \$5.2 million due to increases in Estate Taxes and the State reimbursement related to tangible personal property tax reimbursements.
- Income Tax increased \$15.1 million.

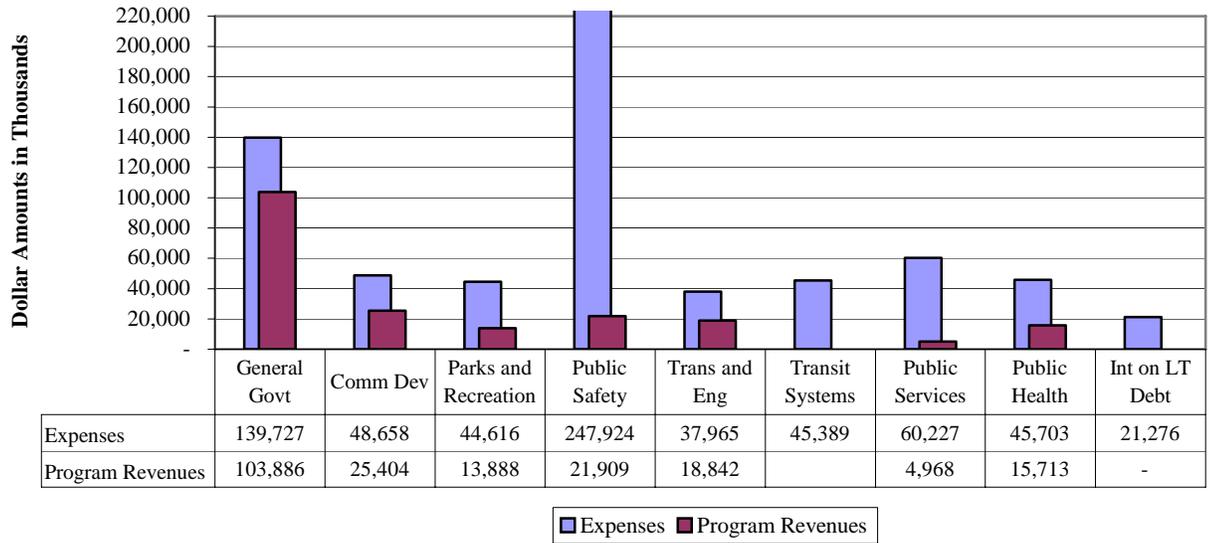
Expenses

- Expenses for Public Safety increased by \$12 million as salary costs and related fringe benefits increased.
- Expenses for Public Services increased by \$7.1 million due to an increase in pension liability of \$4 million and increased cost of road salt for \$2.4 million.
- Expenses for Community Development increased by \$2.7 million. There was a reorganization that shifted \$4.0 million of expenses from general government to Community Development. Pension liability increased \$1.5 million.
- Expenses for transit systems increased by \$1.6 million due to an increase in the revenue and appropriation of income tax collections dedicated to transit systems.
- Expenses for Public Health increased \$2.3 million due to an increase in pension liability for \$4.7 million and a decrease in personal expense of \$1.5 million.
- Expenses for Parks and Recreation increased by \$2.5 million to due pension liability for \$2.6 million.

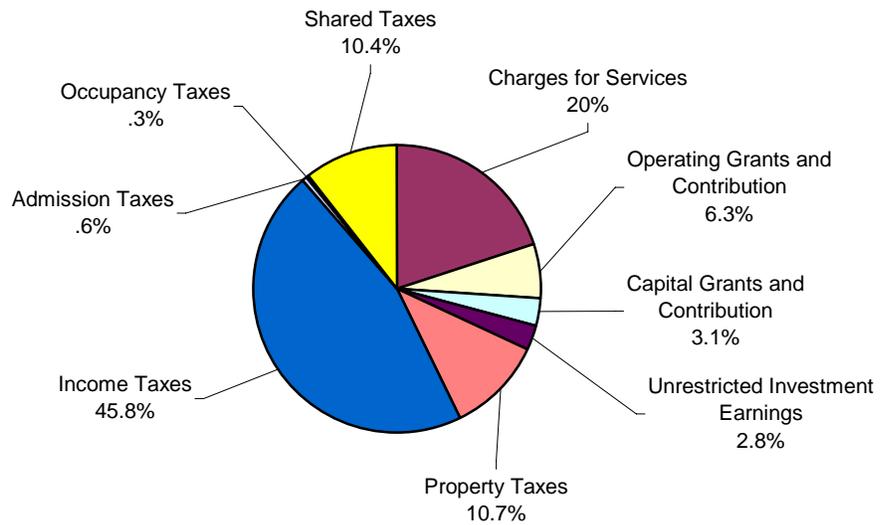
Business-type activities. Business-type activities increased the City's net assets in 2008 by \$4.5 million, accounting for 30.4% of the growth in the government's net assets. Key elements of the increase include:

- Charges for Services increased \$2.3 million due to an increase in water services and rates.
- Water Works expenses increased by \$5.5 million due to increase in service area and demand.
- Investment earnings decreased by \$2.1 million due to a decrease in the general investment rate of return.
- Parking Facilities expenses decreased \$1.4 million.
- Convention Center expenses increased \$3.8 million due to contributions to Convention Facility Authority.

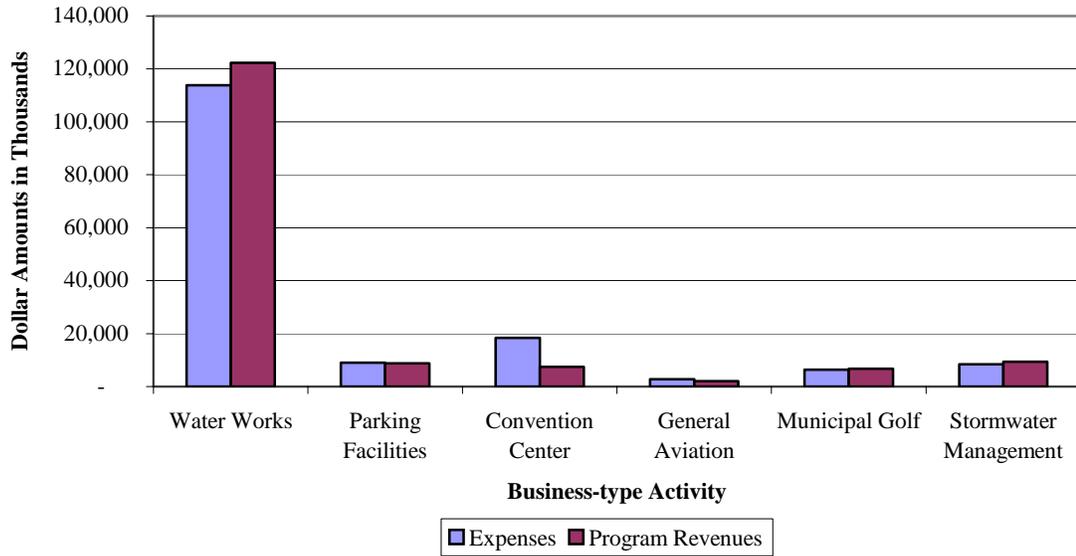
Governmental Activity Expenses and Program Revenues - Governmental Activities



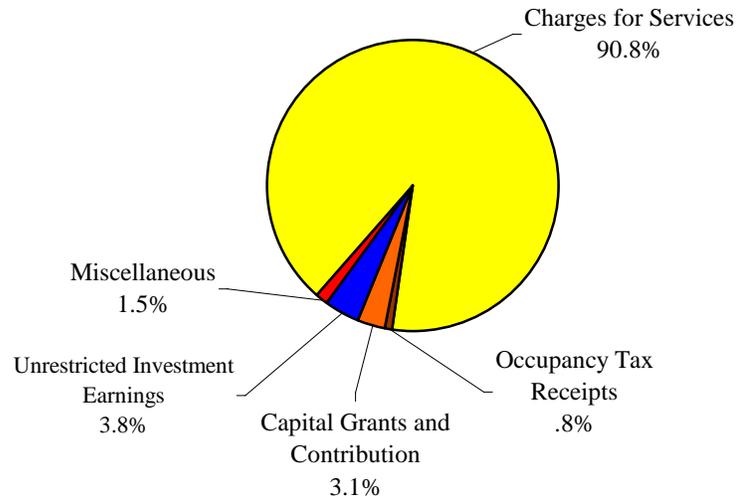
Revenues by Source - Governmental Activities



Expenses and Program Revenues - Business-type Activities



Revenues by Source-Business-type Activities



Financial analysis of the Government's Funds

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

Governmental funds. The focus of the City's *governmental funds (footnote 1)* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$425.1 million, an increase of \$41 million in comparison with the prior year. Approximately 46.2% or \$196.6 million of this total amount constitutes *unreserved fund balance*, which is available for spending. The remainder of the fund balance is reserved to indicate that it is not available for spending because it has already been committed for encumbrances, working capital, capital project, debt service, inventory, and advances to other funds.

The general fund is the primary operating fund of the City. At the end of the current fiscal year, unreserved fund balance of the general fund was \$53.5 million, while total fund balance reached \$66.7 million. As a measure of the general fund's liquidity, it is useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 14.9% of total general fund expenditures, while total fund balance represents 18.5% of that same amount.

The fund balance of the City's general fund decreased by \$6.8 million during the current fiscal year. Key factors of the decrease are as follows:

- Total revenues increased by \$3.9 million offset by expenditure increase of \$8.4 million in 2008.
 - Taxes increased by \$1.6 million. Income Tax revenue increased \$2.7 million and Property Tax revenue decreased \$1.3 million. Admission tax increased \$260,000.
 - Investment Income decreased \$3.2 million due to lower interest rates on investments.
 - Intergovernmental Revenue increased \$4.0 million. Estate tax increase \$2.4 million and State reimbursements for Property Tax increased \$1 million.
 - Charges for Services increased \$500,000. The Emergency Transport services increased \$700,000 and Building certifications increased \$200,000. General Fund overhead was down \$500,000.
 - Other increase included \$500,000 increase in collection of parking fines and \$500,000 miscellaneous revenue from reimbursement of prior year expenses.
 - Expenditures for Employee Benefits decreased \$1.6 million and pension contributions decreased \$3 million.
 - Expenditures for Public Safety increased by \$7.6 million due to increases in salaries and fringe benefits.
 - Expenditures for Public Services increased \$1.7 million due to increase salt purchased for winter operations.
 - Other departments had increased expenditures as follows: \$1 million for City Manager's Office for economic development activities, \$1 million increase in Regional Computer Center for 800mhz system, \$2.3 million decrease in Health, \$2.4 million increase in Community Development and \$1.2 million increase in Recreation.
 - Payments to companies with property investment reimbursement agreements increased \$3.2 million.
 - Transfers for 2008 were a net \$3.2 million transfer out. In 2007, the transfers were a net \$1.4 million transfer in.

The capital projects fund has a total fund balance of \$209.7 million, which is an increase of \$33 million from 2007. Key factors of the increase are as follows:

- Taxes increased by \$4.2 million from 2007.
- Federal Grants increased by \$2.0 million.
- Capital Expenditures increased \$19.8 million including public safety projects, street improvement projects, community development improvement projects, urban renewal projects, technology improvements, and facility improvements.
- Net Transfers In increased \$40 million due to new economic development projects that will be supported by tax increment financing.
- General Obligation Bonds and Notes issued decreased \$12.2 million.

The debt service fund has a total fund balance of \$67.1 million of which \$65.7 million is reserved for the payment of debt service. The net increase in fund balance was \$11.5 million which was due to a \$16.6 million decrease in debt service payments. Also, there was an increase of \$3.3 million in General Obligation Bonds, \$25.3 million in TIF Revenue Bonds and \$36.5 million increase in net transfers out. The premium on bonds issued decreased \$2.4 million.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net assets of the nonmajor enterprise funds are \$16.8 million. The total growth in net assets for the Water Works fund was \$15.8 million, a decrease for the Convention Center fund of \$8.6 million and a decrease in net assets for the other enterprise funds was \$2.0 million. Other factors concerning the finances of these funds have been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The final amended General Fund budget had total appropriations of approximately \$4.2 million more than the original budget. The original appropriations were \$363.5 million, while the final appropriations were \$367.7 million. Actual expenditures were \$1.8 million less than the final appropriation from savings in public safety activities, public services and employee benefits. Key elements of the changes in appropriation include:

The following increases totaling \$4.2 million were funded from available fund balance:

- \$1,800,000 appropriation increase in Public Services to fund winter operations and replenish salt.
- \$500,000 appropriation increase in the Judgments account for outstanding legal obligations.
- \$323,660 appropriation increase to various departments to fund salary increases related to the new middle management (CODE) agreement.
- \$74,140 appropriation increase in Public Safety for operations.

In June 2008, \$2.415 million was transferred from the unappropriated surplus to an emergency reserve account within the General Fund to be committed to working capital reserve. In November 2008, \$1.488 million was transferred back to the unappropriated surplus and appropriated to various departments to fund clean up and control related to the windstorm of September, 2008. The balance in the emergency reserve account at year end 2008 was \$927,000.

All other changes in appropriations were due to transfers among agencies and were within the original approved budget.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2008 is \$2 billion (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, systems, improvements, machinery and equipment, park facilities, streets, and bridges. The total increase in the City's investment in capital assets for the current fiscal year was 2.9% (1.7% increase for governmental activities and 1.2% increase for business-type activities).

City of Cincinnati's Capital Assets
(net of depreciation)

(AMOUNTS IN THOUSANDS)

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	\$ 167,875	\$ 168,179	\$ 39,553	\$ 39,546	\$ 207,428	\$ 207,725
Buildings	45,626	43,383	162,550	163,094	208,176	206,477
Improvements	158,893	155,425	665,081	637,042	823,974	792,467
Machinery and Equipment	60,142	64,764	109,465	112,427	169,607	177,191
Infrastructure	398,788	375,072			398,788	375,072
Construction in Progress	132,208	122,057	105,640	106,924	237,848	228,981
Property Acquired under Capital Leases	<u>269</u>	<u>470</u>	<u>279</u>	<u>182</u>	<u>548</u>	<u>652</u>
Total	<u>\$ 963,801</u>	<u>\$ 929,350</u>	<u>\$ 1,082,568</u>	<u>\$ 1,059,215</u>	<u>\$2,046,369</u>	<u>\$1,988,565</u>

Total capital assets, net of accumulated depreciation, increased \$57.8 million. Major capital asset events during 2008 included the following:

- Governmental activities capital assets increased \$34.5 million in 2008 net of depreciation and included:
 - Construction in Progress increased \$10.2 million due to new TIF projects started in 2008.
 - Infrastructure improvement for bridges, retaining walls, traffic signal upgrades and street improvements and upgrades increased by \$23.7 million (Net of Depreciation).
 - Machinery and Equipment decreased \$4.6 million (Net of Depreciation).
 - Buildings increased \$2.2 million (Net of Depreciation).
 - Improvements increased \$3.5 million (Net of Depreciation).
- Business-type activities capital assets increased \$23.4 million net of depreciation and included:
 - Improvements in water utilities increased \$35.9 million
 - Improvements in Convention Center decreased \$6.6 million.
 - Construction in progress decreased \$1.3 million.
 - Machinery and Equipment decreased \$3 million (Net of Depreciation).

Additional information on the City's capital assets can be found in note 14 on pages 84 to 87 of this report.

Long-term debt. At the end of the current fiscal year, the City had \$784.6 million in short and long-term bonds and notes outstanding. Of this amount, \$378.6 million comprises debt backed by the full faith and credit of the government. The remainder of the City's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

**City of Cincinnati's Outstanding Debt
General Obligation and Revenue Bonds
(AMOUNTS IN THOUSANDS)**

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
General Obligation Bonds & Notes	\$ 363,120	\$ 361,223	\$ 15,470	\$ 17,635	\$ 378,590	\$ 378,858
Revenue Bonds & Notes	<u>73,375</u>	<u>45,495</u>	<u>332,635</u>	<u>346,255</u>	<u>406,010</u>	<u>391,750</u>
Total	<u>\$ 436,495</u>	<u>\$ 406,718</u>	<u>\$ 348,105</u>	<u>\$ 363,890</u>	<u>\$ 784,600</u>	<u>\$ 770,608</u>

During the current fiscal year, the City's total debt increased by \$14 million (1.8 percent). Key events contributing to the change in long-term debt balances are as follows:

- In March 2008 the City issued \$34.1 million in various purpose general obligation bonds and \$10 million in various purpose general obligation bonds with additional municipal income tax pledge. \$30 million was issued for street, public building and equipment improvements, \$5.7 million for parks and recreation improvements; and \$1.5 million for economic development; and \$5.1 million in judgment bonds.
- In May 2008 the City issued TIF revenue bonds of \$4.2 million for the Keystone Parke project.
- In June 2008 the City issued TIF revenue bonds of \$25.4 million for the Baldwin 300 project.
- In September 2008 the City issued TIF revenue bonds of \$5.7 million for the Madison Circle project.
- In November 2008 the City issued TIF revenue notes of \$2.5 million for the Columbia Square project in anticipation of issuing debt in 2009.
- During 2008 \$16.6 million in revenue bonds were redeemed, of which \$13.6 million were for Water Works and \$3 million were for economic development projects.
- During 2008 \$36 million in general obligation bonds were redeemed, of which \$4.6 million were for Water Works.
- During 2008 \$22.5 million in short-term revenue notes were issued and \$27.3 million were redeemed.
- During 2008 \$46.1 million in short-term general obligation notes were issued and \$41.6 million were redeemed.

The City's general obligation bond rating by Standard and Poor's Corporation and Moody's Investor Services, Inc. is "AA+" and "Aa1", respectively.

The City is within all of its legal debt limitations. The Ohio Revised Code provides that the net debt (as defined in the Ohio Revised Code) of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The statutory limitations on debt are measured by the ratio of net debt to tax valuation and expressed in terms of a percentage. The City had a legal debt margin for total debt of \$389.9 million and a legal debt margin for unvoted debt of \$91.6 million.

Additional information about the City's long-term debt can be found in note 9 on pages 74 to 80 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the Cincinnati MSA was 5.8% at December 2008, which is higher than a year ago by .8%. This rate compares favorably to the State's average unemployment rate of 6.5% but is equal to the national average rate of 5.8%. The unemployment rate for Cincinnati MSA has risen to 9.1% in 2009.

- The occupancy rate of the central business district Class A office space was 86% at the end of 2008 which is the same as the 2007 occupancy rate.
- The City is experiencing increasing costs for employee health care, retirement and contractually obligated labor costs.

All of these factors were considered in preparing the City's biennial budget for the fiscal year 2009.

The General Fund balance is estimated to be \$5 million, on a budgetary basis, at the end of 2009. This is a reduction of \$9.6 million from the 2008 actual year-end fund balance of \$14.6 million on a budgetary basis. The reduction is primarily due to costs associated with the following: approved Police labor contract and additional police efforts, increase in cost of salt purchased for winter operations and decrease in shared revenues from the State of Ohio.

General Fund revenues for 2009 have been revised downward by \$19.9 million or 5.4% primarily due to less than expected income tax receipts. Income tax revenue is the largest general fund revenue component, making up 65% of the total – that category has been revised downward by \$15.4 million or 6.4% due to the current economic conditions. Other revenue categories that have been revised downward include: admissions taxes (\$394,000); investment income (\$500,000); state shared revenues (\$2.2 million); and estate taxes (\$1.4 million). Revenues through May 2009 are down against forecast by \$11.7 million, with income tax revenues representing \$7.5 million of that amount.

This revenue reduction will require a commensurate reduction in General Fund operating expenditures in order to have a balanced budget as required by state law. The administration has identified solutions to close the projected budget gap that includes a combination of: unpaid workdays; transfers of the excess income tax; and strategic departmental budget reductions.

General Fund expenditures through May 2009 are tracking below budgeted forecast, although as explained above, will be reduced even further to balance the budget.

One of the City's major budget priorities for 2008 was economic development. The Economic Development Division was fully staffed to focus on bringing investments to the City that create jobs and increase the City's tax base. The Baldwin Office Complex, Keystone Parke, and Columbia Square are just a few examples of new economic development happening in Cincinnati.

Requests for Information

The financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, City Hall, Room 250, 801 Plum Street, Cincinnati, Ohio, 45202.

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BASIC
FINANCIAL STATEMENTS

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City of Cincinnati, Ohio
Statement of Net Assets
December 31, 2008
(Amounts in Thousands)

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
<u>Current</u>			
Cash and Equivalents	\$ 25,281	\$ 1,482	\$ 26,763
Equity in City Treasury	90,690	18,602	109,292
Advances and Petty Cash	170		170
Investments, at Fair Value	65,644		65,644
Receivables:			
Taxes	129,041	84	129,125
Accounts, Net	9,848	20,280	30,128
Special Assessments	9,447		9,447
Accrued Interest	5,949	1,231	7,180
Due from Fiduciary Activities	852		852
Due from Other Government	25,909	13,595	39,504
Prepaid Items	1,260	2,098	3,358
Inventory	4,580	5,288	9,868
Restricted Assets:			
Cash and Cash Equivalents		750	750
Equity in City Treasury		3,405	3,405
Investments, at Fair Value		32,042	32,042
Internal Balances	(8,546)	8,546	
Total Current Assets	360,125	107,403	467,528
<u>Noncurrent</u>			
Equity in City Treasury	293,264	60,147	353,411
Restricted Equity in City Treasury Cash		11,014	11,014
Restricted Cash and Cash Equivalents		2,425	2,425
Accounts Receivable, Net	16,054		16,054
Deferred Charges	4,353	4,146	8,499
Land	167,875	39,553	207,428
Buildings, net of Accumulated Depreciation	45,626	162,550	208,176
Improvements, net of Accumulated Depreciation	158,893	665,081	823,974
Machinery and Equipment, net of Accumulated Depreciation	60,142	109,465	169,607
Construction in Progress	132,208	105,640	237,848
Property Acquired under Capital Leases, net of Accumulated Amortization	269	279	548
Infrastructure Assets, net of Accumulated Depreciation	398,788		398,788
Total Noncurrent Assets	1,277,472	1,160,300	2,437,772
Total Assets	\$ 1,637,597	\$ 1,267,703	\$ 2,905,300

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Net Assets
December 31, 2008
(Amounts in Thousands)

LIABILITIES:	Governmental Activities	Business-Type Activities	Total
<u>Current</u>			
Accounts Payable	\$ 20,395	\$ 4,413	\$ 24,808
Withholdings and Other Deposits	8,467		8,467
Due to Fiduciary Activities	869	243	1,112
Due to Other Governmental Agencies	1,225	1,463	2,688
Accrued Payroll	12,701	1,417	14,118
Accrued Liabilities	8,094	1,078	9,172
Accrued Interest	1,987	53	2,040
Deposits Payable	8,370	7	8,377
Unearned Revenue	76,852	7,426	84,278
Obligations Under Capital Leases	241	87	328
Compensated Absences Payable	35,460	3,894	39,354
Unpaid Claims	15,321	186	15,507
Ohio Public Works Commission Loan	211	157	368
Ohio Water Development Authority Loan		217	217
Matured Bonds and Interest Payable	543		543
General Obligation Bonds and Notes Payable	38,135	2,315	40,450
Revenue Bonds and Notes Payable	6,005	14,000	20,005
Other	414		414
Advances from Other Government	41		41
Payable from Restricted Assets:			
Construction Contracts		4,603	4,603
Deposits Payable		2,104	2,104
Total Current Liabilities	235,331	43,663	278,994
<u>Noncurrent</u>			
Non-Current Obligations Under Capital Leases	6	181	187
General Obligation Bonds and Notes Payable	324,985	13,155	338,140
Revenue Bonds and Notes Payable	67,370	318,635	386,005
Compensated Absences Payable	55,602	3,805	59,407
Deferred Bond Premium	6,006	17,596	23,602
Other Liabilities	1,551		1,551
Ohio Public Works Commission Loan	3,009	2,544	5,553
Ohio Water Development Authority Loan		5,006	5,006
Urban Redevelopment Loan		4,698	4,698
Unpaid Claims Payable	25,811		25,811
Net Pension Obligation	29,834	8,451	38,285
Net Other Post Employment Benefit Obligation	15,023	4,067	19,090
Total NonCurrent Liabilities	529,197	378,138	907,335
Total Liabilities	764,528	421,801	1,186,329
<u>Net Assets</u>			
Investment in Capital Assets, Net of Related Debt	645,883	707,549	1,353,432
Restricted for:			
Debt Service	6,407	3,572	9,979
Capital Projects	95,930		95,930
Public Transit	18,684		18,684
Public Safety	8,696		8,696
Parks and Recreation	8,118		8,118
Public Health	1,525		1,525
Other Purposes	16,682	39,357	56,039
Permanent Funds - Expendable	565		565
Permanent Funds - Nonexpendable	6,167		6,167
Unrestricted	64,412	95,424	159,836
Total Net Assets	\$ 873,069	\$ 845,902	\$ 1,718,971

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Activities
For the year ended December 31, 2008
(Amounts in Thousands)

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating		Governmental Activities	Business-Type Activities	Total
			Grants and Contributions	Capital Grants and Contributions			
Governmental Activities:							
General Government	\$ 139,727	\$ 100,874	\$ 2,503	\$ 509	\$ (35,841)		\$ (35,841)
Community Development	48,658	2,488	22,374	542	(23,254)		(23,254)
Parks and Recreation	44,616	6,833	3,863	3,192	(30,728)		(30,728)
Public Safety	247,924	16,404	5,505		(226,015)		(226,015)
Transportation and Engineering	37,965	1,583		17,259	(19,123)		(19,123)
Transit System	45,389				(45,389)		(45,389)
Public Services	60,227	3,078	1,890		(55,259)		(55,259)
Public Health	45,703	8,216	7,497		(29,990)		(29,990)
Interest on long-term debt	21,276				(21,276)		(21,276)
Total governmental activities	691,485	139,476	43,632	21,502	(486,875)		(486,875)
Business type activities:							
Water Works	113,804	119,228		3,099		\$ 8,523	\$ 8,523
Parking Facilities	8,969	8,814		8		(147)	(147)
Convention Center	18,372	6,440	1,065			(10,867)	(10,867)
General Aviation	2,753	2,029	74			(650)	(650)
Municipal Golf	6,369	6,414	362			407	407
Stormwater Management	8,452	8,692	685			925	925
Total Business-type activities	158,719	151,617		5,293		(1,809)	(1,809)
Total	\$ 850,204	\$ 291,093	\$ 43,632	\$ 26,795	(486,875)	(1,809)	(488,684)
General Revenues:							
Taxes:							
Property taxes					75,062		75,062
Income taxes					319,565		319,565
Admission taxes					4,570		4,570
Shared taxes					73,079		73,079
Occupancy taxes					2,222	1,287	3,509
Unrestricted investment earnings					19,363	6,320	25,683
Miscellaneous					699	2,455	3,154
Transfers between governmental and business-type activities					2,726	(2,726)	
Total general revenues, miscellaneous, and transfers					497,286	7,336	504,622
Special Item - Capital Asset Impairment						(978)	(978)
Change in net assets					10,411	4,549	14,960
Net assets-beginning					862,658	841,353	1,704,011
Net assets-ending					\$ 873,069	\$ 845,902	\$ 1,718,971

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Balance Sheet
Governmental Funds
December 31, 2008
(Amounts in Thousands)

	<u>General</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Equivalents	\$ 119	\$ 21,909	\$	\$ 3,253	\$ 25,281
Equity in City Treasury Cash	59,447	160,249	53,464	66,467	339,627
Advances and Petty Cash	170				170
Investments, at Fair Value		47,245	10,063	8,336	65,644
Receivables:					
Taxes	62,285	12,967	45,047	8,742	129,041
Accounts, Net	6,894	16,961		1,084	24,939
Special Assessments	314	24		9,109	9,447
Accrued Interest and Dividends	3,686	663	823	306	5,478
Due from Other Funds	1,602	969	1,234	1,838	5,643
Due from Other Governments	14,835	42		9,585	24,462
Inventory	3,048	690		480	4,218
Advances to Other Funds	302			1,733	2,035
Total Assets	<u>\$ 152,702</u>	<u>\$ 261,719</u>	<u>\$ 110,631</u>	<u>\$ 110,933</u>	<u>\$ 635,985</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 5,123	\$ 4,869	\$ 24	\$ 3,992	\$ 14,008
Revenue Notes Payable		2,550			2,550
Withholdings and Other Deposits	8,467				8,467
Due to Other Funds	1,818	7,808	1	639	10,266
Accrued Payroll	10,849		12	1,309	12,170
Accrued Liabilities	127	6		2,722	2,855
Deposits Payable	4,308	1,656	508	1,839	8,311
Deferred Revenue	54,404	28,207	42,458	17,273	142,342
Estimated Liability for Unpaid Claims	388			151	539
Advances from Other Funds	521	6,925		1,337	8,783
Advances from Other Governments		20			20
Matured Bonds and Interest Payable			543		543
Total Liabilities	<u>86,005</u>	<u>52,041</u>	<u>43,546</u>	<u>29,262</u>	<u>210,854</u>
Fund Balances:					
Reserved for:					
Advances and Petty Cash	170				170
Encumbrances	9,706	77,680	5	34,380	121,771
Accordance with Trusts				9,394	9,394
Working Capital		25,312			25,312
Advances to Other Funds	302			1,733	2,035
Inventory	3,048	690		480	4,218
Debt Service			65,655		65,655
Unreserved, reported in:					
General Fund - Undesignated	51,044				51,044
General Fund - Designated for Int. Service Funds	1,500				1,500
General Fund - Designated for Emergency	927				927
Capital Projects		105,996	1,425		107,421
Special Revenue Funds - Undesignated				21,436	21,436
Special Revenue Funds - Designated for Contingencies				5,000	5,000
Special Revenue Funds - Designated for Compensated Absences				8,683	8,683
Permanent Funds				565	565
Total Fund Balances	<u>66,697</u>	<u>209,678</u>	<u>67,085</u>	<u>81,671</u>	<u>425,131</u>
Total Liabilities and Fund Balances	<u>\$ 152,702</u>	<u>\$ 261,719</u>	<u>\$ 110,631</u>	<u>\$ 110,933</u>	<u>\$ 635,985</u>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO
Reconciliation of the Balance Sheet to the
Statement of Net Assets
Governmental Funds
December 31, 2008
(Amounts in Thousands)

Total fund balances - governmental funds	\$	425,131
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.		963,801
Certain receivables will be collected next year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.		65,980
Accrued Interest on Accounts Receivable		(24)
Some amounts reported for governmental-type activities in the statement of net assets are different because certain internal service fund assets and liabilities are included with business-type activities.		(1,138)
Seven internal service funds are used by the City's management. The assets and liabilities of the internal service funds are included with governmental activities. The net property of \$34,892 as it relates to the internal service funds is included in the capital asset amount above.		14,460
Bond issue costs and discounts are expended in the fund level financial statements but are capitalized and amortized over the life of the bonds in the government-wide financial statements. This is the unamortized portion of those issue costs and discounts.		4,353
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:		
G.O. Bonds and notes payable		(363,120)
Revenue bonds payable		(70,825)
Deferred bond premium		(6,006)
Compensated absences		(89,189)
Net Pension Obligation		(26,769)
Net Other Post Employment Benefit Obligation		(13,571)
Ohio Public Works Commission Loans		(3,220)
Unpaid claims payable		(17,957)
Accrued interest on bonds		(1,987)
Due to Other Governments		(1,225)
Accrued Liabilities		(3,428)
Other liability		(1,965)
Capital leases payable		(232)
Total net assets - - governmental activities (page 36)	\$	873,069

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended December 31, 2008
(Amounts in Thousands)

	General	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 258,435	\$ 37,707	\$ 39,673	\$ 62,705	\$ 398,520
Licenses and Permits	7,736			3,566	11,302
Use of Money and Property	18,004	1,826	24,013	1,380	45,223
Special Assessments		5		4,322	4,327
Intergovernmental Revenue	51,548	1,707	5,462	19,020	77,737
Federal Grants		10,631		21,982	32,613
State Grants and Subsidies		8,643		13,941	22,584
Charges for Current Services	18,153	168		14,005	32,326
Miscellaneous	2,570	1,387		1,787	5,744
Total Revenues	<u>356,446</u>	<u>62,074</u>	<u>69,148</u>	<u>142,708</u>	<u>630,376</u>
EXPENDITURES					
Current:					
General Government	39,634		1,466	10,728	51,828
Community Development	7,726		2	5,359	13,087
Parks and Recreation	20,220			9,817	30,037
Public Safety	174,488			5,927	180,415
Transportation and Engineering	2,881			4,313	7,194
Transit System				45,389	45,389
Public Services	23,609			16,145	39,754
Public Health	18,971			13,264	32,235
Employee Benefits	72,492			9,096	81,588
Capital Outlay		109,940		20,645	130,585
Debt Service:					
Principal Retirement		154	34,244		34,398
Interest		56	20,614	336	21,006
Bond Issuance Cost			1,403		1,403
Total Expenditures	<u>360,021</u>	<u>110,150</u>	<u>57,729</u>	<u>141,019</u>	<u>668,919</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(3,575)	(48,076)	11,419	1,689	(38,543)
OTHER FINANCING SOURCES(USES)					
General Obligation Bonds and Notes Issued		21,180	20,420		41,600
Revenue Bonds and Notes Issued			35,280		35,280
Discount on Bonds and Notes Issued			(554)		(554)
Premium on Bonds Issued			1,133		1,133
Transfers In	363	92,570	34,588	3,226	130,747
Transfers (Out)	(3,555)	(32,662)	(90,746)	(738)	(127,701)
Total Other Financing Sources(Uses)	<u>(3,192)</u>	<u>81,088</u>	<u>121</u>	<u>2,488</u>	<u>80,505</u>
Net change in fund balances	(6,767)	33,012	11,540	4,177	41,962
Fund Balances at January 1	<u>73,464</u>	<u>176,666</u>	<u>55,545</u>	<u>77,494</u>	<u>383,169</u>
Fund Balances at December 31	<u>\$ 66,697</u>	<u>\$ 209,678</u>	<u>\$ 67,085</u>	<u>\$ 81,671</u>	<u>\$ 425,131</u>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
Governmental Funds
For the year ended December 31, 2008
(Amounts in Thousands)

Net change in fund balances - total governmental funds	\$ 41,962
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$100,537) exceeded depreciation (\$61,597) in the current period.	38,940
Governmental funds report cash received for assets disposed of as revenue. However, in the statement of activities, that cash offsets the difference between the book value and accumulated depreciation of the disposed asset. This is the sum of the cash received (\$866) and the net loss (\$3,623) on the sale of assets.	(4,489)
Statement of activities reports an increase in revenues due to current activity in deferred revenues which is not reported at fund level.	9,215
The long-term liability for compensated absences is not recorded in the fund level, but is reported in the statement of activities. This is the current year change in the liability, reported as an expense in the statement of activities.	(4,614)
The long-term liability for unpaid claims is not recorded in the fund level, but is reported in the statement of activities. This is the current year change in the liability, reported as an expense in the statement of activities.	(5,957)
The long-term liability for Net Pension Obligation is not recorded in the fund level, but is reported in the statement of activities. This is the current year change in the liability, reported as an expense in the statement of activities.	(13,578)
The long-term liability for Net Other Post Employment Benefit Obligation is not recorded in the fund level, but is reported in the statement of activities. This is the current year change in the liability, reported as an expense in the statement of activities.	(7,893)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which proceeds exceeded repayments.	(42,721)

(Continued)

CITY OF CINCINNATI, OHIO
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
Governmental Funds
For the year ended December 31, 2008
(Amounts in Thousands)

(Continued)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	\$ (860)
Bond premiums are included in revenue at the fund level, but capitalized and amortized over the life of the bonds in the government-wide financial statements.	(572)
Bond issuance costs are included in expenditures at the fund level, but are deferred and amortized over the life of the bonds in the government-wide financial statements	1,110
Bond discounts are included in expenditures at the fund level, but are deferred and amortized over the life of the bonds in the government-wide financial statements	538
Internal balances between the governmental activities and the business type activities are not reported at the fund level.	700
Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The net revenue(expense) of certain internal service funds is reported with governmental activities.	<u>(1,370)</u>
Change in net assets of governmental activities (page 37)	<u><u>\$ 10,411</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Net Assets
Proprietary Funds
December 31, 2008
(Amounts in Thousands)

	Business-Type Activities - Enterprise Funds				Governmental
	Water Works	Convention Center	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
ASSETS					
<u>Current:</u>					
Cash and Equivalents	\$ 1,400	\$ 392	\$ 82	\$ 1,482	\$ 10,470
Equity in City Treasury Cash	13,334	392	4,876	18,602	10,470
Receivables:					
Taxes		84		84	
Accounts, Net	17,958	399	1,923	20,280	963
Accrued Interest	903		328	1,231	495
Due from Other Funds	1,957	38	552	2,547	3,453
Due from Other Governments	12,781	814		13,595	1,447
Prepaid Items	2,063	10	25	2,098	1,260
Inventory	5,288			5,288	362
Advances to Other Funds	50	594	4,775	5,419	1,556
Restricted Assets:					
Cash and Equivalents	750			750	
Equity in City Treasury Cash	3,311		94	3,405	
Investments, at Fair Value	32,042			32,042	
Total Current Assets	91,837	2,331	12,655	106,823	20,006
<u>Noncurrent:</u>					
Equity in City Treasury Cash	43,119	1,269	15,759	60,147	33,857
Restricted Equity in City Treasury Cash	10,708		306	11,014	
Restricted Cash and Equivalents	2,425			2,425	
Deferred Charges	4,146			4,146	
Land	2,727	11,555	25,271	39,553	283
Buildings, net of Accumulated Depreciation	125,704	10,464	26,382	162,550	
Improvements, net of Accumulated Depreciation	500,281	112,307	52,493	665,081	5,477
Machinery and Equipment, net of Accumulated Depreciation	107,021	1,005	1,439	109,465	29,117
Construction in Progress	91,322	593	13,725	105,640	
Property Acquired under Capital Leases, net of Accumulated Amortization	138		141	279	15
Total Noncurrent Assets	887,591	137,193	135,516	1,160,300	68,749
Total Assets	\$ 979,428	\$ 139,524	\$ 148,171	\$ 1,267,123	\$ 88,755

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO
Statement of Net Assets
Proprietary Funds
December 31, 2008
(Amounts in Thousands)

	Business-Type Activities - Enterprise Funds				Governmental
	Water Works	Convention Center	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
LIABILITIES					
Current:					
Accounts Payable	\$ 3,751	\$ 149	\$ 513	\$ 4,413	\$ 6,387
Due to Other Funds	642		159	801	836
Due to Other Governments	1,463			1,463	
Accrued Payroll	1,187		230	1,417	531
Accrued Liabilities		58	1,020	1,078	1,811
Accrued Interest	41		12	53	
Obligations under Capital Lease	31		56	87	9
Deposits Payable			7	7	59
Unearned Revenue		462	6,964	7,426	490
Compensated Absences payable	3,450		444	3,894	1,131
Unpaid Claims payable	183	1	2	186	13,960
Ohio Public Works Commission Loan	157			157	
Ohio Water Development Authority Loan	217			217	
General Obligation Bonds and Notes Payable	2,000		315	2,315	
Revenue Bonds Payable	14,000			14,000	
Payable from Restricted Assets:					
Construction Contracts	4,603			4,603	
Deposits Payable	2,104			2,104	
Total Current Liabilities	33,829	670	9,722	44,221	25,214
Noncurrent:					
Urban Redevelopment Loans Payable			4,698	4,698	
Compensated Absences Payable	3,158		647	3,805	742
Obligations Under Capital Lease	107		74	181	6
Ohio Public Works Commission Loan	2,544			2,544	
Ohio Water Development Authority Loan	5,006			5,006	
Estimated liability for Unpaid Claims					8,676
Advances from Other Funds					227
Advances from Other Governments					21
Revenue Bonds Payable	318,635			318,635	
General Obligation Bonds and Notes Payable	9,800		3,355	13,155	
Unamortized Bond Premiums	17,596			17,596	
Net Pension Obligation	7,302	145	1,004	8,451	3,065
Net Other Post Employment Benefit Obligation	3,535	46	486	4,067	1,452
Total Noncurrent Liabilities	367,683	191	10,264	378,138	14,189
Total Liabilities	401,512	861	19,986	422,359	39,403
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	459,819	135,924	111,806	707,549	34,877
Restricted	42,529		400	42,929	
Unrestricted	75,568	2,739	15,979	94,286	14,475
Total Net Assets	\$ 577,916	\$ 138,663	\$ 128,185	844,764	\$ 49,352
Some amounts reported for business-type activities in the statement of net assets are different because certain internal service fund assets and liabilities are included with business-type activities.				1,138	
Net assets of business type activities				<u>\$ 845,902</u>	

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the year ended December 31, 2008
(Amounts in Thousands)

	Business-Type Activities - Enterprise Funds			Total Enterprise Funds	Governmental Activities Internal Service Funds
	Water Works	Convention Center	Other Enterprise Funds		
OPERATING REVENUES					
Charges for Current Services	\$ 119,228	\$ 6,440	\$ 25,949	\$ 151,617	\$ 129,261
Miscellaneous	2,280	20	155	2,455	1,749
Total Operating Revenues	<u>121,508</u>	<u>6,460</u>	<u>26,104</u>	<u>154,072</u>	<u>131,010</u>
OPERATING EXPENSES					
Personal Services	41,041		6,086	47,127	15,246
Contractual Services	9,660	11,320	8,669	29,649	4,800
Maintenance and Repairs	4,115		2,979	7,094	1,126
Materials and Supplies	7,869	83	503	8,455	13,769
Utilities	11,287		1,270	12,557	1,265
Insurance	114	47	19	180	94,689
Taxes		15	1,118	1,133	
Depreciation and Amortization	22,781	6,907	4,939	34,627	4,664
Rent	1,057		428	1,485	1,738
Other expense	823		314	1,137	81
Total Operating Expenses	<u>98,747</u>	<u>18,372</u>	<u>26,325</u>	<u>143,444</u>	<u>137,378</u>
Operating Income(Loss)	22,761	(11,912)	(221)	10,628	(6,368)
NONOPERATING REVENUES(EXPENSES)					
Interest revenue	5,272		1,048	6,320	1,787
Occupancy tax receipts		1,287		1,287	
Interest expense	(13,997)		(211)	(14,208)	(12)
Loss on Capital Asset Impairment	(978)			(978)	
Loss on disposal of assets	(360)		(7)	(367)	
Nonoperating Revenues(Expenses)	<u>(10,063)</u>	<u>1,287</u>	<u>830</u>	<u>(7,946)</u>	<u>1,775</u>
Income (Loss) before Contributions and Transfers	12,698	(10,625)	609	2,682	(4,593)
Transfers In		1,000	13	1,013	1,008
Transfers (Out)			(3,739)	(3,739)	(1,328)
Capital contributions	3,099	1,065	1,129	5,293	(4)
Change in Net Assets	15,797	(8,560)	(1,988)	5,249	(4,917)
Net Assets at January 1	<u>562,119</u>	<u>147,223</u>	<u>130,173</u>		<u>54,269</u>
Net Assets at December 31	<u>\$ 577,916</u>	<u>\$ 138,663</u>	<u>\$ 128,185</u>		<u>\$ 49,352</u>

Some amounts reported for business-type activities in the statement of net assets are different because the net revenue of certain internal service funds is reported with business type activities.

(700)

Change in net assets of business type activities

\$ 4,549

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Cash Flows
Proprietary Funds
For the year ended December 31, 2008
(Amounts in Thousands)

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water Works	Convention Center	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash Flows from Operating Activities:					
Receipts from Customers	\$ 124,496	\$ 6,151	\$ 25,991	\$ 156,638	\$ 12,082
Receipts from Other Funds					67,456
Receipts from Retirement System					49,887
Payments to Suppliers	(33,642)	(11,315)	(11,463)	(56,420)	(117,191)
Payments to Other Funds		(84)	(3,028)	(3,112)	(1,491)
Payments to Employees	(35,698)	(49)	(5,097)	(40,844)	(13,614)
Payments for Property Taxes		(24)	(653)	(677)	
Net Cash Provided (Used) by Operating Activities	<u>55,156</u>	<u>(5,321)</u>	<u>5,750</u>	<u>55,585</u>	<u>(2,871)</u>
Cash Flows from Noncapital Financing Activities:					
Repayment of Advances Made To Other Funds	55		555	610	73
Repayment of Advances Received From Other Funds					(76)
Amount Due to Other Fund for Property Acquisition					(147)
Amount Due from Other Funds for City Notes	(1,625)	(38)	(485)	(2,148)	(1,008)
Advances To Other Funds		(412)	(832)	(1,244)	
Occupancy Tax Receipts		1,334		1,334	
Transfers to Other Funds			(3,739)	(3,739)	(1,405)
Transfers from Other Funds		1,000	13	1,013	1,008
Net Cash Provided(Used) by Noncapital Financing	<u>(1,570)</u>	<u>1,884</u>	<u>(4,488)</u>	<u>(4,174)</u>	<u>(1,555)</u>
Cash Flows from Capital and Related Financing Activities:					
Capital Contributed by Other Sources	266	1,065	752	2,083	
Proceeds from State Loans					
Proceeds from the Sale of Capital Assets	60			60	
Proceeds from Ohio Public Works Bonds					
Proceeds from Ohio Water Development Authority Loan	89			89	
Proceeds from Sale of Bonds and Notes			2,500	2,500	
Acquisition of Property, Plant and Equipment	(8,843)	3,000	(94)	(5,937)	(239)
Interest Paid on Bonds and Notes	(14,917)		(202)	(15,119)	(12)
Amortization Deferred Issuance Costs	(140)			(140)	
Principal Paid on Bonds and Notes	(18,220)		(65)	(18,285)	
Principal Paid on Ohio Public Works Bonds	(128)			(128)	
Principal Paid on Ohio Water Development Authority Loan	(207)			(207)	
Payments on Long Term Capital Lease Obligations	(138)		(51)	(189)	(8)
Additions to Construction in Progress	(45,248)	(382)	(3,213)	(48,843)	(859)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(87,426)</u>	<u>3,683</u>	<u>(373)</u>	<u>(84,116)</u>	<u>(1,118)</u>
Cash Flow from Investing Activities:					
Investments Purchased	646			646	
Interest on Investments	4,918		1,008	5,926	1,712
Net Cash Provided by Investing Activities	<u>5,564</u>		<u>1,008</u>	<u>6,572</u>	<u>1,712</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(28,276)	246	1,897	(26,133)	(3,832)
Cash and Cash Equivalents at Beginning of Year	<u>103,323</u>	<u>1,415</u>	<u>19,220</u>	<u>123,958</u>	<u>48,159</u>
Cash and Cash Equivalents at End of Year	<u>\$ 75,047</u>	<u>\$ 1,661</u>	<u>\$ 21,117</u>	<u>\$ 97,825</u>	<u>\$ 44,327</u>

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Cash Flows
Proprietary Funds
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Business-Type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Water</u>	<u>Convention</u>	<u>Other</u>	<u>Total</u>	<u>Internal</u>
	<u>Works</u>	<u>Center</u>	<u>Enterprise</u>	<u>Enterprise</u>	<u>Service</u>
			<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
<u>Reconciliation of Operating Income (Loss) to</u>					
<u>Net Cash Provided (Used) by</u>					
<u>Operating Activities:</u>					
Operating Income (Loss)	\$ 22,761	\$ (11,912)	\$ (221)	\$ 10,628	\$ (6,368)
Depreciation and Amortization	22,781	6,907	4,939	34,627	4,664
Changes in Assets and Liabilities:					
(Increase) Decrease in:					
Receivables	(198)	(106)	73	(231)	(707)
Due from Other Funds	20		1	21	(758)
Due from Other Governments	3,166	(279)		2,887	(567)
Inventory	(682)			(682)	14
Prepaid Items	37	100	(21)	116	113
Deferred Charges	38			38	
Increase (Decrease) in:					
Accounts Payable	375	(89)	(228)	58	245
Deposits Payable	596			596	23
Due to Other Funds	175	(1)	9	183	(567)
Due to Other Governmental Agencies	706			706	
Accrued Payroll	(615)	(30)	36	(609)	(417)
Accrued Liabilities		34	390	424	(740)
Accrued Interest			(3)	(3)	
Unearned Revenue		76	(165)	(89)	(145)
Liability for Compensated Absences	171	(20)	127	278	(204)
Estimated Liability for Unpaid Claims	38	(2)	(4)	32	261
Net Pension Obligation	3,646	1	515	4,162	1,437
Net Other Post Employment Benefit Obligation	2,141		302	2,443	845
Net Cash Provided (Used) by Operating Activities	<u>\$ 55,156</u>	<u>\$ (5,321)</u>	<u>\$ 5,750</u>	<u>\$ 55,585</u>	<u>\$ (2,871)</u>

Schedule of Noncash Investing, Capital
and Financing Activities:

Acquisition of Property, Plant and Equipment from					
Acquired Through a Capital Lease	\$	\$	\$	\$	\$ 33
Transfer to Other Funds					(224)
Capital Contributions	2,834		8	2,842	107
Total Noncash Investing, Capital and Financing Activities	<u>\$ 2,834</u>	<u>\$</u>	<u>\$ 8</u>	<u>\$ 2,842</u>	<u>\$ (84)</u>

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2008
(Amounts in Thousands)

	Pension Trust	Investment Trust Fund	Agency
ASSETS			
Cash and Equivalents	\$ 68,319		
Equity in City Treasury Cash		\$ 76,943	\$ 3,321
Investments, at fair value:			
Government Bonds	2,542		
Government Agencies	10,647		
Government Mortgage Backed Securities	149,911		
Government Inflation Index Bonds	18,606		
Corporate Bonds	215,838		
State and Local Obligations	2,778		
Equities	1,012,305		
Venture Capital	200,970		
U. S. Treasury Bills and Notes			295,107
Real Estate	158,872		
Other Bonds	18,647		
Other	42,154		
	1,833,270		295,107
Total Investments, at Fair Value			
Collateral on Loaned Securities	242,380		
Receivables:			
Accounts, Net	271		32,721
Accounts Receivable for Securities Sold	93,794		
Accrued Interest and Dividends	6,913		828
Due from Other Funds	1,112		
Due from Other Governments	2,469		
Inventory			
Loans Receivable	14,500		
Machinery and Equipment	1,782		
Accumulated Depreciation	(1,407)		
Total Assets	2,263,403	76,943	\$ 331,977
LIABILITIES			
Accounts Payable	1,422		\$ 14,639
Accounts Payable for Securities Purchase	191,276		
Due to Other Funds	852		
Due to Other Governmental Agencies			294,123
Obligations Under Securities Lending	242,380		
Accrued Payroll	30		1,643
Accrued Liabilities	11,201		31
Deposits Payable			2,876
Estimated Liability for Compensated Absences	102		7,607
Net Pension Obligation			7,627
Net Other Post Employment Benefit Obligation			3,431
Total Liabilities	447,263		\$ 331,977
NET ASSETS			
Held in Trust for Internal Pool Participant			
Held in Trust for External Pool Participant		76,943	
Held in Trust for Employees' Pension Benefits	1,242,081		
Held in Trust for Employees' Postemployment Healthcare Benefits	574,059		
Total Net Assets	\$ 1,816,140	\$ 76,943	

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Pension Trust</u>	<u>Investment Trust Fund</u>
ADDITIONS		
Contributions:	\$	\$
Plan members	11,844	
Employer	27,250	
Other	995	
Participant Deposits		397,221
Total Contributions	<u>40,089</u>	<u>397,221</u>
 Transfers From Other Retirement Systems	 598	
 Investment earnings:		
Interest and Dividends	72,950	2,862
Net Appreciation in the Fair Value of Investments	<u>(784,023)</u>	<u>182</u>
Total Investment Earnings	(711,073)	3,044
Less Investment Management Expenses	<u>5,781</u>	
Net Income (Loss) From Investing Activities	<u>(716,854)</u>	<u>3,044</u>
 From Security Lending Activities:		
Securities Lending Income	<u>10,503</u>	
Securities Lending Expense:		
Borrower Rebates	(7,358)	
Management Fees	<u>(780)</u>	
Total Securities Lending Expenses	<u>(8,138)</u>	
Net Income from Securities Lending Activities	<u>2,365</u>	
 Total Additions (Losses)	 <u>(673,802)</u>	 <u>400,265</u>
DEDUCTIONS		
Benefit Payments:		
Pension and Annuities	130,428	
Distributions to Participants		381,429
Hospital and Medical Care	48,901	
Medicare	3,831	
Dental Benefits	1,610	
Vision Benefits	141	
Death Benefits, Active and Retired	1,216	
Loss Due to Death of Members with Loans	1	
Transfers - Retirement to other systems	<u>2,089</u>	
Total Benefits Payments	<u>188,217</u>	<u>381,429</u>
 Refunds of Contributions	 <u>1,366</u>	
 Administrative expenses:		
Personal Services	754	
Contractual Services	694	
Materials and Supplies	12	
Depreciation	<u>49</u>	
Total Administrative Expenses	<u>1,509</u>	
Total Deductions	<u>191,092</u>	<u>381,429</u>
 Change in Net Assets	 (864,894)	 18,836
Net Assets at January 1	<u>2,681,034</u>	<u>58,107</u>
Net Assets at December 31	<u>\$ 1,816,140</u>	<u>\$ 76,943</u>

The accompanying notes to the financial statements are an integral part of this statement.

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Notes to Financial Statements

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CITY OF CINCINNATI, OHIO
NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Cincinnati is a political subdivision of the State of Ohio. It is governed with the powers of home rule by a directly elected mayor with a four-year term and a council of nine members who are elected at large for two-year terms. In 2001, Cincinnati converted from a city manager-council form of government, through which it had operated since 1926, to a strong mayor-council form of government.

A. Reporting Entity

The City as a reporting entity consists of only one governmental unit. Cincinnati has no component units - defined as entities for which the government is considered to be financially accountable.

The following organizations are included in the combined financial statements of the City because, under Ohio law, they have limited corporate powers and are therefore not legally separate organizations:

Cincinnati Park Board
Cincinnati Recreation Commission
City Planning Commission
Cincinnati Board of Health
Civil Service Commission

Cincinnati owns a railway line, the Cincinnati Southern Railway that was completed in 1881 and extends from Cincinnati, Ohio to Chattanooga, Tennessee, a distance of 335 miles. Improvements have been made at various intervals; the most recent, a major line revision to eliminate tunnel clearance restrictions, grades, and curves, was completed in 1964. Improvements other than buildings in Governmental Activities include \$83,224,000 attributable to the City's cost to construct and improve this railway system. The railway is leased to the Cincinnati, New Orleans and Texas Pacific Railway Company until December 31, 2026, with an option to extend the lease for an additional 25 years. The lessee is part of the Norfolk Southern Railway System and is its second largest operating unit. Total rental income from the railway lease was \$18,889,000 in 2008 and \$18,318,000 in 2007.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Interfund receivables and payables between governmental and business type activities have been eliminated in the government-wide statement of net assets. These eliminations minimize the duplicating effect on assets and liabilities within the governmental and business type activities total column. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the city's business type activities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund financial statements consist of a series of statements focusing on information about the City's major governmental and proprietary funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and two major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The financial statements of the City of Cincinnati for 2008 are prepared in accordance with standards promulgated by the Governmental Accounting Standards Board (GASB). These standards include the effective pronouncements of the National Council on Governmental Accounting and the American Institute of Certified Public Accountants which are considered to be "generally accepted accounting principles" for state and local entities, until they are altered, amended, supplemented, revoked or superseded by a subsequent GASB pronouncement.

The City reports the following major governmental funds:

General Fund is the accounting entity in which all governmental activity, except that which is required to be accounted for in other funds, is accounted for. Its revenues consist primarily of taxes, intergovernmental shared revenues, charges for services, and investment income.

General Fund expenditures represent costs of general government, community development, public safety, public services, public health, parks and recreation, and other.

Capital Projects Fund is used primarily to account for resources designated to construct or acquire governmental fund capital assets. Such resources are derived principally from proceeds of general obligation debt, federal and state grants and City income tax (see Note 11). It is the City's policy to use the proceeds derived from the sale of bonds only for the capital improvement purpose detailed in the bond-authorizing ordinance and in accordance with state statutes. Any premium and accrued interest received from the sale of bonds is deposited into the Debt Service Fund.

Debt Service Fund accounts for the resources accumulated and payments made for principal and interest

on general obligation debt and capital lease payments of the governmental funds.

The City reports the following major proprietary funds:

Water Works Fund accounts for all activities of the City's Water Works Department. The City collects, purifies, and sells water to Greater Cincinnati Area residents. Revenues consist primarily of user charges.

Convention Center Fund accounts for the revenues and expenses from the operation of the Duke Energy Convention Center, financed primarily through user fees.

The City reports the following fund types:

Internal Service Funds account for reproduction, printing and stores; automotive repairs and maintenance services; land sales and leasing; employee medical costs; workers' compensation; and data processing services to other departments or agencies of the City, or to other governments. Internal service funds are used to account for the financing of goods or services provided by one department or agency to another department or agencies of the government, generally on a cost reimbursement basis.

Pension Trust Fund – This fund is used to account for the receipts and expenditures of the City's Retirement System, which is a multiple-employer defined benefit pension plan. This fund accounts for both the pension benefits and the post-employment healthcare benefits.

Investment Trust Fund – This fund is used to account for the Metropolitan Sewer District Fund portion of the City's pool of cash and investments.

Agency Funds – These funds are used to account for assets held by the City in a fiduciary capacity. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The assets held by the City include towing and storing charges for impounded vehicles, entertainment facilities deposits, transportation and engineering specific purpose monies, Metropolitan Sewer District monies and the Convention Facility Authority monies.

Measurement Focus

Except for budgetary purposes, the basis of accounting used by the City conforms to generally accepted accounting principles (GAAP) in the United States of America as applicable to governmental units. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

The government-wide and proprietary funds financial statements are reported using the economic resources measurement focus. The government-wide and proprietary funds financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include income taxes, property taxes, grants, shared revenues, and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the taxpayer's liability occurs and revenue from property taxes is recognized in the fiscal year for which the taxes are levied. On an accrual basis, revenue in the form of shared revenue is recognized when the provider government recognizes its liability to the City. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized in the accounting period in which they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when the related liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Inventories of materials and supplies may be considered expenditures either when purchased or when used; and prepaid expense items may be considered expenditures either when paid for or when consumed. Proceeds of general long-term debt are reported as other financing sources.

Income taxes, delinquent property taxes, liquor permits, fines, local government fund, gasoline tax, and motor vehicle license fees for the current and prior periods are determined to be susceptible to accrual and are recognized as revenue in the current accounting period. All other major revenues of governmental funds are determined not to meet the criteria of either being measurable or available.

The proprietary fund type statements are prepared utilizing the flow of economic resources measurement focus and the accrual basis of accounting for revenues, which are recognized when they are earned, and for expenses, which are recognized when they are incurred. Unbilled service receivables are recognized by proprietary funds when the services are provided.

The fiduciary fund types recognize revenue and expenditures/expenses on a basis consistent with the fund's accounting measurement objective. The pension trust fund and the mixed investment pool statements are prepared utilizing the flow of economic resources measurement focus and the accrual basis of accounting. The pension trust fund accounts for both the pension benefits and the employees' post-employment benefits. Agency funds do not have a measurement focus. Their financial statements are prepared utilizing the accrual basis of accounting.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

Other Accounting Policies

- A.** *Investments* - The investments of the City (excluding the City of Cincinnati's Retirement System, (see Note 2)) are comprised primarily of time deposits and other securities guaranteed by the United States Government or its agencies and are stated at fair value based on quoted market prices.
- B.** *Inventories* - Inventories are valued at cost using either the moving weighted average or the first-in, first-out method. Inventories in the governmental funds and the proprietary funds are recorded using the consumption method whereby inventories are recorded as expenditures or expenses when they are used.
- C.** *Insurance* - The City maintains a comprehensive all-risk property insurance program that provides

insurance coverage for approximately \$1,132,085,000 in property values. In addition, certain enterprise funds carry insurance coverage for specific purposes as determined by management. An estimated liability for uninsured losses is reported as required by Governmental Accounting Standards Board Statement 10 - Accounting and Financial Reporting for Risk Financing and Related Insurance Issues. State law authorizes the issuance of judgment bonds to settle claims. The City's available legal debt margin of \$91,619,000 at December 31, 2008, is considered adequate for catastrophic loss coverage.

D. *Inter-Fund Transactions* - During the course of normal operations, the City has numerous transactions between funds including expenditures/expenses, advances and transfers of resources to provide services, construct assets and service debt. The governmental and proprietary fund type financial statements generally reflect such transactions as transfers or advances. The internal service funds record charges for services to City departments as operating revenue. All City funds record these payments to the internal service funds as operating expenditures/expenses. The proprietary funds record operating subsidies as other income whereas the fund paying the subsidy records it as either an expenditure/expense or transfer. Transfers are intended to reallocate money permanently from one fund to another. Advances represent the long-term portion of loans between funds. Inter-fund services provided and used are accounted for as revenues, expenditures, or expenses in the funds involved. The General Fund provides administrative services to enterprise funds. Based on an internal cost allocation plan certain costs initially borne by the General Fund are then billed as indirect charges to other funds of the City. The amounts charged for those services are treated as revenue to the General Fund and as operating expenses in the enterprise funds and as program expenses for individual functions and activities.

E. *Capital Assets* -Capital assets which include property, plant and equipment, and infrastructure (e. g. roads, streets, bridges and retaining walls) are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. The City defines capital assets as assets with an individual cost of \$5,000 or more (\$100,000 for governmental infrastructure assets) and an estimated useful life in excess of one year. Such assets are capitalized at historical cost, or estimated values that approximate historical cost if purchased or constructed. Pursuant to the implementation of GASB No. 34, the historical cost of infrastructure assets (retroactive to January 1, 1980) are included as part of the governmental capital assets reported in the government-wide statement. Thus, the depreciated value of construction cost for streets, bridges and retaining walls is reported. Donated capital assets are recorded at estimated fair market value at the time of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

Water Mains	100 years
Buildings and Improvements	25-70 years
Infrastructure	15-25 years
Machinery and Equipment	5-40 years
Automotive Equipment	3-20 years

- F.** *Deferred Revenues* - The City reports deferred revenue on its governmental funds balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Certain intergovernmental receivables, uncollected assessments, miscellaneous receivables, property taxes and income taxes not meeting the availability criteria have been deferred and will be realized in a subsequent period in the governmental funds.
- G.** *Grants and Other Intergovernmental Revenues* - The proprietary fund types recognize the federal reimbursement-type capital grants as intergovernmental receivables and capital contributions as the related expenses are incurred. All other federal reimbursement-type grants are recorded as intergovernmental receivables and revenues when the related expenditures are incurred. On an accrual basis, revenue in the form of shared revenue is recognized when the provider government recognizes its liability to the City.
- H.** *Operating Revenues and Expenses* - The City, in its proprietary funds, distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.
- I.** *Capitalization of Interest* - Interest is capitalized by the City in proprietary fund types when it is determined to be material. The City capitalizes interest in accordance with Statement of Financial Accounting Standard No. 62, Capitalization of Interest Costs in Situations Involving Certain Tax-Exempt Borrowings and Certain Gifts and Grants. This statement requires that the interest cost capitalized during construction be reduced by interest income earned on investments of the bond proceeds from the date of the borrowing until the assets constructed from the bond proceeds are ready for their intended use.
- J.** *Statement of Cash Flows* - For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments held by trustees, with a maturity of three months or less when purchased, to be cash equivalents. In addition, all cash and temporary investments with the City Treasurer are also considered to be cash equivalents since they are available to the proprietary funds on demand. The temporary investments primarily consist of certificates of deposit and U. S. Treasury securities that have maturities of up to two years.
- K.** *Debt Issuance Costs, Premiums and Discounts* - Debt Issuance costs, premiums and discounts are capitalized and amortized over the term of the bond.
- L.** *Pronouncements Effective for the 2008 Financial Statements* - With this financial report the City has changed its financial reporting to comply with Governmental Accounting Standards Board (GASB) Statement Number 49, *Accounting and Financial Reporting for Pollution Remediation Costs* which was issued in November 2006. This Statement is effective for financial statements for fiscal periods beginning after December 15, 2007. This Statement establishes criteria that governments will use to ascertain when and how to report a liability related to pollution remediation. This statement enhances the ability of financial information users to access a government's obligations by requiring both earlier reporting of obligations and recognition of obligations that may not have been reported before.

- M.** *Pronouncements Issued But Not Yet Effective* – Governmental Accounting Standards Board (GASB) Statement Number 51, *Accounting and Financial Reporting for Intangible Assets* was issued in June 2007. This statement is effective for fiscal periods beginning after June 15, 2009. This statement defines intangible assets and states the criteria for their inclusion as capital assets for accounting and financial reporting purposes.

Governmental Accounting Standards Board (GASB) Statement Number 52, *Land and Other Real Estate Held as Investments by Endowments* was issued in November 2007. This statement is effective for fiscal periods beginning after June 15, 2008. This statement affects financial reporting for endowments, requiring that land and other real estate be shown at fair value rather than historical cost and requiring that changes in fair value be reported as investment income.

Governmental Accounting Standards Board (GASB) Statement Number 53, *Accounting and Financial Reporting for Derivative Instruments* was issued in June 2008. This statement is effective for fiscal periods beginning after June 15, 2009. Earlier application is encouraged. This statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments.

Governmental Accounting Standards Board (GASB) Statement Number 54, *Fund Balance Reporting and Governmental Fund Type Definitions* was issued in March 2009. This statement is effective for fiscal periods beginning after June 15, 2010. Earlier application is encouraged. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions.

Governmental Accounting Standards Board (GASB) Statement Number 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* was issued in March 2009. This statement is effective upon issuance. The objective of this statement is to incorporate the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the Governmental Accounting Standards Board's (GASB) authoritative literature.

- N.** *Working Capital Reserve* - City Council established standards for a minimum working capital reserve account in 1984 to assure a strong financial position and to protect Cincinnati's general obligation bond rating during periods of fiscal stress. The policy called for achievement of a minimum reserve level, for emergency needs of a catastrophic nature, of no less than 5% or more than 8% of general operating revenues by December 31, 1986. The targeted year-end reserve level was achieved in January of each year 1985 through 2008. The working capital reserve for 2008 was \$25,312,000 and is included in the Fund Balance Reserved for Working Capital in the Capital Projects Fund. The City is a chartered government and the working capital reserve, as established, is allowed by the charter.
- O.** *Restricted resources* - Bond funds and other similar restricted resources are assumed to be expended before non-restricted resources in paying for capital projects of both the governmental funds and the proprietary funds.
- P.** *Liability for Compensated Absences* – City Employees are awarded sick, vacation and compensatory time as determined by union contractual agreements and personnel policies. 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 upon termination. The liability for sick leave is computed with the Termination Payment Method using a historical average of total years worked and total amount paid. The current portion of the liability is an average of the annual expenditures.

2. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

The City of Cincinnati combines the cash balances in individual funds to form a pool of cash and investments. Each fund reports its respective equity in City Treasury cash as an element of its resources. In addition, several funds separately hold cash and equivalents and investments, which are appropriately identified, in the government-wide Statement of Net Assets of the City. Earnings from the pooled cash and investments are allocated on a quarterly basis to eligible fund based on month-end equity balances. The data presented in the accompanying financial statements is for the City of Cincinnati as a whole.

Deposits

At year-end the carrying amount of the City's deposits, including certificates of deposit with various financial institutions was \$391,490,000 and the bank balance was \$406,242,000. The entire bank balance is held in the name of the City and is collateralized either by federal depository insurance or securities pledged as collateral and segregated by the Federal Reserve Bank in a pledge account. The collateral is held by the City's agent in the City's name; it cannot be released by the Federal Reserve Bank without the City's approval.

Statutes specify that the City Treasurer require institutions designated as a public depository to pledge and to deposit with the Treasurer's office, as security for the payment of all public monies to be deposited in the public depository during the period of designation, eligible securities of an aggregate market value equal to the excess of the amount of public monies that are at the time so deposited over and above such portion or amount of such money as is at such time insured by the Federal Deposit Insurance Corporation, or by any other agency or instrumentality of the federal government. As an alternative, the City Treasurer may require such institution to deposit with him surety company bonds which, when executed, shall be for an amount equal to such excess amount.

Excluded from these amounts are deposits held by the City's Retirement System for which the year-end book balance was \$68,319,000. The year-end bank balance was \$20,446,000 and the cash balance was \$20,010,000. The cash balance was held by the City Treasurer. The cash equivalents of \$48,309,000 were held in money managers' custodial accounts at the Bank of New York at year-end and are not subject to the same insurance and collateralization requirements as the City's deposits and are uncollateralized.

Investments

The fair value of investments for the City at December 31, 2008 was \$581,379,000. These investments include \$83,724,000 in Money Market Funds, \$253,489,000 in U. S. Treasury Securities, \$242,328,000 in U. S. Government pass-through mortgage backed securities, STAROhio \$750,000, \$232,000 in Bond Mutual Funds, and \$856,000 in Equity Securities. The City is legally authorized to invest in obligations of the U.S. Treasury, federal agencies or instrumentalities, obligations of the State of Ohio and its political subdivisions and repurchase agreements. All investments of the City of Cincinnati are insured or registered, or are securities held by the City or its agent in the City's name. The City Treasurer may enter into a repurchase agreement of United States Treasury obligations or other obligations for which the full faith and credit of the United States is pledged for the payment of principal and interest, or obligations or securities issued by any

federal government agency. The City has not used reverse repurchase agreements or derivatives as investment instruments.

Excluded from the City’s investments discussed above are assets held in trust by the City’s Retirement System and the Park Board, which includes the Special Revenue Parks, Special Revenue Bettman Nature Center, and Permanent Park Board Funds. The fair value of investments for these funds at December 31, 2008 was \$1,840,518,000. These investments include \$13,352,000 in Government Agencies and Bonds, \$18,606,000 in Government Inflation Indexed Bonds, \$151,926,000 in Government pass-through mortgage backed securities, \$216,831,000 in Corporate Fixed Income, \$200,970,000 in Venture Capital, \$1,016,382,000 in Equity Securities, \$2,778,000 in State and Local Obligations, \$42,154,000 in Other Assets, \$158,872,000 in Real Estate Investments, and \$18,647,000 in other bonds. In those cases where resources are maintained in trust, the authority for investment of the property rests with either the trust agreement or local ordinance. Investments of the City of Cincinnati Retirement System are, by ordinance, subject to certain terms and limitations. These limitations do not apply to investments in securities of the City and federal government or their agencies. Investments of the City of Cincinnati Retirement System and Park Board are uninsured, with securities held by the counterparty, or by its trust department or agent but not in the City’s name. The investment in Venture Capital is not considered an investment in a security for purposes of credit risk classification since it is not evidenced by securities that exist in physical or book entry form.

Investment Policy and Risk

The investment policy and risk will be discussed in four categories: 1) the City investment policy, which includes the General Fund, Debt Service Fund, Capital Project Fund, Water Works Fund (an Enterprise Fund), and the Metropolitan Sewer District (an Agency Fund), 2) the Permanent Funds except for the Park Board Fund, 3) the Park Board, which includes the Special Revenue Parks, Special Revenue Bettman Nature Center and Permanent Park Board Funds and 4) the City of Cincinnati’s Retirement System’s Pension Trust Fund.

A. City Investment Policy

The City’s foremost objective of the investment policy for the funds that are pooled and deposited in the General Bank Depository Account and other accounts authorized by the City Treasurer is safety of principal. The investment policy minimizes credit risk by limiting investments to the safest types of securities, pre-qualifying the financial institutions with which the City will do business, and diversifying investments to minimize potential losses.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Interest rate risk is reduced by structuring the portfolio to mature to meet cash requirements for ongoing operations in order to avoid the need to sell securities prior to maturity and by investing operating funds in shorter-term securities.

At December 31, 2008, the City had the following investments held by the City Treasurer which were exposed to interest rate risk (amounts in thousands):

Investment Type	Fair Value	Investment Maturities (in years)			
		Less Than 1	1 to 5	6 to 10	More than 10
U.S. Treasury Obligations	\$ 253,489	\$ 177,639	\$ 47,192	\$ 19,347	\$ 9,311
Mortgage Backed					
Government Pass-Through	242,328	10,519	231,809		
	495,817	188,158	279,001	19,347	9,311

Currently, the investment policy limits the investments to: 1) obligations issued by the United States Treasury, 2) obligations issued by a federal government agency or instrumentality, 3) certificates of deposits, 4) no-load money market mutual funds which invest in 1), 2), or 3) above, 5) the Ohio subdivision's fund (STAR Ohio), 6) repurchase agreements, or 7) obligations of the State of Ohio or of a political subdivision of the state with at least a AA rating. These investments do not expose the City to foreign currency risk. Therefore, the City does not have a foreign currency risk policy.

At December 31, 2008, the City had \$750,000 invested in STAR Ohio, which is an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. STAROhio is an investment alternative defined in section 135.45 (E) (2) of the Ohio Revised Code and created for eligible political subdivisions.

The STAR Ohio investments are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2008. The STAR Ohio fund invests in U. S. government and agency securities, collateralized repurchase agreements with eligible Ohio financial institutions, and eligible banker's acceptances and commercial paper. The STAR Ohio fund had an average 54.66 days to maturity at December 31, 2008 and is rated AAAM by Standard and Poor's.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit ratings indicate the degree of credit risk for an investment. At December 31, 2008 the city held the following investments (amounts in thousands):

Investment Type	Total Fair Value	A-/A3 and Above	Full Faith & Credit
U.S. Treasury Obligations	\$ 253,489	\$ 28,657	\$ 224,832
Mortgage Backed Government Pass-Through	<u>242,328</u>	<u>242,328</u>	<u>224,832</u>
	<u>\$ 495,817</u>	<u>\$ 270,985</u>	<u>\$ 224,832</u>

Custodial credit risk is the risk that in the event of a failure of a depository financial institution or counterparty to a transaction, the City would be unable to recover the value of an investment or collateral securities. The custodial credit risk policy is discussed in the Deposits section above. The City requires the certificates of deposit to be backed by collateral or surety bond with an aggregate market value of one hundred two percent of the City's deposits and investments including accrued interest. Repurchase agreements require collateral. The release of collateral requires the approval of the City Treasurer.

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. At December 31, 2008 the city did not have more than five percent of total investments with a single issuer.

B. Permanent Funds

The Permanent Funds (excluding the Park Board Fund) do not have a written investment policy. Each fund has a separate trust agreement, which limits the activity of the fund. At December 31, 2008, total investments were \$1,089,000. The Permanent Funds do not have an investment policy for interest rate risk, credit risk, custodial credit risk, concentration of credit risk, or foreign currency risk. Their investments consist of equity securities with a fair value of \$856,000, and bond mutual funds with a fair value of \$232,000. Credit Ratings and Maturity information was not available for the investments in bond mutual funds.

C. Park Board

The Park Board Fund investments goals are to generate capital growth for long-term usage and provide operating income to the respective projects and operations. The fund has established asset allocation ranges. For equities the range is seventy to ninety percent. For bonds, the range is ten to thirty percent. And for cash the range is zero to three percent. Each bond investment must have a minimum credit rating of A by Standard and Poor's and A by Moody's. Other than these limitations on investments, the Park Board Fund does not have an established policy for interest rate risk, credit risk, concentration of credit risk, custodial credit risk, or foreign currency risk.

At December 31, 2008 the Park Board had total investments with a fair value of \$7,247,000 which included equity securities with a fair value of \$4,076,000, and bond mutual funds with a fair value of \$499,000. The remaining \$2,672,000 in investments is identified in the chart below.

The following investments were exposed to interest rate risk (amounts in thousands):

Investment Type	Investment Maturities (in years)		
	Fair Value	Less Than 1	1 to 5
U.S. Treasury Obligations	\$ 163	\$ 25	\$ 138
U.S. Government Agency	27		27
Mortgage Backed			
Government Pass-Through	2,015	1,045	970
Corporate Bonds	467	165	302
Total	\$ 2,672	\$ 1,235	\$ 1,437

The following chart provides information utilized in determining credit rate risk (amounts in thousands):

Investment Type	Total Fair Value	A-/A3 and Above	Full Faith & Credit
U.S. Government Treasury	\$ 163	\$ 107	\$ 56
U.S. Government Agency	27	27	
Mortgage Backed			
Government Pass-Through	2,015	2,015	
Corporate Bonds	467	467	
Total	\$ 2,672	\$ 2,616	\$ 56

D. City Retirement

The City of Cincinnati Retirement System's Pension Trust Fund primary investment return objectives are to preserve the safety of principal, earn the highest possible total return consistent with prudent levels of risk, and create a stream of investment returns to insure the systematic and adequate funding of actuarially determined benefits through contributions and professional management of the System assets. The System has established asset allocation goals with acceptable variances specific to the type of investment. The total fixed income target allocation is 17% with a variance of 4%. The fixed income investments are divided between core bonds (target allocation of 12% with a variance of 2%) and high yield bonds (target allocation of 5% with a variance of 2%). The remaining asset target allocations are as follows: domestic equity – 43.5% with a variance of 12.5%, international equity 17% with a variance of 4.5%, real estate equity – 7.5% with a variance of 3%, infrastructure 5% with a variance of 2%, long-short equity – 5% with a variance of 2%, and private equity – 5% with a variance of 5%.

Interest Rate Risk

The interest rate risk is addressed by guidelines that require the weighted duration of the investments to be within a range of the duration of a benchmark index. For the core bonds the average effective duration may not vary more than 25% from the Lehman Brothers Aggregate Bond Index. For the high yield bonds the average duration may not vary more than 30% from the Lehman Brothers High Yield Bond Index. At December 31, 2008, the System had the following investments subject to interest rate risk (amounts in thousands):

Investment Type	Investment Maturities (in years)				
	Fair Value	Less Than 1	1 to 5	6 to 10	More than 10
Fixed Income Investments					
Government Fixed Income					
Government Agencies	\$ 10,647	\$ -	\$ 608	\$ 1,000	\$ 9,039
Government Bonds	2,542	-	-	275	2,267
Government Inflation Indexed	18,606	-	-	-	18,606
Government Assets and Mortgage Backed					
Government National Mortgage Assoc	3,426	-	47	-	3,379
Federal Home Loan Mortgage Corp	37,313	-	854	284	36,175
Federal National Mortgage Assoc	71,258	-	819	715	69,724
Collateralized Mortgage Obligations	37,914	-	1,106	587	36,221
Corporate Fixed Income					
Asset Backed Securities	67,986	421	15,016	541	52,008
Corporate Bonds	161,244	12,971	76,269	38,488	33,516
State and Local Obligations	2,778	-	-	633	2,145
Other Fixed Income					
Private Placements	17,498	494	7,446	7,042	2,516
Miscellaneous Other Fixed Income	1,149	-	-	-	1,149
	<u>\$ 432,361</u>	<u>\$ 13,886</u>	<u>\$ 102,165</u>	<u>\$ 49,565</u>	<u>\$ 266,745</u>

The above maturity chart includes investments with a fair value of \$13,392,000 which were reclassified as cash equivalents in the Pension Trust financial statements.

Concentration of Credit Risk

The concentration of credit risk is minimized by the diversification policy, which requires the assets to be allocated across major asset classes and be diversified broadly within each asset class. The investment firm is required to notify the System when, in aggregate as a firm, the organization owns more than 10% of the outstanding shares in a single stock. Also, within the fixed investment asset class each of the investment managers may not allow a single issuer to comprise more than 5% of the portfolio's market value. For the domestic equity and the international equity, no single issuer shall comprise more than 10% of the portfolio's market value for each investment manager. To further limit the concentration of credit risk, the domestic equity investment managers are not permitted for the aggregate position within each equity manager's portfolio to exceed 1% of the fair market value of the outstanding stock in any company. For the international equity investment managers the limit is 1.5%.

Credit Risk

In order to reduce credit risk, the System requires that 90% of the core bonds are of a high quality investment grade security. The remaining 10% may be invested in below investment grade securities, defined as investments with a middle rating below BBB- (S&P), Baa3 (Moody's), or BBB- (Fitch). The high yield bonds overall portfolio average quality rating should be not less than B based upon the rating of at least two of the three rating agencies (S&P, Moody's, and Fitch). The following chart provides the investments held by the System summarized by credit rating at December 31, 2008 (amounts in thousands):

Investment Type	Total Fair Value	A-/A3 and Above	BBB-/Baa3 to BBB+/Baa1	B-/B3 to BB+/Ba1	C/C to CCC/Caa	Not Rated
Fixed Income Investments						
Government Fixed Income						
Government Agencies	\$ 10,647	\$ 4,292	\$ -	\$ -	\$ -	\$ 6,355
Government Bonds	2,542	1,113	1,429	-	-	-
Government Inflation Indexed	18,606	7,399	-	-	-	11,207
Government Assets and Mortgage Backed						
Government National Mortgage Assoc	3,426	-	-	-	-	3,426
Federal Home Loan Mortgage Corp	37,313	-	-	-	-	37,313
Federal National Mortgage Assoc	71,258	48	-	-	-	71,210
Collateralized Mortgage Obligations	37,914	1,171	-	-	-	36,743
Corporate Fixed Income						
Asset Backed Securities	67,986	53,432	-	-	657	13,897
Corporate Bonds	161,244	47,836	29,256	75,011	5,719	3,422
State and Local Obligations	2,778	2,778	-	-	-	-
Other Fixed Income						
Private Placements	17,498	8,130	526	2,503	949	5,390
Miscellaneous Other Fixed Income	1,149	1,149	-	-	-	-
Total	\$ 432,361	\$ 127,348	\$ 31,211	\$ 77,514	\$ 7,325	\$ 188,963

The above credit rating chart includes investments with a fair value of \$13,392,000 which were reclassified as cash equivalents in the Pension Trust financial statements.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investments or a deposit. The System's target allocation for international equities is 17% of the total investment assets with 14% in core equities and 3% in small cap/emerging market equities. The international equity managers may hold up to 5% of its portfolio in a money market or cash. Currency hedging which includes forward currency contracts and cross currency hedging, are permitted for defensive purposes. The System's exposure to foreign currency risk at December 31, 2008 is as follows (amounts in thousands):

Currency	Fair Value	Fixed Income	Equity	Forward Contracts	Derivatives	Cash
Australian Dollar	\$ 14,627		\$ 14,614	\$ (49)	\$ 61	\$ 1
Brazilian Real	(387)			(393)	6	
British Pound Sterling	33,407	\$ 330	34,858	(1,850)	68	1
Canadian Dollar	4,474		4,481			(7)
Euro Currency	70,696	5,925	70,962	(6,524)	(6)	339
Hong Kong Dollar	6,164		6,164			
Indian Rupee	99			99		
Japanese Yen	52,844		52,229	133		482
Malaysian Ringgit	2,044		2,044			
Mexican Nuevo Peso	35	1,429		(1,455)		61
New Zealand Dollar	752		752			
Renminbi Yuan	865			865		
Singapore Dollar	5,641		5,641			
South African Rand	3,732		3,731			1
South Korean Won	336		336			
Swedish Krona	3,368		3,368			
Swiss Franc	19,523		19,523			
Total	\$ 218,220	\$ 7,684	\$ 218,703	\$ (9,174)	\$ 129	\$ 878

Custodial Credit Risk

As for custodial credit risk, the fund only requires collateral for their securities lending program as discussed in the Securities Lending section of this footnote.

Securities Lending

City statutes and board of trustee policies permit the City of Cincinnati Retirement System to use investments of the plan to enter into securities lending transactions – loans of securities to broker-dealers and other entities for collateral with a simultaneous agreement to return the collateral for the same security in the future. Securities are loaned in exchange for collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned in exchange for collateral valued at 102% of the market value of the securities plus any accrued interest. Non-U.S. securities are loaned in exchange for collateral valued at 105% of the market value of the securities plus any accrued interest. Collateral cannot be pledged or sold unless the borrower defaults. The borrower is required to pay to the Lender the equivalent of all interest and dividends that are paid by the issuer during the term of the loan. All security loans can be terminated on demand by either the lender or the borrower, although the average term of the System's overall loans was 28 days for the year ended December 31, 2008. Cash collateral is invested in a short-term investment pool, which had an average weighted maturity of 2 days as of December 31, 2008. Cash collateral may also be invested separately in "term loans", in which the maturity of the term loan is matched to either the maturity of the cash collateral invested or the interest rate reset of the cash collateral invested. These loans have rights of substitution and securities can be recalled on demand. As of December 31, 2008, there were no violations of legal or contractual provisions, no borrower or lending agent default and no losses known to the securities lending agent. There are no dividends or coupon payments owing on the securities lent.

The following represents the balances relating to the securities lending transactions at the financial statement date (amounts in thousands):

Securities Lent	Fair Value of Underlying Securities	Cash Collateral Received/Securities Collateral Value
Lent for Cash Collateral:		
U.S. Government	\$ 1,065	\$ 1,080
U.S. Agencies	2,507	2,582
U.S. Corporate Fixed Income	31,344	32,048
U.S. Equities	182,396	184,908
Non-U.S. Equities	20,496	21,762
Total	<u>\$ 237,808</u>	<u>\$ 242,380</u>

The following maturity chart for securities lending collateral provides information pertinent to interest rate risk (amounts in thousands):

MARKET VALUE BY MATURITY RANGE			
Asset class	Less Than 1 Year	1-5 Years	Total
Asset Backed Security	\$ 44,797	\$ 0	\$ 44,797
Bank Note	45,136	0	45,136
Certificate of Deposit Float	29,547	0	29,547
Corporate Floating Rate	94,489	0	94,489
Reverse Repurchase Agreements	114	0	114
Total	<u>\$ 214,083</u>	<u>\$ 0</u>	<u>\$ 214,083</u>

In order to determine credit rate risk for the securities lending collateral, the following chart is useful (amounts in thousands):

Investment Type	Fair Value	A-/A3 and Above	A-1/P-1 and Above	Not Rated
Asset Backed Security	\$ 44,797	\$ 44,797	\$	\$
Bank Note	45,136	29,285	15,851	
Certificate of Deposit Float	29,547	9,655	19,892	
Corporate Floating Rate	94,489	19,351	73,338	1,800
Reverse Repurchase Agreements	114			114
Total	<u>\$ 214,083</u>	<u>\$ 103,088</u>	<u>\$ 109,081</u>	<u>\$ 1,914</u>

Derivatives

Derivatives are generally defined as contracts whose value depend on, or derive from, the value of an underlying asset, reference rate, or index. The retirement system enters into certain derivative financial instruments, primarily to enhance the performance and reduce the volatility of the portfolio. It purchases S&P 500 futures contracts to gain exposure to the U.S. equity market, fixed income futures contracts and options to manage interest rate risk, and foreign exchange contracts are used occasionally to hedge foreign currency exposure. The retirement system's fixed income managers are authorized to invest in mortgage-backed securities (MBS), commercial mortgage-backed securities (CMB), collateralized mortgage obligations (CMO) and asset-backed securities (ABS). MBS securities are issued by government agencies and instrumentalities such as the FHA, FNMA, GNMA, FHLMC, while CMB and CMO securities are issued by non-government corporations. ABS securities are supported by loans, which are secured by first residential mortgages, home equity mortgages, auto loans, credit card receivables, etc.

3. MIXED INVESTMENT POOL

On April 10, 1968, the Board of County Commissioners of Hamilton County and the City of Cincinnati consolidated all County and City sanitary sewer facilities, under the direction and control of the Board of County Commissioners and the management and operation of the City. The cash balance in the fund established for this purpose, the Metropolitan Sewer District fund (MSD), is combined with the City's pool of cash and investments. For the purposes of financial reporting, the MSD portion of the City's pool of cash and investments is reported as an Investment Trust Fund. Assets in the pool are reported at fair value based on quoted market prices. The pool is not subject to regulatory oversight. Fair value amounts are determined at year-end. The City has not provided or obtained any legally binding guarantees to support the value of the Mixed Investment Pool. MSD is required by Chapter 301 of the Cincinnati Municipal Code to participate in the Mixed Investment Pool. The method used to determine participants' shares sold and redeemed is a proration based upon the equity held in City Treasury cash. These amounts increase and decrease based upon the change in the equity balance. This same method is used to report the investments. Disclosures required by GASB Statement 3 are discussed in Note 2.

Summary by major investment classification:

(Amounts in Thousands)

Description	Cost	Fair Value	Interest Rates	Maturity Dates
Money Market Fund	\$ 13,300	\$ 13,300		
Certificates of Deposit	310,500	310,500	1.92% to 5.27%	1/6/09 to 08/16/11
FHLB/FNMA/FHLB/FHLMC Securities	229,567	231,809	3.00% to 4.75%	4/14/10 to 12/15/13
Cash	1,772	1,772		
Total	<u>\$ 555,139</u>	<u>\$ 557,381</u>		

The Mixed Investment Pool does not issue a separate report. The Mixed Investment Pool's financial statements can be found below:

**Mixed Investment Pool
Statement of Net Assets
As of December 31, 2008**
(Amounts in Thousands)

<u>Assets</u>	
Equity in City Treasury	<u>\$ 557,381</u>
<u>Net Assets</u>	
Held in Trust for Internal Pool Participants	\$ 480,438
Held in Trust for External Pool Participant	76,943
Total Net Assets	<u>\$ 557,381</u>

Mixed Investment Pool
Statement of Changes in Net Assets
For the Year Ended December 31, 2008
(Amounts in Thousands)

	<u>Internal Participants</u>	<u>External Participants</u>	<u>Total</u>
Additions:			
Contributions:			
Participant Deposits	\$ 970,080	\$ 397,221	\$ 1,367,301
Investment earnings:			
Interest and dividends	19,909	2,862	22,771
Net appreciation in the fair value of investments	1,499	182	1,681
Total investment earnings	<u>21,408</u>	<u>3,044</u>	<u>24,452</u>
Total additions	991,488	400,265	1,391,753
Deductions:			
Distributions to Participants	<u>961,527</u>	<u>381,429</u>	<u>1,342,956</u>
Change in Net Assets	29,961	18,836	48,797
Net assets - beginning	<u>450,477</u>	<u>58,107</u>	<u>508,584</u>
Net assets - ending	<u>\$ 480,438</u>	<u>\$ 76,943</u>	<u>\$ 557,381</u>

4. COMMITMENTS

Convention Facilities Authority (CFA) - The CFA is an up to 11-member body corporate and politic, organized and existing under Chapter 351 of the Ohio Revised Code, as amended. The CFA issued bonds netting proceeds of \$111,176,644 dated March 2, 2004 for the purpose of expanding and renovating the Convention Center in Cincinnati.

Pursuant to a Memorandum of Understanding between the City of Cincinnati (City) and Hamilton County (County), a cooperative agreement was reached between the City and the County and a Project Service Agreement between the City and the CFA. The City will: (i) own the Convention Center, (ii) be responsible for the operation and maintenance of the Convention Center and (iii) manage the design and construction of the expansion and renovation project. Construction began in May 2004 and was completed in June 2006.

In the financial plan for the convention center expansion and renovation the dedicated Transient Occupancy Tax (City) and Lodging Excise Tax (County) is expected to cover the outstanding debt service for senior (\$64.4 million) and subordinate (\$22 million) debt. Pursuant to the Memorandum of Understanding between the City, County and the CFA, the City has agreed to guarantee, subject to annual appropriation, the principal and interest on subordinate debt. The maximum annual debt service is \$6,359,600 and has been reserved to guarantee the subordinate debt service.

Subject to annual appropriation, the City shall pay \$1,000,000 (City Annual Contribution) to the Trustee of the CFA subject to the terms of the Cooperative Agreement. This contribution is pledged as an additional revenue source for the payment of the bonds. The City appropriated an amount sufficient to pay the City Annual Contribution for 2008.

The Banks – In November 2007, the City of Cincinnati and Hamilton County approved a series of agreements to develop The Banks on the City’s central riverfront. The City has authorized \$15,000,000 in general obligation bonds or notes to be issued for Phase I of The Banks project. Phase I of the project, which began in Spring 2008, will consist of infrastructure improvements, parking garages, apartments,

retail, office space and a 40-acre riverfront park. Phase I is projected to be complete in 2011.

Columbia Square Town Center Development – The City has committed to issue \$4,300,000 in economic development bonds for Columbia Square. Bond anticipation notes in the amount of \$2,550,000 were issued in 2008 to finance the public infrastructure portion of Phases I and II of this mixed-use project. Phase I consists of three-story 54,000 square foot Class “A” office building with a fine-dining restaurant space on the first floor. Phase II includes a 28,500 square foot retail space in four buildings. The project is located at the southeast corner of Columbia Parkway and Delta Avenue. Phases I and II were completed at the end of 2008. The third phase will include a new office structure on the northwest corner of Delta and Columbia Parkway.

One River Plaza – The City has committed to issue \$17,295,000 in economic development bonds for the One River Plaza Development which will be constructed on approximately 2.8 acres of property located along the eastern portion of the City’s riverfront. It is an \$89 million mixed-use project, consisting of residential and commercial development. It will include 150 new condominium units, approximately 27,600 square feet of retail space and approximately 500 parking spaces in two mid-rise towers.

5. INTERFUND ASSETS/LIABILITIES

The composition of interfund balances as of December 31, 2008, is as follows:

DUE FROM/TO OTHER FUNDS (Amounts in Thousands)

Due To	Due From									Total
	General Fund	Capital Projects Fund	Debt Service Fund	Non Major Governmental Funds	Internal Service Funds	Water Works Enterprise Fund	Convention Center Fund	Nonmajor Enterprise Funds	Fiduciary Funds	
General Fund		\$ 11		\$ 169	\$ 1,053	\$ 5		\$ 22	\$ 558	\$ 1,818
Capital Projects Fund	\$ 1,395		1,234	1,556	1,134	1,932	38	519		7,808
Debt Service Fund									1	1
Non Major Governmental	92	2		33	252	17		8	235	639
Internal Service Fund	4	689		38	30				75	836
Water Works Fund	104	213		23	88			3	211	642
Nonmajor Enterprise Funds	5	54		19	46	3			32	159
Fiduciary Funds	2				850					852
Total	\$ 1,602	\$ 969	\$ 1,234	\$ 1,838	\$ 3,453	\$ 1,957	\$ 38	\$ 552	\$ 1,112	\$ 12,755

Included in the balances above are the amounts related to a \$12.8 million note issued by the City in 2008. These amounts are as follows:

(Amounts in Thousands)

	Due From	Due To
General Fund	\$ 1,391	
Capital Projects Funds		\$ 7,324
Debt Service Funds	1,234	
Non Major Governmental Funds	1,506	
Internal Service Funds	1,022	
Water Works Funds	1,625	
Convention Center Fund	38	
Nonmajor Enterprise Funds	485	
Fiduciary Funds	23	
Total	\$ 7,324	\$ 7,324

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

ADVANCES TO/FROM OTHER FUNDS (Amounts in Thousands)

<u>Advance To</u>	<u>Advance From</u>				Total
	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Internal Service Funds	
General Fund	\$	\$	\$	125	\$ 302
Nonmajor Governmental Funds	521		1,212		1,733
Water Works Fund				50	50
Convention Center		594			594
Nonmajor Enterprise Funds		4,775			4,775
Internal Service Fund		1,556			1,556
Total	\$ 521	\$ 6,925	\$ 1,337	\$ 227	\$ 9,010

The major portion of the amounts payable relate to loans made for the completion of capital projects construction in progress. The remaining portion of the amounts payable relate to working capital loans made to funds upon their creation, none of this balance is scheduled to be collected in the subsequent year.

6. INTERFUND TRANSFERS

Interfund transfers for the year ended December 31, 2008, consisted of the following:

TRANSFERS IN/OUT (Amounts in Thousands)

<u>Transfers In</u>	<u>Transfers Out</u>						Total
	General Fund	Capital Projects Fund	Debt Service	Nonmajor Governmental Funds	Internal Service Funds	Nonmajor Enterprise Funds	
General Fund	\$	217			\$ 146		\$ 363
Capital Projects Fund	617		90,746	403	804		92,570
Debt Service Fund	2,938	29,121			29	2,500	34,588
Nonmajor Governmental		1,346		305	336	1,239	3,226
Internal Service Fund		978		30			1,008
Convention Center		1,000					1,000
Nonmajor Enterprise Funds						13	13
Total	\$ 3,555	\$ 32,662	\$ 90,746	\$ 738	\$ 1,328	\$ 3,739	\$ 132,768

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

7. NET ASSETS / FUND EQUITY DEFICITS

The debt service fund balance includes a designation for capital projects. This amount (\$1,425,000) represents the unspent bond proceeds of the TIF debt issued in 2008 and is expected to be spent on project expenses in 2009.

Included in the financial statements is an internal service fund with a net asset deficit as of December 31, 2008. The net asset deficit in the internal service fund of Self Insurance Medical (\$301,000) is to be covered by future user charges. Also included in the financial statements is a non-major governmental fund with a net fund equity deficit as of December 31, 2008. The fund equity deficit in the Special Revenue Fund for Community Development (\$619,000) is to be covered by reimbursement from a federal grant.

8. LEASES

CITY AS LESSEE

Operating Leases

The City has entered into various leases for property, equipment and office space. These leases are considered for accounting purposes to be operating leases. The total cost for such leases were \$1,221 for the year ended December 31, 2008. Future minimum lease payments are as follows:

(Amounts in Thousands)

<u>Year</u>	<u>Amounts</u>
2009	\$ 1,271
2010	743
2011	731
2012	616
2013	472
Remaining Years	181
Total Future Minimum Rents	<u>\$ 4,014</u>

Capital Leases

The City has capitalized leases for the following property and equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

(Amounts in Thousands)

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Leased Property/Equipment	\$ 1,173	\$ 384
Less: Accumulated Depreciation	904	105
Total	<u>\$ 269</u>	<u>\$ 279</u>

The following is a schedule of future minimum capital leases and the present value of the net minimum lease payments at December 31, 2008:

(Amounts in Thousands)

<u>Year</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2009	\$ 248	\$ 105
2010	6	105
2011		48
2012		35
2013		6
Total Minimum lease payments	<u>254</u>	<u>299</u>
Less: Amounts representing interest	<u>7</u>	<u>31</u>
Present value of net minimum lease payments	<u>\$ 247</u>	<u>\$ 268</u>

CITY AS LESSOR

The City has entered into various contractual agreements for the rental of properties to various commercial enterprises, which are reported as operating leases for accounting purposes.

Amounts relating to the operating leases as of December 31, 2008 are included in the financial statements of the following:

(Amounts in Thousands)	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Land	\$ 2,505	\$ 255
Buildings	3,328	1,759
Improvements	83,345	
Accumulated Depreciation	82,629	1,333
Depreciation Expense	1,318	54

Future minimum rentals on non-cancelable operating leases as of December 31, 2008 are as follows:

(Amounts in Thousands)	Governmental	Business-Type
<u>Year</u>	<u>Activities</u>	<u>Activities</u>
2009	\$ 19,416	\$ 864
2010	19,233	739
2011	19,057	436
2012	18,927	261
2013	18,927	2
Remaining years	226,718	31
Total Future Minimum Rental Payments	<u>\$ 322,278</u>	<u>\$ 2,333</u>
Total Rentals for 2008:	\$ 19,472	\$ 1,115

Future minimum rentals of the railway line, recorded in Debt Service Fund, are assumed to equal the payments calculated for the current year. These minimum rentals are included in the Governmental Activities column.

Enterprise Funds

The General Aviation rentals (included in business-type activities) do not include contingent rentals, which may be received on the basis of hours or usage in excess of stipulated minimums. Terms of the leases are normally on a five-year basis with renewal options not to exceed fourteen years.

The Parking Facilities has leased the Fountain Square North Parking Garage for a one-time payment of \$7.5 million for a period of 50 years beginning in 2005. The revenue has been deposited into the Parking Facilities fund to offset cash flow losses from the operation of this garage.

Governmental Capital Assets

The City-owned railway line, the Cincinnati Southern Railway, is leased to the Cincinnati, New Orleans, and Texas Pacific Railway Company until December 31, 2026, with a renewal option of twenty-five years. Pursuant to the Ohio Revised Code, the use of the rental income from the railway line is restricted to debt service.

9. LONG-TERM DEBT

General Obligation Bonds and Notes

The City issues general obligation bonds and notes to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds and notes currently outstanding are as follows:

(Amounts in Thousands)

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	1.78% - 7.875%	\$375,920
Business-type activities	4.200% - 5.0%	<u>15,470</u>
		<u>\$391,390</u>

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

<u>Year Ending</u> <u>December 31</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2009	\$ 50,935	\$ 16,647	\$ 2,315	\$ 639
2010	30,685	14,833	2,315	544
2011	30,270	13,524	2,315	449
2012	29,730	12,208	2,315	355
2013	27,170	10,902	2,315	260
2014-2018	112,420	36,986	3,375	399
2019-2023	52,230	16,188	325	88
2024-2028	27,070	6,751	195	17
2029-2033	11,790	2,433		
2034-2035	3,620	212		
	<u>\$ 375,920</u>	<u>\$ 130,684</u>	<u>\$ 15,470</u>	<u>\$ 2,751</u>

Revenue Bonds and Notes

The City also issues bonds and notes where the City pledges income derived from the acquired or constructed assets to pay debt service. The net revenues of the Water Works are pledged to pay Water Works revenue bonds debt service. The original amount of revenue bonds and notes authorized in prior years was \$666,821,000 of which \$566,611,000 was issued.

Revenue bonds and notes outstanding at year-end are as follows:

(Amounts in Thousands)		
<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Economic Development	Various	\$ 73,375
Water Works	Various	<u>332,635</u>
		<u>\$406,010</u>

The annual debt service requirements to maturity for the revenue bonds and notes are as follows:

(Amounts in Thousands)

Year Ending December 31	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2009	\$ 6,005	\$ 3,814	\$ 14,000	\$ 15,715
2010	3,140	3,572	14,700	15,113
2011	2,285	3,394	15,260	14,459
2012	2,435	3,258	16,070	13,751
2013	2,575	3,112	16,705	13,009
2014-2018	13,720	13,130	96,640	52,209
2019-2023	15,875	9,384	106,080	27,026
2024-2028	7,130	6,014	34,870	8,518
2029-2033	10,565	3,947	18,310	2,344
2034-2038	9,645	1,670		
	<u>\$ 73,375</u>	<u>\$ 51,295</u>	<u>\$ 332,635</u>	<u>\$ 162,144</u>

Long-Term State Loans

The Ohio Public Works Commission extends loans to the City. Notes in the amount of \$3,220,000 accounted for as Governmental type and \$2,701,000 as Business-type represent the amounts due on ten loans from the Ohio Public Works Commission (OPWC) for infrastructure improvements. These notes are non-interest bearing.

Annual debt service requirements to maturity for the Ohio Public Works Commission notes are as follows:

(Amounts in Thousands)

Year Ending <u>December 31</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>		<u>Principal</u>	
2009	\$	211	\$	157
2010		211		156
2011		211		157
2012		211		156
2013		211		156
2014-2018		913		783
2019-2023		772		783
2024-2027		480		353
Total	<u>\$</u>	<u>3,220</u>	<u>\$</u>	<u>2,701</u>

The Ohio Water Development Authority extends loans to the City. Notes in the amount of \$5,223,000 accounted for as Business type represent the amounts due on two loans from the Ohio Water Development Authority (OWDA) for water works improvements. These notes bear interest at 3.25% per year. Only that portion of the loan commitment actually paid to the City is recognized as a liability by the City.

Annual debt service requirement to maturity for the Ohio Water Development Authority notes are as follows:

(Amounts in Thousands)

<u>Year Ending</u> <u>December 31</u>	<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2009	\$ 217	\$ 170
2010	225	163
2011	232	156
2012	239	148
2013	247	141
2014-2018	1,363	574
2019-2023	1,602	337
2024-2027	1,098	73
Total	<u>\$ 5,223</u>	<u>\$ 1,762</u>

The Ohio Department of Development provided an Urban Redevelopment Loan to the City during 2007. This loan is secured by a mortgage on a parking garage. The mortgage is interest free through June 30, 2011 and after that date the interest rate is 3%. In addition a 1% service fee is charged on the outstanding loan balance during the term of the loan. Annual debt service requirement for the Urban Redevelopment Loan are as follows:

<u>Year Ending</u> <u>December 31</u>	<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2012	\$ 409	\$ 138
2013	422	125
2014-2018	2,308	429
2019-2021	1,559	83
Total	<u>\$ 4,698</u>	<u>\$ 775</u>

Bonds and Notes Outstanding at December 31, 2008

(AMOUNTS IN THOUSANDS)

Description	Interest Rates	Issue Dates	Maturity Dates	Original Authorized	Amount Due 2009	Amount Outstanding 12/31/2008
Bonds:						
General Property Tax Supported	4.2%	1999	2009	\$ 22,000	\$ 2,290	\$ 2,290
	5.0%	2001-2004	2014-2016	39,640	2,850	10,330
	7.875%	1987	2017	30,000	1,000	9,000
Various Rate Issues Refunding	3.0% to 5.5%	2000-2008	2010-2027	259,580	18,560	155,055
	4.25% to 5.00%	2007	2020	45,520	0	41,920
Urban Redevelopment						
Various Rate Issues	4.5% to 5.5%	2004	2020	2,600	120	1,795
Municipal Income Tax Refunding						
	3.25% to 5.50%	2000-2008	2015-2028	55,960	3,185	47,615
	4.25% to 5.00%	2007	2020	2,480	0	2,480
Recreational Facilities Refunding						
	5.00% to 6.75%	1990-2001	2011-2021	10,300	550	1,650
	4.25% to 5.00%	2007	2021	4,500	0	4,500
Urban Renewal/Economic Dev.	3.25% to 6.00%	2002-2008	2012-2032	30,425	1,715	22,405
Judgement	3.0% to 5.0%	2005-2008	2020	9,800	5,390	8,530
Urban Development Taxable Various Rate Issues Refunding						
	3.00% to 6.25%	1998-2003	2016-2021	21,905	1,590	11,535
	4.25% to 5.00%	2007	2021	2,500	0	2,500
Police & Fire Pension Refunding						
	5.10% to 5.25%	2000	2010	42,000	630	1,295
	3.0% to 4.5%	2005	2035	41,000	255	40,220
Total General Long-Term Bond Obligations				<u>620,210</u>	<u>38,135</u>	<u>363,120</u>
Parks & Recreation	3.25% to 5.0%	2006-2008	2026	3,800	315	3,670
Water Works	4.20%	1999	2014	29,800	2,000	11,800
Total Proprietary Fund Obligations				<u>33,600</u>	<u>2,315</u>	<u>15,470</u>
Total General Obligation Bonds Payable				<u>653,810</u>	<u>40,450</u>	<u>378,590</u>
Notes:						
Public Building Improvement	1.78	2008	2009	15,000	12,800	12,800
Total General Obligation Notes Payable				<u>15,000</u>	<u>12,800</u>	<u>12,800</u>
Total General Obligation Bonds and Notes Payable				<u>\$ 668,810</u>	<u>\$ 53,250</u>	<u>\$ 391,390</u>
Revenue Bonds	3.49% to 8.00%	1996-2008	2010-2038	\$ 737,101	\$ 17,455	\$ 403,460
Revenue Notes	3.0%	2008	2009	4,300	2,550	2,550
Total Revenue Bonds and Notes Payable				<u>\$ 741,401</u>	<u>\$ 20,005</u>	<u>\$ 406,010</u>
Total Outstanding Debt				<u>\$ 1,410,211</u>	<u>\$ 73,255</u>	<u>\$ 797,400</u>

Changes in long-term liabilities

Long-term liability activity for the year ended December 31, 2008, was as follows:

(Amounts in Thousands)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 352,955	\$ 41,600	\$ 31,435	\$ 363,120	\$ 38,135
Revenue Bonds	38,115	35,280	2,570	70,825	3,455
Total Bonds Payable	<u>391,070</u>	<u>76,880</u>	<u>34,005</u>	<u>433,945</u>	<u>41,590</u>
Compensated Absences	86,652	40,102	35,692	91,062	35,460
Claims and Judgments	34,677	104,741	98,286	41,132	15,321
Capital Leases	471	15	239	247	241
Net Pension Obligation	14,819	16,474	1,459	29,834	
Net Other Post Employment Benefit Obligation	6,285	9,676	938	15,023	
State Loans	3,374		154	3,220	211
Other	1,741	224		1,965	414
Governmental Activities Long-term Liabilities	<u>\$ 539,089</u>	<u>\$ 248,112</u>	<u>\$ 170,773</u>	<u>\$ 616,428</u>	<u>\$ 93,237</u>
Business-type Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 17,635	\$ 2,500	\$ 4,665	\$ 15,470	\$ 2,315
Revenue Bonds	346,255		13,620	332,635	14,000
Total Bonds Payable	<u>363,890</u>	<u>2,500</u>	<u>18,285</u>	<u>348,105</u>	<u>16,315</u>
Compensated Absences	7,421	3,492	3,214	7,699	3,894
Claims and Judgments	154	717	685	186	186
Capital Leases	181	276	189	268	87
Net Pension Obligation	4,289	4,567	405	8,451	
Net Other Post Employment Benefit Obligation	1,624	2,681	238	4,067	
State Loans	12,868		246	12,622	374
Other					
Business-Type Activities Long-term Liabilities	<u>\$ 390,427</u>	<u>\$ 14,233</u>	<u>\$ 23,262</u>	<u>\$ 381,398</u>	<u>\$ 20,856</u>

For the governmental activities, claims and judgments are generally liquidated by the general fund. Compensated absences for the governmental activities are generally liquidated by the employee's home fund, the fund from which the employee's regular wages are paid.

Internal Service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, \$1,873,000 of compensated absences, \$22,636,000 of unpaid claims, \$3,065,000 of net pension obligation, and \$1,452,000 of net other post employment benefit obligation for the internal service funds are included in the above amounts.

Defeased Bonds

Below is a description of the City's defeased bonds and the outstanding balances at 12/31/2008 (in thousands). These bonds are no longer included in the financial statements.

Description Of Bonds	Date Originally Issued	Original Par Amount	Redemption Call Date	Date Defeased	Maturities Defeased	Interest Rate Defeased bonds %	Amount Defeased	Outstanding 12/31/2008
Urban Renewal – GO G1155	12/1/1991	\$ 3,900	9/1/2001	5/6/2004	2004-2008	6.2-6.5	\$ 2,130	\$ 1,795
Police and Fire Pension –G1213	3/1/2000	42,000		6/28/2005	2005-2006 2011-2035	4.9-6.0	40,470	40,220
Various Purpose GO -Series 2000	4/1/2000	69,885	12/1/2010	8/23/2007	2012-2020	5.0-5.375	52,005	51,400
GO – Series 2001	4/1/2000	47,695	12/1/2010	8/23/2007	2012-2021	5.0		
GO – Series 2002	4/1/2000	27,700	12/1/2011	8/23/2007	2015-2017	5.0		
Water Works Revenue Bonds								
Series 2001 and Series 2003	3/1/2001 3/1/2003	92,685 112,360	6/1/2011	1/4/2007	2007-2023	4.75-5.5	127,415	127,175

10. DEBT LIMITATION

The City's "indirect" (ten mill) debt limit was removed by decision of the Ohio courts. In September 1977, the Supreme Court of Ohio dismissed an appeal from the decision of the Court of Appeals, First Appellate District, Hamilton County, Ohio, involving the City's debt limitations. In summary, the City instituted a test case against the Director of Finance for the purpose of obtaining a definitive construction of certain sections of the City Charter bearing on the right of the City to levy taxes in excess of the ten mill limitation of Section 5705.02 of the Ohio Revised Code. As a result of the Court decision, the City has the right to levy property taxes without limitation to support its lawfully issued bonds and notes, and the City's ability to incur debt will be limited only by the arithmetical (percentage) limitations set forth under Section 133.03 of the Ohio Revised Code.

Section 133.03 provides that the principal amount of both voted and unvoted debt of the City may not exceed 10-1/2% of the City's assessed valuation, and the principal amount of the City's unvoted debt may not exceed 5-1/2% of the City's assessed valuation. The Code also provides several exemptions of debt from the 5-1/2% and 10-1/2% limitations.

11. TAXES

City Income Tax

This locally levied tax applies to gross salaries, wages and other personal service compensation earned by residents both in and out of the City and to earnings of nonresidents (except certain transients) earned in the City. It also applies to net income of business organizations for business conducted in the City. The tax is the largest single source of General Fund revenue.

The City's income tax of 2.1% is subdivided into four components. The first component is 0.1%, which is to be spent only for the maintenance of the City's infrastructure. The second component is the 0.3%, which can be used only for public transit purposes, including both capital and current operating expense. The third component is 0.15%, which can be used only for permanent improvement purposes. The remaining 1.55% is first used to meet annual deficiencies, to the extent required, in the General Fund. The amount of the 1.55% income tax revenue over the fixed allocation to the General Fund at the end of any year is recognized as revenue in the Income Tax Permanent Improvement Fund. The unused amount can be carried forward for

subsequent year capital or operating needs.

Actual collections of \$236,745,066 for the 1.55% portion in 2008 were more than the original allocation of \$231,758,240 for the General Fund. The following table identifies the excess 1.55% income tax collections for the years 2004 through 2008 and collections in excess of allocation:

(Amounts in Thousands)

<u>Year</u>	<u>Actual Collections of 1.55%</u>	<u>Allocation to General Fund</u>	<u>Collections in Excess of Allocation</u>
2004	\$ 193,411	\$ 193,411	
2005	210,537	210,537	
2006	222,938	219,000	\$ 3,938
2007	226,509	225,008	1,501
2008	236,745	231,758	4,987

Property Taxes

The assessed valuation of property within the City subject to the levy of ad valorem taxes includes real property, public utilities property and tangible personal property. The assessed value upon which the 2008 levy was based was \$5,523,141,000, \$259,755,000 and \$182,812,000 for real property, public utility property and tangible personal property, respectively (per Hamilton County Auditor). The City's property taxes are collected by the Hamilton County Auditor and are remitted to the City on a periodic basis. Real property taxes collected in any calendar year are generally levied on assessed values as of January 1 of the preceding year according to the following calendar:

Property Tax Calendar - 2009

Lien date	January 1, 2008
Levy date	October 31, 2008
First installment payment due	February 2, 2009
Second installment payment due	June 22, 2009

Assessed values are established by the County Auditor, or at no more than 35% of appraised market value. The laws of the State of Ohio presently require that all property be revalued no less than every six years, at any time the County Auditor finds that 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 Tax Equalization. Real property was reappraised during 2008 with the results affecting collections beginning in 2009. The City recognizes the property taxes due to be paid in 2009 as deferred revenue since the first settlement date is more than sixty days after year-end and does not meet the availability criteria for accrual.

Tangible personal property of public utilities is assessed at various rates (25% to 88% of true value) depending upon the type of property. Effective for collection year 2002, the assessed valuation of electric utility production equipment was reduced from 100% and natural gas utility property from 88% of true value, both to 25% of true value. Makeup payments in varying and declining amounts are to be made through 2016 to taxing subdivisions such as the City by the State from State resources.

The State's 2005 biennial budget bill included a reduction in the 88% assessment rate for electric utility transmission and distribution equipment to 85%, and a reduction in the 25% assessment rate for all electric

company taxable property to 24% commencing in tax year 2006. That legislation also provides for a phasing out of the taxation of all personal property used by telephone companies, telegraph companies, or interchange telecommunications companies by tax year 2011, with State reimbursement payments to be made in declining amounts through 2018.

House Bill 66 passed June 30, 2005, phases out the taxation of all tangible personal property used in business over four years beginning in 2006 and ending in 2009, when all such property becomes exempted from taxation. The phase out applies to most businesses and includes furniture and fixtures, machinery and equipment, and inventory. Current law provides for an exemption from the tangible personal property tax for assessed value up to \$10,000 per business. To compensate for foregone revenue as the tangible personal property tax is phased out, the State will make distributions to taxing subdivisions (such as the City) from revenue generated by a newly enacted commercial activity tax. Generally, these distributions are expected to fully compensate taxing subdivisions for such tax revenue losses through 2010, with gradual reductions in the reimbursement amount from 2011 through 2017.

Tax Increment Financing Districts (TIF Districts)

The City, pursuant to the Ohio Revised Code and City ordinances, has established 20 TIF Districts. A TIF District represents a geographic area not greater than 300 acres, wherein property values created after the commencement date of the TIF Districts are exempt, in whole or in part, from property taxes. Owners of such property, however, must pay amounts equal to the property taxes, known as “statutory service payments”, as though the TIF District had not been established. These “statutory service payments” are then dedicated to the payments for various public improvements within or adjacent to the TIF District. Property values existing before the commencement of the TIF District continue to be subjected to property taxes.

In 2008, the City received “statutory service payments” totaling \$4.6 million from the TIF districts. This amount is net of the county auditor fees and the payments to the Cincinnati School Board. In accordance with the agreement with the Cincinnati School district as amended December 18, 2002, twenty-seven percent of the statutory service payments received from the TIF districts is paid to the Cincinnati School Board. This tax revenue is accounted for in the Capital Project Funds since the monies are intended to be used to construct public improvements. Corresponding fixed assets are accounted for in the City’s infrastructure accounts.

TIF Districts have longevity of 30 years. The property tax exemption then ceases; statutory service payments cease, and property taxes then apply to the increased property values.

12. SHORT-TERM DEBT – BOND ANTICIPATION NOTES

The City issues bond anticipation notes in advance of issuance of bonds, depositing the proceeds in its capital projects fund. These notes are necessary to provide adequate funds at the time needed to support contracts for the improvements prior to issuance of the related bonds.

(Amounts in Thousands)

	Beginning <u>Balance</u>	<u>Issued</u>	<u>Redeemed</u>	Ending <u>Balance</u>
Revenue Bond Anticipation Notes	\$ 7,380	\$22,500	\$27,330	\$ 2,550
General Obligation Bond Anticipation Notes	\$ 8,268	\$46,120	\$41,588	\$12,800

The General Obligation Bond Anticipation Notes issued during the year and outstanding at year end include \$12,800,000 in City issued notes that were purchased by the City. In the financial statements these notes are shown as Due from Other Funds by the funds that purchased the notes and Due to Other Funds by the fund that received the note proceeds.

13. RESTRICTED ASSETS

The balance of the restricted asset accounts in the enterprise funds are as follows:

(Amounts in Thousands)

Revenue bond construction account – Water Works	\$ 5,894
Revenue bond reserve account – Water Works	32,042
Revenue bond construction account – Parking Facilities	400
Customer deposits – Water Works	3,432
Construction account - other – Water Works	<u>7,868</u>
Total restricted assets	<u>\$49,636</u>

14. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2008 was as follows:

(Amounts in Thousands)	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 168,179	\$ 476	\$ (780)	\$ 167,875
Construction in Progress	122,057	82,972	(72,821)	132,208
Total capital assets, not being depreciated	<u>290,236</u>	<u>83,448</u>	<u>(73,601)</u>	<u>300,083</u>
Capital assets, being depreciated:				
Buildings	142,616	7,331		149,947
Improvements other than buildings	323,426	15,286	(227)	338,485
Machinery and Equipment	149,769	11,377	(7,204)	153,942
Property acquired under capital leases	1,209	32	(68)	1,173
Infrastructure	610,942	55,884		666,826
Total capital assets, being depreciated	<u>1,227,962</u>	<u>89,910</u>	<u>(7,499)</u>	<u>1,310,373</u>
Less accumulated depreciation for:				
Buildings	(99,233)	(5,088)		(104,321)
Improvements other than buildings	(168,001)	(11,718)	127	(179,592)
Machinery and Equipment	(85,005)	(12,394)	3,599	(93,800)
Property acquired under capital leases	(739)	(229)	64	(904)
Infrastructure	(235,870)	(32,168)		(268,038)
Total accumulated depreciation	<u>(588,848)</u>	<u>(61,597)</u>	<u>3,790</u>	<u>(646,655)</u>
Total capital assets, being depreciated, net	<u>639,114</u>	<u>28,313</u>	<u>(3,709)</u>	<u>663,718</u>
Governmental-type Activities capital assets, net	<u>\$ 929,350</u>	<u>\$ 111,761</u>	<u>\$ (77,310)</u>	<u>\$ 963,801</u>

Capital asset activity for the year ended December 31, 2008 was as follows:

(Amounts in Thousands)	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 39,546	\$ 7		\$ 39,553
Construction in Progress	106,924	55,427	(56,711)	105,640
Total capital assets, not being depreciated	<u>146,470</u>	<u>55,434</u>	<u>(56,711)</u>	<u>145,193</u>
Capital assets, being depreciated:				
Buildings	316,273	8,055		324,328
Improvements other than buildings	796,027	43,488	(3,035)	836,480
Machinery and Equipment	250,639	12,075	(17,109)	245,605
Property acquired under capital leases	219	165		384
Total capital assets, being depreciated	<u>1,363,158</u>	<u>63,783</u>	<u>(20,144)</u>	<u>1,406,797</u>
Less accumulated depreciation for:				
Buildings	(153,179)	(8,599)		(161,778)
Improvements other than buildings	(158,985)	(12,448)	34	(171,399)
Machinery and Equipment	(138,212)	(13,376)	15,448	(136,140)
Property acquired under capital leases	(37)	(68)		(105)
Total accumulated depreciation	<u>(450,413)</u>	<u>(34,491)</u>	<u>15,482</u>	<u>(469,422)</u>
Total capital assets, being depreciated, net	<u>912,745</u>	<u>29,292</u>	<u>(4,662)</u>	<u>937,375</u>
Business-type Activities capital assets, net	<u>\$1,059,215</u>	<u>\$ 84,726</u>	<u>\$ (61,373)</u>	<u>\$ 1,082,568</u>

Depreciation expense was charged to functions/programs of the City as follows:

(Amounts in Thousands)

Governmental activities:	
General government	\$ 1,836
Community Development	6,328
Parks and recreation	6,016
Public safety	5,800
Transportation and engineering	29,487
Public services	7,021
Public health	445
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets	<u>4,664</u>
Total depreciation expense - governmental activities:	<u>\$ 61,597</u>

(Amounts in Thousands)

Business-type activities:	
Water Works	\$ 22,564
Parking Facilities	1,978
Convention Center	6,907
General Aviation	653
Municipal Golf	516
Stormwater Management	<u>1,873</u>
Total depreciation expense - business-type activities:	<u>\$ 34,491</u>

Governmental Activities Construction in Progress at December 31, 2008 is comprised of the following:

(Amounts in Thousands)

	Project Authorizations	Expended to December 31 2008	Committed	Required Future Financing
<u>Administering Department</u>				
Transportation and Engineering	\$ 87,506	\$ 2,944	\$ 84,562	\$ 30,006
Community Development	28,405	19,544	8,861	1,743
Economic Development	37,827	9,904	27,923	16,822
Recreation	37,655	31,465	6,190	1,259
Safety	9,452	6,384	3,068	
Parks	42,452	25,976	16,476	385
Public Services	34,282	11,069	23,213	8
Other	<u>33,416</u>	<u>24,922</u>	<u>8,494</u>	<u>1,769</u>
Total	<u>\$ 310,995</u>	<u>\$ 132,208</u>	<u>\$ 178,787</u>	<u>\$ 51,992</u>

Required future financing represents State and Federal commitments in support of City projects.

Business Activities Construction in Progress at December 31, 2008 is comprised of the following:

(Amounts in Thousands)

	Project Authorizations	Expended to December 31 2008	Committed	Required Future Financing
<u>Enterprise Fund</u>				
Water Works	\$ 169,787	\$ 91,322	\$ 78,465	\$ 34,035
Parking Facilities	3,750	2,119	1,631	-
Convention Center	2,589	593	1,996	1,000
General Aviation	1,565	972	593	4
Municipal Golf	5,600	4,208	1,392	-
Stormwater Management	<u>6,924</u>	<u>6,426</u>	<u>498</u>	<u>-</u>
Total	<u>\$ 190,215</u>	<u>\$ 105,640</u>	<u>\$ 84,575</u>	<u>\$ 35,039</u>

Special Item

The Greater Cincinnati Water Works (GCWW) contracted with F.B. Leopold Company, Inc, and All Service Contracting Corp. in 1999 to have 4 filters replaced as a pilot program and in 2001 to have 16 additional filters replaced at the Richard Miller Treatment Plant. The filters used new technology and replaced the style of filter that had been used by GCWW since the 1930's. The 20 filters were failing in early 2005 and GCWW had 10 filters temporarily fixed to meet the summer 2005 demands. A contract between F.B. Leopold Company, Inc, All Service Contracting Corp. and the Greater Cincinnati Water Works was agreed to in 2006 to rebuild and reconstruct 14 filters back to the previous style of filters used by GCWW. GCWW had 14 filters permanently replaced leaving 6 temporarily fixed filters to be replaced in approximately 5 years. Leopold agreed to reduce the cost of the project by \$258,000. In 2008 GCWW recorded a non-cash charge of \$1,397,748 to loss on impairment of fixed assets and \$419,862 to maintenance & repair expense to record the write off of the remaining value of the filters.

15. RECEIVABLES

Accounts Receivable are presented in the financial statements net of the allowance for uncollectible accounts. The uncollectible accounts related to the General Fund at December 31, 2008, are as follows: Taxes Receivable (\$1,776,000) and other accounts receivable (\$5,455,000). The uncollectible accounts related to the Debt Service Fund at December 31, 2008 are Taxes Receivable (\$2,228,000). The balance for the allowance for doubtful accounts in the Capital Projects Fund at December 31, 2008 is (\$3,852,000). The balance of the allowance accounts for Special Revenue Funds is (\$4,200,000) as of December 31, 2008. The balances of the allowance accounts of the proprietary funds as of December 31, 2008 are as follows: Water Works (\$5,969,000), Regional Computer Center (\$12,000), General Aviation (\$6,000), Convention Center (\$4,000), and Stormwater Management (\$958,000).

Loans receivable of the special revenue funds are made from revolving type loan accounts financed by allocations from the City's Community Development Block Grant. These loans are secured by liens on the property. Federal regulations provide that the grantor maintains the ownership of the City's Community Development Block Grant funded revolving loan portfolio; accordingly, revolving loan fund transactions do not affect the operating statement. A small number of the special revenue loans, with a value of \$7,759,000, were made from Housing and Urban Development Section 108 funds and do not involve a revolving type loan account. The loans are repaid to the federal government. If the borrower fails to repay the loan, the City's Community Development Block Grant funds may be used to repay the federal government. The total amount receivable for the special revenue loans is offset by an allowance for uncollectible loans receivable. Special revenue loans receivable at December 31, 2008 total \$63,094,000.

Loans receivable of the capital project funds receive similar treatment to the special revenue funds' loans receivable, in that the total amount receivable is offset by an allowance for uncollectible loans receivable. The balance of the loans receivable at December 31, 2008 is \$15,660,000. This amount is related to Goodall Properties Ltd., forgivable housing loans and downtown development loans.

Sale of Blue Ash Airport

The City of Cincinnati sold 130 acres of the Blue Ash Airport property to the City of Blue Ash for \$37,500,000. A payment of \$1,000,000 was made at the closing on the property. The balance of \$36,500,000 is to be received as follows: an annual payment of \$1,000,000 per year for nine years starting on July 1, 2008; an annual payment of \$1,250,000 per year for the next ten years starting on July 1, 2017 ; and an annual payment of \$1,500,000 per year for the next ten years starting on July 1, 2027. The City of Cincinnati has agreed to be responsible for costs associated with completing remedial action work at the Blue Ash Airport up to \$1,500,000.

In accordance with APB 21, the loan receivable has been discounted using a 5% imputed interest rate and will be accounted for as collected using the following present value schedule.

<u>Year</u>	<u>Loan Repayment</u>	<u>Interest</u>	<u>Received</u>
2009	\$ 907	\$ 93	\$ 1,000
2010	864	136	1,000
2011	823	177	1,000
2012	784	216	1,000
2013	746	254	1,000
2014-2018	3,530	1,970	5,500
2019-2023	3,164	3,086	6,250
2024-2028	2,663	4,087	6,750
2029-3033	2,331	5,169	7,500
2034-2036	<u>1,149</u>	<u>3,351</u>	<u>4,500</u>
Total	\$ <u>16,961</u>	\$ <u>18,539</u>	\$ <u>35,500</u>

16. CONTINGENT LIABILITIES

Federal and State Grants

The City has received Federal and State grants in excess of \$39 million for specific purposes that are subject to review and audit by the grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Such disallowances have been immaterial in prior years. In June 2007, an agreement was reached between the City and the United States Department of Justice for the City to make payments totaling \$3.95 million for the HOME Investment Partnership Program. During 2007, the first payment of \$1.50 million was made, the second payment of \$1.225 was made in January of 2008, and the final payment of \$1.225 million will be paid in January, 2009.

Litigation

Various claims and lawsuits are pending against the City as of December 31, 2008. A liability of \$18 million was recorded for those claims and judgments as of December 31, 2008. Over the past decade, the City has averaged annual payments of \$2.9 million for claim and lawsuit settlements. Adequate funds have been provided to meet the claims paid from the General Fund, restricted funds and the sale of debt. The City Administration believes there is no foreseen problem in having adequate resources to settle presently known cases.

Pollution Remediation Liability

The City has entered into an agreement to clean up and remediate the former Queen City Barrel site. The estimated total cost of the site remediation is \$11,977,994 which will be offset by a Clean Ohio Council Grant of \$3,000,000 and other funding sources of \$4,089,532. The remaining liability of \$4,888,462 less the project expenditures to date of \$2,939,896 is an accrued liability for the City as of December 31, 2008.

The City also has several underground storage tanks for which it is responsible for the ongoing remediation and clean up costs. The remaining estimated liability at December 31, 2008 is approximately \$175,000.

17. RISK MANAGEMENT

The City 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 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 by the City. There has been no reduction in insurance coverage from coverage in 2008. Insurance settlements for claims resulting from the risks covered by commercial insurance have not exceeded the insurance coverage in any of the past three years.

The City of Cincinnati provides a health insurance plan for its employees. The plan is self-insured and accounted for as an internal service fund. This internal service fund, titled "Self Insurance - Medical" has been in existence since 1980. Operating funds are charged a monthly rate per employee, by type of coverage.

In 1990, the City began to account for and finance its risk of loss due to workers' compensation claims and established an internal service fund titled "Self Insurance - Workers' Compensation". Workers' compensation is administered by the State. The City reimburses the Bureau of Workers' Compensation for injured workers' claims. All funds of the City participate in the program and make payments to the internal service fund based on the experience premium that would normally be charged by the Bureau of Workers' Compensation. Policy years 1989 through 2000 were financed through the retrospective rating program. Policy years 2001 and 2002 were financed through the fully insured program with the State Fund workers' compensation program. Beginning with policy year 2003, the City elected to be fully self-insured for workers' compensation. All of the City's workers' compensation liabilities are funded within the "Workers' Compensation – Self-Insurance" fund. Changes in the balances of claims liabilities and claims adjustment expenses during 2008 and 2007 are as follows:

(Amounts in Thousands)

	General Fund		Water Works Fund		Parking Facilities Fund		Convention Center Fund		General Aviation Fund		Municipal Golf Fund	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Balance at January 1	\$ 275	\$ 302	\$ 145	\$ 128	\$ 3	\$ 1	\$ 3	\$ 1	\$ -	\$ 4	\$ -	\$ -
Current-Year Claims and Changes in Estimates	1,249	2,044	497	131	2	3	(2)	2	220	(4)	2	
Claim Payments	(1,136)	(2,071)	(459)	(114)	(4)	(1)	0	0	(220)		(2)	
Balance at December 31	\$ 388	\$ 275	\$ 183	\$ 145	\$ 1	\$ 3	\$ 1	\$ 3	\$ -	\$ -	\$ -	\$ -

	Stormwater Management Fund		Income Tax Infrastructure Fund		Self Insurance Medical Fund		Workers' Compensation Fund		Governmental Activities Obligations		Totals	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Balance at January 1	\$ 3	\$ 2	\$ 27	\$ 5	\$ 12,480	\$ 12,106	\$ 15,693	\$ 18,365	\$ 12,000	\$ 6,729	\$ 40,629	\$ 37,643
Current-Year Claims and Changes in Estimates	(2)	1	160	55	91,176	84,904	4,251	3,078	8,397	9,836	105,950	100,050
Claim Payments	0	0	(36)	(33)	(89,321)	(84,530)	(5,504)	(5,750)	(2,440)	(4,565)	(99,122)	(97,064)
Balance at December 31	\$ 1	\$ 3	\$ 151	\$ 27	\$ 14,335	\$ 12,480	\$ 14,440	\$ 15,693	\$ 17,957	\$ 12,000	\$ 47,457	\$ 40,629

The claims liabilities at December 31, 2008 for the Internal Service Funds above (Self-Insurance Medical and Workers Compensation) are included in the following liabilities in the balance sheet:

(Amounts in Thousands)

	Self-Insurance Medical	Workers Compensation
Accounts Payable	\$ 4,125	\$ 629
Accrued Liabilities		1,385
Estimated Liability For Unpaid Claim	<u>10,210</u>	<u>12,426</u>
Total	<u>\$14,335</u>	<u>\$14,440</u>

18. SUBSEQUENT EVENTS

On March 4, 2009, City Council authorized various bond or bond anticipation note issues of an amount not to exceed \$32,000,000 of unlimited tax various purpose general obligation bonds. The total bonds that were authorized included property tax supported issues of \$5,375,000 for street improvements, \$4,405,000 for parks and recreation improvements, \$2,775,000 for public building improvements and \$9,445,000 for equipment improvements. Income tax supported issues include \$7,935,000 for street improvements and \$2,065,000 for public building improvements.

On March 6, 2009, \$6,743,000 in street bond anticipation notes and \$2,800,000 in equipment bond anticipation notes were sold.

On March 25, 2009, City Council authorized issuance of bonds or bond anticipation notes of an amount not to exceed \$15,000,000 of unlimited tax various purpose general obligation bonds for the purpose of urban redevelopment improvements at the Banks. This issue will be income tax supported.

On March 31, 2009, \$2,200,000 in public building bond anticipation notes were sold for financing the MSD office building project. \$12,800,000 in bond anticipation notes for this project had been sold in late 2008.

On April 15, 2009, City Council authorized issuance of economic development revenue bonds or notes not to exceed \$10,000,000 for financing certain improvements for the Graeter's Manufacturing Co. Project.

On June 3, 2009, City Council authorized issuance of urban development refunding bonds not to exceed \$5,100,000 for refunding the entire outstanding principal amount of its unlimited tax urban development general obligation bonds (taxable), date December 1, 1998 which were originally issued to finance urban development improvements at the Shillito Lofts.

On June 17, 2009, City Council authorized issuance of water system revenue bonds not to exceed \$100,000,000 to finance certain improvements and \$75,000,000 of water system refunding revenue bonds to refund outstanding bonds.

On June 17, 2009, City Council authorized issuance of bonds or bond anticipation notes in the amount of \$5,000,000 for the purpose of making public building improvements to achieve energy cost reductions within public buildings.

On June 24, 2009, City Council authorized issuance bonds or bond anticipation notes in the amount \$1,250,000 for the purpose of stormwater management improvements (Barrier Dam Project).

19. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The City administers a death benefit for its employees, both active and retired, that are police officers or fire fighters. If the police officer or fire fighter is retired, the benefit provides for \$5,000 to be paid to the designated beneficiary of the deceased police officer or fire fighter upon receipt of proof of death. If the police officer or fire fighter is active, the benefit provides for \$35,000 to be paid to the designated beneficiary of the deceased police officer or fire fighter upon receipt of proof of death. Benefit provisions are negotiated individually between the Fire union and the City, and the Police union and the City.

Funding Policy

The benefit is funded on a pay-as-you-go basis. Each year the City budgets for a pre-determined amount based on prior years payments. The members of the Ohio Police and Fire Pension Fund do not make a contribution for this benefit. In 2008 the City budgeted \$300,000 and paid out \$285,000. The benefits unfunded liability for 2008 based on the future value of the liability as calculated by the City is \$609,000.

20. PENSION AND RETIREMENT

City employees are covered by one of three pension systems. They are the Ohio Police and Fire Pension Fund (OP&F) and the Ohio Public Employees Retirement System (OPERS), which are State pension systems, and the City of Cincinnati's Retirement System. The City Retirement System, OP&F and OPERS-Traditional Pension Plan are cost-sharing multiple-employer defined benefit pension plans. OPERS has two other pension plans: 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 contribution plan.

Ohio Police and Fire Pension Fund

Plan Description

Police and Fire Fighters of the City of Cincinnati are members of the Ohio Police and Fire Pension Fund. The City of Cincinnati contributes to the (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy

Plan members are required to contribute 10.0% of their annual covered salary, while the City of Cincinnati is required to contribute 19.5% and 24.0% respectively for police officers and fire fighters. The City of Cincinnati's contributions to OP&F for the years ending December 31, 2008, 2007, and 2006 were \$29,460,000, \$27,974,000 and \$27,448,000, respectively equal to the required contribution for each year.

The OP&F informed the City that the City's only unfunded prior service cost of the fund is the deficiency existing at the time the fund was established in 1967 as determined by actuarial evaluation. On March 1, 2000 the City sold bonds for the refunding of the City's obligation for the employer's accrued liability. Pursuant to Section 742.30 of the Ohio Revised Code, the City and the OP&F (the Fund) have entered into an agreement, which permitted the City to make a one-time payment to the Fund for the purpose of extinguishing the City's obligation to the Fund for employer's accrued liability. The payment amount was \$41,454,864, which represents 68% of the first \$500,000 of the employer's accrued liability and 70% of the balance, plus accrued interest on the full amount of such accrued liability from March 1, 2000 to the date of payment.

Other Postemployment Benefit Information

Plan Description: The City of Cincinnati contributes to the OP&F sponsored healthcare program, a cost-sharing multiple-employer defined postemployment healthcare plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents. OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. The healthcare coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB 45.

The Ohio Revised code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide healthcare coverage to eligible participants and to establish and amend benefits, are codified in Chapter 742 of the Ohio Revised code. The OP&F board of trustees also is authorized to establish requirements for contributions to the healthcare plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

Funding Policy: OP&F maintains funds for health care in two separate accounts; One for health care benefits and one for Medicare Part B reimbursements. An Internal Revenue Service (IRS) Code Section 401(h) is maintained for Medicare Part B and a separate trust accrual account is maintained for health benefits under an IRS Code section 115 trust.

The Ohio Revised Code provides that healthcare cost paid from the funds of OP&F be included in the employer's contribution rate. The portion of the City's contributions for police that were used to pay postemployment benefits for the years ending December 31, 2008, 2007, and 2006, were \$5,312,827, \$5,057,154 and \$5,709,841, respectively. For firefighters the contributions used to pay postemployment benefits for the years ending December 31, 2008, 2007, and 2006, were \$3,963,545, \$3,753,471 and \$4,220,287, respectively.

State PERS

Plan Description

Only City employees who were members in the Public Employees Retirement System of Ohio (OPERS) or another Ohio State Retirement System prior to their City employment, City personnel employed in the building crafts trade since 1961, elected officials and certain part-time employees are enrolled in OPERS.

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

The Traditional Pension Plan- cost-sharing multiple-employer defined benefit pension plan.

The Member-Directed Plan - a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over 5 years at 20% a year). Under the Member Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.

The Combined Plan - a cost-sharing multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or calling (614) 222-5601 or (800) 222-7377.

Funding Policy

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2008, member and employer contribution rates were consistent across all three plans. Employees contribute 10.0% of their annual compensation. For 2008 the City's contribution rate was 14.00% of covered payroll: 7% was the portion used to fund pension obligations and 7% was used to fund health care for January 1 through December 31, 2008. City of Cincinnati's contributions to OPERS for the years ending December 31, 2008, 2007, and 2006, were \$2,449,000, \$2,354,000, and \$2,203,000, respectively, equal to the required contributions for each year. The Ohio Revised Code currently limits the City's contribution to a rate not to exceed 14% of covered payroll. Active members do not make contributions to the OPEB Plan.

Other Postemployment Benefit Information

Plan Description: OPERS provides postemployment health care coverage to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including postemployment healthcare coverage.

OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including postemployment healthcare coverage.

In order to qualify for postemployment healthcare coverage, age and service retirees under the Traditional Pension and Combined Plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Postemployment Benefit (OPEB) as described in GASB statement 45. A portion of each employer's contribution to OPERS is set aside for the funding of postemployment health care.

Funding Policy: The Ohio Revised Code provides statutory authority requiring public employers to fund post employment healthcare through their contributions to OPERS. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. The City's contribution rate for 2008 was 14% of covered payroll: 7% was the portion used to fund pension obligations and 7% was used to fund health care for January 1 through December 31, 2008. The portion of the City's employer contributions that were used to fund postemployment benefits for the years ended December 31, 2008, 2007, and 2006

were \$1,224,683, \$938,774 and \$723,744 respectively.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment healthcare benefits. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the healthcare benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

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

City of Cincinnati Retirement System

Plan Description

The City of Cincinnati Retirement System is a cost-sharing multiple-employer defined benefit pension plan. The System provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The System 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, see pages 48 and 49. No separate financial report is issued. 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. There are four employers that contribute to the plan. They are the City of Cincinnati, University of Cincinnati, University Hospital and Hamilton County. Membership of the Retirement System of the City consisted of the following at December 31, 2008, the date of the latest actuarial valuation:

	<u>Pension</u>	<u>Health care</u>
Retirees and beneficiaries receiving benefits	4,501	4,301
Terminated plan members entitled to future benefits	148	148
Active plan members:		
Vested	2,551	1,575
Nonvested	<u>1,998</u>	<u>2,974</u>
Total	<u>9,198</u>	<u>8,998</u>

1,461 of the nonvested members are part-time employees who are included in the system to comply with the Omnibus Budget Reconciliation Act of 1990, which mandated the inclusion of certain classifications of employees either in state or municipal retirement systems or the Federal Insurance Contribution Act (Social Security). The City of Cincinnati's Retirement System covers the majority of non-uniformed City employees and a closed group of members from other employers which includes employees of the University of Cincinnati and University Hospital who joined before control of these institutions was transferred to the State of Ohio, and former City employees staying with various operations transferred to the control of Hamilton County.

The service retirement allowance vests after five years of creditable service. Medical care benefits are provided after fifteen years of creditable service, or if hired before January 9, 1997 after reaching age sixty with at least five years of creditable service. Any member in service may retire at any age upon completing

thirty or more years of membership service or at age 60 with at least five years creditable service, with a retirement allowance commencing immediately; or any member upon completing five years of creditable service before age sixty may retire with a retirement allowance commencing at age sixty, provided, however, at the time of election of the deferred annuity there is no loan outstanding against his contributions.

The annual retirement allowance is equal to 2.5% of the average of the three highest years' compensation multiplied by the number of years of membership service. Employees hired before July 12, 1998 elected either the 2.5% or a 2.22% formula, which factors in overtime pay and lump sum payments for vacation, sick leave and compensatory balances. All new employees hired July 12, 1998 and thereafter are subject to the 2.5% formula. Pensions are increased by 3% compounded annually, commencing one year after retirement. The System also provides death and disability benefits. These benefit provisions and all other requirements, are established by the Cincinnati Municipal Code.

In 2007, an Early Retirement Window (ERW) was offered to City employees who would have 28 or more years of service by December 31, 2007. Employees who elected the window were granted two additional years of service. The additional actuarial accrued liability associated with the ERW of approximately \$42,300,000 will be funded by separate contributions made by the city over a 15 year time period. The contributions for 2009 will be \$2,353,816. The contribution will increase each year until 2015 when it will be \$6,177,556 through 2023.

Contributions

Each member contributes at a rate of 7% of his salary until his retirement. This percent contributed by the employees is fixed by the fund's Board of Trustees on the basis of authority provided by Chapter 203 Section 77 of the Cincinnati Municipal Code. The City makes annual employer contributions based on a percentage of the salaries of all members. For 2008 the contribution rate was 17% for all employers and the covered payroll was \$167,259,000. The rate based on the actuarial report was 38.71%. The City's contributions to the City of Cincinnati Retirement System for the years ending December 31, 2008, 2007 and 2006 were \$22,514,000, \$26,449,000, and \$23,540,000 respectively. The contributions for 2008 and 2006 were not equal to the required contributions. The contributions for 2007 were equal to the required contributions. Administrative costs are financed from the system assets.

As of December 31, 2008 for the pension plan the unfunded actuarial accrued liability was \$604,265,000 to be amortized over an open period of 15 years, the funded ratio was 71.2%, and the actuarial value of assets was \$1,490,467,000. The unfunded actuarial accrued liability as a percentage of covered payroll was 367%. The required supplementary schedule, which immediately follows the notes, contains multi-year trend information about the actuarial value of plan assets and if it is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Although this is a multiple-employer cost allocation plan, it is being accounted for as a single employer plan. This is due to the fact that the number of active participants from employers other than the City of Cincinnati is insignificant in relation to the total number of active City of Cincinnati participants.

Annual Pension Cost and Net Pension Obligation. The City's annual pension cost and net pension obligation to CRS for the current year were as follows:

(Amounts in Thousands)	<u>2008</u>	<u>2007</u>	<u>2006</u>
Annual required contribution	\$ 33,006	\$ 16,753	\$ 19,296
Interest on net pension obligation	1,327	1,697	1,178
Adjustment to annual required contribution	(1,864)	(1,979)	(1,366)
Annual pension costs	<u>32,469</u>	<u>16,471</u>	<u>19,108</u>
Actual contribution	(13,294)	(16,753)	(13,184)
Increase(decrease) in net pension obligation	19,175	(282)	5,924
Net pension obligation beginning of year	19,110	19,392	13,468
Net pension obligation end of year	<u>\$ 38,285</u>	<u>\$ 19,110</u>	<u>\$ 19,392</u>
Annual pension costs	\$ 32,469	\$ 16,471	\$ 19,108
Percentage of annual pension cost contribution	40.94%	101.71%	69.00%

Annual OPEB Costs and Net OPEB Obligation

(Amounts in Thousands)	<u>2008</u>	<u>2007</u>	<u>2006</u>
Annual required contribution	\$ 19,384	\$ 13,324	\$ 15,062
Interest on net OPEB	779	641	233
Adjustment to annual required contribution	(1,094)	(747)	(270)
Annual OPEB	<u>19,069</u>	<u>13,218</u>	<u>15,025</u>
Actual contribution	(7,807)	(13,324)	(10,356)
Increase(decrease) in net OPEB	11,262	(106)	4,669
Net OPEB beginning of year	7,219	7,325	2,656
Net OPEB end of year	<u>\$ 18,481</u>	<u>\$ 7,219</u>	<u>\$ 7,325</u>
Annual pension costs	\$ 19,069	\$ 13,218	\$ 15,025
Percentage of annual pension cost contribution	40.94%	100.80%	68.93%

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting - The City of Cincinnati Retirement System financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments - The Retirement System investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates.

Securities Lending - The Retirement System securities lending program disclosures are presented in accordance with Governmental Accounting Standards Board Statement 28, Accounting and Financial

Reporting for Securities Lending Transactions and Statement 40, Deposit and Investment Risk Disclosures. The disclosures are located in Footnote 2 – Deposits with Financial Institutions and Investments and on the statement of plan net assets and statement of changes in plan net assets.

Derivatives – The Retirement System derivative disclosures are presented in accordance with Governmental Accounting Standards Board Technical Bulletin No. 94 –1, Disclosures about Derivatives and Similar Debt and Investment Transactions, and Governmental Accounting Standards Board Statement 40, Deposit and Investment Risk Disclosures, and can be found in Footnote 2 – Deposits with Financial Institutions and Investments.

Other Postemployment Benefit Information

The System provides hospital and surgical insurance and dental and vision insurance to retired members who have earned fifteen years credited service at the time of termination or terminate after age sixty with five years credited service. Those who are receiving survivor benefits of eligible members are entitled to have their hospital and surgical insurance and dental and vision insurance premiums paid by the System. When benefits would be reduced by reason of the retired member's eligibility for hospital and medical benefits under federal social security laws, the System will pay whatever additional fees are required for the federal medical coverage.

The health care coverage provided by the System is considered an Other Postemployment Benefit (OPEB) as described in GASB statement 45. It is advance-funded on an actuarially determined basis as a portion of the employer contribution requirement to the System. The Cincinnati Municipal Code provides authority for employer contributions. The City of Cincinnati Retirement System's healthcare coverage was established under, and is administrated in accordance with, Internal Revenue Code 401(h).

The actuarial assumptions used for the December 31, 2008 valuation included an assumption for hospital and surgical benefits recognizing adjusted premiums based on experience for recent years adjusted to current year by assumed annual increases in premium costs. The cost of OPEBs is recognized as an expense as claims are paid. The employer contribution that was used to fund postemployment benefits was \$4,275,000 as of December 31, 2008 for the healthcare plan the unfunded actuarial accrued liability was \$309,621,000 to be amortized over an open period of 15 years, the funded ratio was 69%, and the actuarial value of assets was \$688,870,000. The unfunded actuarial accrued liability as a percentage of covered payroll was 188.1%.

The required supplementary schedule, which immediately follows the notes, contains multi-year trend information about the actuarial value of plan assets and if it is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

Valuation date	12/31/08
Actuarial cost method	Individual entry age normal
Asset valuation method	The actuarial value of assets was reset to market value of assets as of December 31, 2003. For future years, asset gains and losses will be recognized at the rate of 20% per year. The investment gain/(loss) is taken as the excess of the actual return on assets over the expected return on assets. The investment gain/(loss) is then recognized at 20% per year until fully recognized. The actuarial value of assets is the market value minus the sum of the deferred investment gains/(losses) during the preceding five plan years. In addition, the actuarial value is restricted to be no less than 80% of the market value or no more than 120% of the market value.
Actuarial assumptions:	
Investment rate of return	8% per year, net of expenses, compounded annually.
Mortality	
Non-disabled lives:	Uninsured Pensioner 1994 Mortality Table projected to 2009
Disabled Retirees:	Pension Benefit Guarantee Corp. Disabled Mortality Table
Turnover	2006 City of Cincinnati Rate of Termination Experience Table
Disability	2006 City of Cincinnati Disability Retirement Experience Table
Salary increases	Salary increases are assumed to vary by service. For those who had not elected the 2.50% formula an additional 10% assumption increase in average salary is used to reflect final lump sum payments.
Medical Benefits:	The City offers medical benefits (including outpatient prescription drug coverage) to retirees before and during Medicare eligibility. As of January 1, 2008, all future retirees will be covered by the 80/20 PPO plan. The employee contribution for 2008 is \$177.60 per individual and \$490.80 per family plan. Retirees who retired prior to 2008 can retain their prior coverage which included three options, traditional indemnity, a PPO and an HMO, except for employees who retired under a special incentive plan in 2007 and are covered by the PPO plan.

Starting claim costs were developed based on historical retiree claims and enrollment experience data projected forward to the valuation period with trend and adjusted for the demographics of the historical vs. current retiree population. Historical claims experience was reviewed from January 2003 through December 2007, with data split separately by plan, by medical and prescription drug coverage, and by Medicare status.

Some retirees may have dependent children covered under the retiree health plan. Their cost is included in the historical claims experience used to estimate the adult per capita rate.

Costs are determined on a per capita basis, adjusted to age 65, and annualized for presentation. Costs are developed by plan (Traditional, PPO and HMO), and blended based on the current and expected enrollment among plans.

For health plan projection/valuation purposes, the City's valuation is split into two "Groups". Group 1 refers to current inactive (retiree) participants and active participants hired prior to 1997. Group 2 refers to active participants hired in 1997 or later. The reason for this distinction is that the contribution methodology is materially different for those employees hired after January 8, 1997.

Retiree Contributions

Current retirees only contribute towards the cost of coverage in the HMO plan. Contribution amounts are \$64.20 per year Pre-Medicare and \$62.40 per year Medicare eligible. For retirees with dependent(s) covered, contributions are double the amounts above. Group 1 future retirees pay the active contribution rate for the PPO plan. Group 2 future retirees will pay the higher of the active employee contribution or the point system contribution.

Other Health Benefits

Medicare Part B: The City reimburses the Medicare Part B premiums for retirees and dependents. Medicare Part B premiums are assumed to increase in accordance with estimates from the 2008 Annual Report of the Board of Trustee Report until the year 2016 (same as in last year's valuation) and then increase at 5.0% per year thereafter. 2008 Part B Premiums are \$1,157 (\$1,157 in 2007).

Dental Benefits

One traditional dental indemnity plan is provided to all current and future retirees. The plan includes a \$1,000 annual maximum on plan benefits. 2008 projected starting cost is \$298 per adult per year (\$258 for the 2007 estimate). Costs are assumed to increase at a decreasing rate, starting at 6.00% for 2009, then decreasing by 0.2% per year to .3% and remaining there for 20 years, then decreasing gradually over 16 years to no material trend. This takes the \$1,000 annual maximum on annual dental claims into account.

Dental aging assumptions are a 1.0% increase per year up to age 65, then 0%.

Vision Benefits

One indemnity design plan is provided to all current and future retirees. The plan has fixed benefits with a \$100 annual maximum benefit. The projected starting cost for 2008 is \$23 per adult per year (\$25 was the 2007 estimate). Although the claims benefit level is fixed, we anticipate a 3.0% annual trend increase in costs to account for increases in utilization/administrative costs. No aging impact is assumed in the vision coverage.

Option Electives

75% of male participants and 25% of female participants will have a spouse who is covered under the medical, dental, and vision benefits portions of the plan. Of these participants with a covered spouse, 85% will elect a Joint & Survivor option.

Expenses

The investment return is set based on an implicit expense assumption of approximately 35 basis points.

**REQUIRED
SUPPLEMENTARY INFORMATION**

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REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS

(AMOUNTS IN THOUSANDS)

PENSION PLAN

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	% Funded Ratio (a/b)	Covered Payroll (c)	% UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/03	\$ 1,555,672	\$ 1,636,805	\$ 81,133	95.04	\$ 184,407	44.00
12/31/04	1,607,444	1,696,645	89,201	94.74	182,575	48.86
12/31/05	1,654,448	1,767,359	112,911	93.61	175,335	64.40
12/31/06	1,720,978	1,968,676	247,698	87.42	175,369	141.24
12/31/07	1,794,406	2,080,923	286,517	86.23	182,396	157.09
12/31/08	1,490,497	2,094,762	604,265	71.15	164,640	367.02

HEALTHCARE PLAN

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	% Funded Ratio (a/b)	Covered Payroll (c)	% UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/03	\$ 724,049	\$ 782,698	\$ 58,649	92.51	\$ 184,407	31.80
12/31/04	753,105	822,938	69,833	91.51	182,575	38.25
12/31/05	775,248	789,740	14,492	98.16	175,335	8.27
12/31/06	805,695	966,726	161,031	83.34	175,369	91.82
12/31/07	835,486	921,985	86,499	90.62	182,396	47.42
12/31/08	688,870	998,491	309,621	68.99	164,640	188.06

SCHEDULE OF EMPLOYERS' CONTRIBUTIONS

(AMOUNTS IN THOUSANDS)

PENSION PLAN

Year Ended December 31	Annual Required Contribution	% Percentage Contributed
2003	\$ 14,854	64.04
2004	29,857	48.77
2005	34,148	46.63
** 2006	23,227	107.40
2007	38,571	82.35
2008	38,767	92.38

HEALTHCARE PLAN

Year Ended December 31	Annual Required Contribution	% Percentage Contributed
2003	\$ 4,951	62.78
2004	9,953	48.00
2005	5,662	55.44
** 2006	18,242	20.25
2007	30,691	17.18
2008	22,767	18.78

** Calculation of the annual required contribution was revised in 2006 to reflect the actual amounts required to fund healthcare. In prior years, healthcare amounts were calculated with funding limited per IRS restrictions.

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City of Cincinnati, Ohio
Budgetary Comparison Schedule
Non GAAP
For the year ended December 31, 2008

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Budget - Positive (Negative)
	Original	Final		
General Fund				
Revenue				
Taxes	\$ 260,528	\$ 260,528	\$ 260,738	\$ 210
Licenses and Permits	7,762	7,762	7,707	(55)
Use of Money and Property	16,571	16,571	15,549	(1,022)
Intergovernmental Revenue	50,073	50,073	51,854	1,781
Charges for Services	18,953	18,953	19,996	1,043
Miscellaneous	2,768	2,768	4,866	2,098
Total Revenues	<u>356,655</u>	<u>356,655</u>	<u>360,710</u>	<u>4,055</u>
EXPENDITURES				
Current				
General Government	37,939	38,318	37,724	594
Community Development	7,529	7,581	7,537	44
Parks and Recreation	20,552	20,635	20,562	73
Public Safety	174,722	176,725	176,296	429
Transportation and Engineering	3,542	3,589	3,470	119
Public Services	21,413	24,726	24,503	223
Public Health	19,542	19,527	19,494	33
Employee Benefits	78,027	76,424	76,143	281
Capital Outlay	<u>222</u>	<u>150</u>	<u>143</u>	<u>7</u>
Total Expenditures	363,488	367,675	365,872	1,803
Excess (deficiency) of revenues over expenditures	(6,833)	(11,020)	(5,162)	5,858
Other Financing Sources (Uses)				
Transfers In		217	217	
Transfers (Out)	<u>(200)</u>	<u>(617)</u>	<u>(617)</u>	
Total Other Financing Sources (Uses)	<u>(200)</u>	<u>(400)</u>	<u>(400)</u>	<u>-</u>
Excess of revenue over (under) Expenditures and Other Financing Sources	(7,033)	(11,420)	(5,562)	5,858
Cancellation of Prior Years Encumbrances		1,720	2,634	914
Fund balances - beginning	17,505	17,505	17,505	
Fund balances - ending	<u>\$ 10,472</u>	<u>\$ 7,805</u>	<u>\$ 14,577</u>	<u>\$ 6,772</u>

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

Excess (Deficiency) of revenues and other financing sources over (under) expenditures and other uses per the Budgetary Comparison Schedule	\$ (5,562)
(Increases) decreases from revenues:	
Received in cash during year but already accrued as receivables (GAAP) at December 31, 2007	(36,127)
Accrued as receivables at December 31, 2008 but not recognized in budget	35,216
(Increases) decreases from encumbrances:	
Expenditures of amounts encumbered during prior years	(12,537)
Recognized as expenditures in the budget	10,626
(Increases) decreases from expenditures:	
Accrued as liabilities at December 31, 2007 recognized as expenditures (GAAP) but not in budget	7,807
Accrued as liabilities at December 31, 2008	(6,207)
Inventory purchase recognized as expenditures (budget) but not in GAAP	<u>17</u>
Net Change in fund balance per the Statement of Revenues, Expenditures, and Changes in Fund Balance (Page 24)	<u>\$ (6,767)</u>

See notes to required supplementary information.

City Of Cincinnati, Ohio
Note to the Required Supplementary Information
December 31, 2008

Note A- Budgetary Data

An annual operating budget is legally adopted each fiscal year for the General Fund, Debt Service Fund, Capital Projects Fund and some of the Special Revenue Funds. The budgetary data reports included within this report are prepared on a cash basis of accounting, with the exception of certain accrued personal service and employee benefit costs. Encumbrances, which do not lapse at year-end, are included as expenditures in the current year budget (Non-GAAP). The budgetary process begins at least six months prior to the calendar year for which the budget is to be adopted, with the City certifying the proposed budget to the County Auditor by July 20. By January 1, City Council may adopt annual or temporary appropriation measures using, in part, the official certificate of estimated resources approved by the County Budget Commission and tax rates certified by the County Auditor. By April 1, City Council must adopt annual appropriation ordinances. Only unencumbered appropriations lapse at year end.

There are several other special revenue appropriated funds whose revenues are mostly grants which are appropriated monthly as revenues are receipted. The budgets for these funds in the reports included herein are equivalent to the funds expenditures and encumbrances at year end. The budgeted revenue is the amount of resources available for expenditures within the year.

The levels of appropriation control for each budgeted expenditure classification that may not be exceeded are: personal services, non-personal services, capital outlay, and debt service. Any revisions that alter the budgeted expenditure classification of any division within a City department must be approved by City Council. During the year, several supplementary appropriations were necessary.

SUPPLEMENTARY INFORMATION

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MAJOR GOVERNMENTAL FUND

General Fund - is the general operating fund for the City. It is used to account for resources, traditionally associated with governments, which are not required to be accounted for in another fund.

Capital Projects Fund - is used primarily to account for resources designated to construct or acquire governmental fund capital assets. Such resources are derived principally from proceeds of general obligation debt, federal and state grants and City income tax.

Debt Service Fund - accounts for the resources accumulated and payments made for principal and interest on general obligation debt and capital lease payments of the governmental funds.

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CITY OF CINCINNATI, OH
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

General Fund	Original	Final	Actual	Variance with Final Budget Positive (Negative)
Revenue				
Taxes				
Real Property	\$ 23,953	\$ 23,953	\$ 23,445	\$ (508)
Personal Property	617	617	964	347
City Income Tax	231,758	231,758	231,758	-
Admissions	4,200	4,200	4,571	371
Total Taxes	260,528	260,528	260,738	210
Licenses and Permits				
Street Use	2,310	2,310	2,402	92
Health	257	257	94	(163)
Police and Protective	56	56	54	(2)
Beer and Liquor	500	500	517	17
Business and Merchandising	12	12	12	-
Amusements	73	73	88	15
Professional and Occupational	198	198	189	(9)
Buildings, Structures and Equipment	4,356	4,356	4,351	(5)
Total Licenses and Permits	7,762	7,762	7,707	(55)
Use of Money and Property				
Fines, Forfeits and Penalties	5,873	5,873	4,894	(979)
Income from Treasury Investments	10,500	10,500	10,492	(8)
Rents	149	149	155	6
General Concessions and Commissions	49	49	8	(41)
Total Use of Money and Property	16,571	16,571	15,549	(1,022)
Intergovernmental Revenue				
Proportionately shared State Taxes				
Local Government Revenue Assistance	-	-	-	-
Local Government Fund - Sales, Franchise, State				
Income Tax	29,110	29,110	28,487	(623)
Local Government Fund - Financial Institution Tax	544	544	562	18
Estate Tax	16,000	16,000	17,960	1,960
Public Utility Property Tax Reimbursement	551	551	567	16
State Income Tax - Real Property Tax Reduction	1,948	1,948	2,238	290
State Income Tax - Tangible Property Tax Reduction	1,920	1,920	2,040	120
Total Intergovernmental Revenue	50,073	50,073	51,854	1,781
Charges for Services				
General Government	8,396	8,396	8,923	527
Public Recreation	-	-	2	2
Buildings and Inspections				
Other Inspection Certificates	1,078	1,078	1,339	261
Elevator Certificates	588	588	687	99
Public Safety				
Police and Communication Charges	13	13	4	(9)
Motor Vehicle Response	50	50	-	(50)
Impounded Vehicle Fees	1,200	1,200	1,390	190
Protective Inspection Fees	120	120	177	57
Protective Service - Burglary Alarm	400	400	355	(45)
Emergency Transportation Service	5,390	5,390	5,416	26
Other Public Safety Charges	100	100	118	18
Public Services				
Recycling Incentive Fee	350	350	359	9
Other Public Services Charges	150	150	155	5
Public Health				
Vital Statistics	1,002	1,002	953	(49)
Clinic Fees	106	106	106	-
Other Public Health charges	10	10	12	2
Total Charges for Current Services	18,953	18,953	19,996	1,043
Miscellaneous	2,768	2,768	4,866	2,098
Total Revenues	356,655	356,655	360,710	4,055

(Continued)

CITY OF CINCINNATI, OH
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

General Fund (Continued)	Original	Final	Actual	Variance with Final Budget Positive (Negative)
Expenditures				
City Council				
Personal Services	\$ 1,428	\$ 1,436	\$ 1,409	\$ 27
Non Personal Services	73	65	41	24
Total City Council	<u>1,501</u>	<u>1,501</u>	<u>1,450</u>	<u>51</u>
Office of the Mayor				
Personal Services	435	407	407	-
Non Personal Services	52	79	77	2
Total Office of the Mayor	<u>487</u>	<u>486</u>	<u>484</u>	<u>2</u>
Office of the Clerk of Council				
Personal Services	309	309	300	9
Non Personal Services	353	376	311	65
Total Office of the Clerk of Council	<u>662</u>	<u>685</u>	<u>611</u>	<u>74</u>
Department of Regional Computer Center				
Personal Services	87	87	87	-
Non Personal Services	5,138	5,464	5,464	-
Total Regional Computer Center	<u>5,225</u>	<u>5,551</u>	<u>5,551</u>	<u>-</u>
Department of the City Manager				
Office of the City Manager				
Personal Services	1,263	1,408	1,408	-
Non Personal Services	461	660	608	52
Total Office of the City Manager	<u>1,724</u>	<u>2,068</u>	<u>2,016</u>	<u>52</u>
Division of Budget and Evaluation				
Personal Services	739	715	701	14
Non Personal Services	99	117	110	7
Total Division of Budget and Evaluation	<u>838</u>	<u>832</u>	<u>811</u>	<u>21</u>
Division of Environmental Management				
Personal Services	156	179	161	18
Non Personal Services	68	110	104	6
Total Division of Environmental Management	<u>224</u>	<u>289</u>	<u>265</u>	<u>24</u>
Total Department of the City Manager	<u>2,786</u>	<u>3,189</u>	<u>3,092</u>	<u>97</u>
Citizen's Complaint Authority				
Personal Services	477	491	485	6
Non Personal Services	54	53	49	4
Total Citizen's Complaint Authority	<u>531</u>	<u>544</u>	<u>534</u>	<u>10</u>
Department of Law				
Personal Services	3,058	3,163	3,108	55
Non Personal Services	794	879	854	25
Total Department of Law	<u>3,852</u>	<u>4,042</u>	<u>3,962</u>	<u>80</u>
Department of Human Resources				
Personal Services	1,277	1,291	1,291	-
Non Personal Services	449	534	497	37
Total Department of Human Resources	<u>1,726</u>	<u>1,825</u>	<u>1,788</u>	<u>37</u>
Department of Finance				
Office of the Director				
Personal Services	265	270	270	-
Non Personal Services	23	24	22	2
Capital Outlay	3	3	3	-
Total Office of the Director	<u>291</u>	<u>297</u>	<u>295</u>	<u>2</u>
Division of Accounts and Audits				
Personal Services	877	862	860	2
Non Personal Services	72	105	102	3
Total Division of Accounts and Audits	<u>949</u>	<u>967</u>	<u>962</u>	<u>5</u>

(Continued)

CITY OF CINCINNATI, OH
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

General Fund (Continued)	Original	Final	Actual	Variance with Final Budget Positive (Negative)
Expenditures				
Department of Finance				
Division of Treasury				
Personal Services	\$ 299	\$ 326	\$ 326	\$ -
Non Personal Services	159	159	148	11
Total Division of Treasury	<u>458</u>	<u>485</u>	<u>474</u>	<u>11</u>
Division of Risk Management				
Non Personal Services	167	122	122	-
Total Division of Risk Management	<u>167</u>	<u>122</u>	<u>122</u>	<u>-</u>
Division of Income Tax				
Personal Services	2,082	1,968	1,960	8
Non Personal Services	614	613	607	6
Total Division of Income Tax	<u>2,696</u>	<u>2,581</u>	<u>2,567</u>	<u>14</u>
Division of Purchasing				
Personal Services	749	566	563	3
Non Personal Services	201	176	176	-
Total Division of Purchasing	<u>950</u>	<u>742</u>	<u>739</u>	<u>3</u>
Division of Internal Audit				
Personal Services	405	369	365	4
Non Personal Services	47	59	58	1
Total Division of Internal Audit	<u>452</u>	<u>428</u>	<u>423</u>	<u>5</u>
Total Department of Finance	5,963	5,622	5,582	40
Department of Community Development and Planning				
Office of the Director				
Personal Services	524	580	580	-
Non Personal Services	4,725	4,724	4,724	-
Total Office of the Director	<u>5,249</u>	<u>5,304</u>	<u>5,304</u>	<u>-</u>
Division of Housing Development				
Personal Services	37	92	61	31
Non Personal Services	478	478	477	1
Total Division of Housing Development	<u>515</u>	<u>570</u>	<u>538</u>	<u>32</u>
Division of Community Development				
Personal Services	133	216	205	11
Non Personal Services	381	422	422	-
Total Division of Community Development	<u>514</u>	<u>638</u>	<u>627</u>	<u>11</u>
Division of New Construction & Existing Building Standards				
Personal Services	1,120	938	937	1
Non Personal Services	131	131	131	-
Total Division of New Construction & Existing Building Standards	<u>1,251</u>	<u>1,069</u>	<u>1,068</u>	<u>1</u>
Total Department of Community Development	7,529	7,581	7,537	44
Department of City Planning				
Division of City Planning				
Personal Services	743	709	709	-
Non Personal Services	55	139	113	26
Total Division of City Planning	<u>798</u>	<u>848</u>	<u>822</u>	<u>26</u>
Division of Licenses and Permits				
Personal Services	3,238	3,235	3,203	32
Non Personal Services	496	579	501	78
Total Division of Licenses and Permits	<u>3,734</u>	<u>3,814</u>	<u>3,704</u>	<u>110</u>
Total Department of City Planning	4,532	4,662	4,526	136
Department of Public Recreation				
West Region Division				
Personal Services	2,077	2,206	2,205	1
Non Personal Services	657	657	657	-
Total West Region Division	<u>2,734</u>	<u>2,863</u>	<u>2,862</u>	<u>1</u>

(Continued)

CITY OF CINCINNATI, OH
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

General Fund (Continued)	Original	Final	Actual	Variance with Final Budget Positive (Negative)
Expenditures				
East Region Division				
Personal Services	\$ 1,776	\$ 1,671	\$ 1,665	\$ 6
Non Personal Services	647	646	646	-
Total East Region Division	<u>2,423</u>	<u>2,317</u>	<u>2,311</u>	<u>6</u>
Department of Public Recreation				
Central Region Division				
Personal Services	2,152	1,833	1,832	1
Non Personal Services	696	687	687	-
Total Central Region Division	<u>2,848</u>	<u>2,520</u>	<u>2,519</u>	<u>1</u>
Maintenance Division				
Personal Services	2,538	2,016	2,012	4
Non Personal Services	1,597	1,546	1,545	1
Total Maintenance Division	<u>4,135</u>	<u>3,562</u>	<u>3,557</u>	<u>5</u>
Division of Athletics				
Personal Services	1,535	1,862	1,861	1
Non Personal Services	302	322	321	1
Total Division of Athletics	<u>1,837</u>	<u>2,184</u>	<u>2,182</u>	<u>2</u>
Division of Waterfront Activities				
Personal Services	289	564	526	38
Non Personal Services	138	248	242	6
Total Division of Waterfront Activities	<u>427</u>	<u>812</u>	<u>768</u>	<u>44</u>
Division of Administration				
Personal Services	911	1,063	1,052	11
Non Personal Services	198	243	241	2
Capital Outlay	22	22	22	-
Total Division of Administration	<u>1,131</u>	<u>1,328</u>	<u>1,315</u>	<u>13</u>
Total Department of Public Recreation	<u>15,535</u>	<u>15,586</u>	<u>15,514</u>	<u>72</u>
Department of Parks				
Office of the Director				
Personal Services	179	179	179	-
Non Personal Services	2	2	2	-
Total Office of the Director	<u>181</u>	<u>181</u>	<u>181</u>	<u>-</u>
Division of Operations and Facilities				
Personal Services	1,430	1,488	1,488	-
Non Personal Services	1,281	1,240	1,240	-
Total Division of Operations and Facilities	<u>2,711</u>	<u>2,728</u>	<u>2,728</u>	<u>-</u>
Division of Administration and Program Services				
Personal Services	1,339	1,395	1,394	1
Non Personal Services	808	767	767	-
Total Division of Administration and Program Services	<u>2,147</u>	<u>2,162</u>	<u>2,161</u>	<u>1</u>
Total Department of Parks	<u>5,039</u>	<u>5,071</u>	<u>5,070</u>	<u>1</u>
Department of Police				
Personal Services	90,500	90,986	90,986	-
Non Personal Services	13,890	15,221	15,219	2
Total Department of Police	<u>104,390</u>	<u>106,207</u>	<u>106,205</u>	<u>2</u>
Department of Fire				
Personal Services	62,111	62,015	61,672	343
Non Personal Services	8,221	8,503	8,419	84
Capital Outlay	171	99	98	1
Total Department of Fire	<u>70,503</u>	<u>70,617</u>	<u>70,189</u>	<u>428</u>
Department of Transportation and Engineering				
Office of the Director				
Personal Services	305	411	411	-
Non Personal Services	94	94	93	1
Total Office of the Director	<u>399</u>	<u>505</u>	<u>504</u>	<u>1</u>

(Continued)

CITY OF CINCINNATI, OH
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

General Fund (Continued) Expenditures	Original	Final	Actual	Variance with Final Budget Positive (Negative)
Department of Transportation and Engineering (Continued)				
Division of Transportation Planning				
Personal Services	\$ 225	\$ 241	\$ 241	\$ -
Non Personal Services	37	37	22	15
Total Division of Transportation Planning	<u>262</u>	<u>278</u>	<u>263</u>	<u>15</u>
Division of Engineering				
Personal Services	448	355	302	53
Non Personal Services	162	181	132	49
Total Division of Engineering	<u>610</u>	<u>536</u>	<u>434</u>	<u>102</u>
Division of Traffic Engineering				
Personal Services	56	55	55	-
Non Personal Services	2,215	2,215	2,214	1
Total Division of Traffic Engineering	<u>2,271</u>	<u>2,270</u>	<u>2,269</u>	<u>1</u>
Total Department of Transportation and Engineering	3,542	3,589	3,470	119
Department of Public Services				
Office of the Director				
Personal Services	498	482	475	7
Non Personal Services	189	188	186	2
Capital Outlay	6	6	-	6
Total Office of the Director	<u>693</u>	<u>676</u>	<u>661</u>	<u>15</u>
Division of Traffic and Road Operations				
Personal Services	432	650	500	150
Non Personal Services	202	2,609	2,609	-
Total Traffic and Road Operations	<u>634</u>	<u>3,259</u>	<u>3,109</u>	<u>150</u>
Neighborhood Operations Division				
Personal Services	7,898	7,977	7,924	53
Non Personal Services	9,241	9,866	9,866	-
Total Neighborhood Operations Division	<u>17,139</u>	<u>17,843</u>	<u>17,790</u>	<u>53</u>
Division of City Facility Management				
Personal Services	339	339	328	11
Non Personal Services	2,614	2,615	2,615	-
Total City Facility Management	<u>2,953</u>	<u>2,954</u>	<u>2,943</u>	<u>11</u>
Total Department of Public Services	21,419	24,732	24,503	229
Department of Public Health				
Office of the Commissioner				
Personal Services	1,148	1,163	1,158	5
Non Personal Services	309	322	322	-
Capital Outlay	20	20	20	-
Total Office of the Commissioner	<u>1,477</u>	<u>1,505</u>	<u>1,500</u>	<u>5</u>
Office of Technical Resources				
Personal Services	1,356	1,333	1,310	23
Non Personal Services	875	895	895	-
Total Office of Technical Resources	<u>2,231</u>	<u>2,228</u>	<u>2,205</u>	<u>23</u>
Office of Community Health Services				
Personal Services	2,953	2,866	2,866	-
Non Personal Services	504	505	504	1
Total Office of Community Health Services	<u>3,457</u>	<u>3,371</u>	<u>3,370</u>	<u>1</u>
Division of Primary Care - Special Services				
Personal Services	3,804	3,825	3,823	2
Non Personal Services	363	363	363	-
Total Division of Primary Care - Special Services	<u>4,167</u>	<u>4,188</u>	<u>4,186</u>	<u>2</u>
Division of Primary Care - Health Centers				
Personal Services	7,057	6,832	6,831	1
Non Personal Services	1,173	1,423	1,422	1
Total Division of Primary Care - Health Centers	<u>8,230</u>	<u>8,255</u>	<u>8,253</u>	<u>2</u>
Total Department of Public Health	19,562	19,547	19,514	33

(Continued)

CITY OF CINCINNATI, OH
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

General Fund (Continued)	Original	Final	Actual	Variance with Final Budget Positive (Negative)
Expenditures				
Nondepartmental Accounts				
Pension				
Contributions to Pension System	\$ 12,119	\$ 11,535	\$ 11,317	\$ 218
Contributions to State Pension System	1,491	1,494	1,494	-
Contributions to Police Pension System	16,671	16,671	16,671	-
Contributions to Fire Pension System	15,641	15,475	15,475	-
Employee Benefits				
Employee Hospital Care	23,729	23,024	23,024	-
Dental and Vision Care	2,721	2,699	2,695	4
Medicare Tax	2,419	2,628	2,593	35
Public Employee Assistance	235	235	235	-
Workers' Compensation Insurance	1,922	1,882	1,880	2
Police Officers and Firefighters' Insurance	300	300	285	15
State Unemployment Compensation	300	300	300	-
Lump Sum Payments	400	106	106	-
Life Insurance	74	70	68	2
City Council Benefits	5	5	-	5
Professional Services and Legal Fees				
Judgments Against the City	1,000	1,500	1,500	-
Audit and Examiners' Fees	275	275	275	-
Hamilton County Treasurer's and Auditor's Fees	617	617	550	67
County Clerk Fees	350	350	350	-
Election Expense	325	362	362	-
Miscellaneous Accounts				
Mayor's Office Obligations	10	10	10	-
Cincinnati Public Schools	5,000	5,000	5,000	-
Port Authority of Greater Cincinnati	350	350	350	-
Property Investment Reimbursement Agreements	1,750	1,750	1,750	-
Reserve for Contingencies	1,000	-	-	-
Total Nondepartmental Accounts	<u>88,704</u>	<u>86,638</u>	<u>86,290</u>	<u>348</u>
Total Expenditures	<u>363,488</u>	<u>367,675</u>	<u>365,872</u>	<u>1,803</u>
Excess (deficiency) of revenues over expenditures	(6,833)	(11,020)	(5,162)	5,858
Other Financing Sources (Uses)				
Transfers In		217	217	
Transfers (Out)	<u>(200)</u>	<u>(617)</u>	<u>(617)</u>	
Total Other Financing Sources (Uses)	<u>(200)</u>	<u>(400)</u>	<u>(400)</u>	<u>-</u>
Excess (Deficiency) of Revenue over (under) Expenditures and Other Financing Sources (Uses)	(7,033)	(11,420)	(5,562)	5,858
Cancellation of Prior Years Encumbrances	-	1,720	2,634	914
Fund balances - beginning	17,505	17,505	17,505	
Fund balances - ending	<u>\$ 10,472</u>	<u>\$ 7,805</u>	<u>\$ 14,577</u>	<u>\$ 6,772</u>

City of Cincinnati, Ohio
Statement of Revenue, Expenditures and Changes in Fund Balance
For the year ended December 31, 2008
(Amounts in Thousands)

GENERAL FUND	
Revenue	
Taxes	
Real Property	\$ 23,520
Personal Property	964
City Income Tax	229,381
Admissions	<u>4,570</u>
Total Taxes	258,435
Licenses and Permits	
Street Use	2,402
Health	94
Police and Protective	54
Beer and Liquor	540
Business and Merchandising	12
Amusements	88
Professional and Occupational	188
Buildings, Structures and Equipment	<u>4,358</u>
Total Licenses and Permits	7,736
Use of Money and Property	
Fines, Forfeits and Penalties	4,844
Income from Treasury Investments	13,133
Rents	19
General Concessions and Commissions	<u>8</u>
Total Use of Money and Property	18,004
Intergovernmental Revenue	
Proportionately shared State Taxes	
Local Government Fund - Sales, Franchise, State Income Tax	28,030
Local Government Fund - Financial Institution Tax	562

(Continued)

City of Cincinnati, Ohio
Statement of Revenue, Expenditures and Changes in Fund Balance
For the year ended December 31, 2008
(Amounts in Thousands)

GENERAL FUND
(Continued)

Revenue	
State Income Tax - Real Property Tax Reduction	\$ 2,238
State Income Tax - Tangible Property Tax Reduction	2,040
Estate Tax	17,960
Public Utility Property Tax Reimbursement	567
Payments from Other Governmental Units	150
Revenues from Private Sources	<u>1</u>
Total Intergovernmental Revenue	51,548
Charges for Services	
General Government	6,337
Buildings and Inspections	
Other Inspection Certificates	1,348
Elevator Certificates	676
Public Safety	
Police and Communication Charges	4
Impounded Vehicle Fees	1,397
Protective Inspection Fees	180
Protective Service - Burglary Alarm	392
Emergency Transportation Service	5,345
Other Public Safety Charges	499
Public Services	904
Public Health	
Vital Statistics	953
Clinic Fees	106
Other Public Health charges	<u>12</u>
Total Charges for Current Services	18,153
Miscellaneous	<u>2,570</u>
Total Revenues	<u>356,446</u>

(Continued)

City of Cincinnati, Ohio
Statement of Revenue, Expenditures and Changes in Fund Balance
For the year ended December 31, 2008

(Amounts in Thousands)

GENERAL FUND

(Continued)

Expenditures

City Council	\$ 1,440
Office of the Clerk of Council	657
Office of the Mayor	483
Department of the City Manager	2,174
Division of Budget and Evaluation	897
Division of Environmental Management	291
Total Department of City Manager	3,362
Citizen's Complaint Authority	533
Department of Law	3,979
Department of Human Resources	1,736
Department of Finance	
Office of the Director	304
Division of Accounts and Audits	956
Division of Treasury	458
Division of Risk Management	124
Division of Income Tax	2,485
Division of Purchasing	700
Division of Internal Audit	395
Total Department of Finance	5,422
Department of City Planning	
Office of the Director	766
Division of Licenses and Permits	3,548
Total Department of City Planning	4,314

(Continued)

City of Cincinnati, Ohio
Statement of Revenue, Expenditures and Changes in Fund Balance
For the year ended December 31, 2008

(Amounts in Thousands)

GENERAL FUND

(Continued)

Expenditures

Department of Community Development and Planning	
Office of the Director	\$ 5,545
Division of Housing Development	390
Division of Community Development	622
Division of New Construction & Existing Building Standards	1,169
Total Department of Community Development	7,726
Department of Public Recreation	
Division of Community Activities - West Region Division	2,825
Division of Community Activities - East Region Division	2,248
Division of Community Activities - Central Region Division	2,455
Division of Community Activities - Maintenance Division	3,474
Division of Athletics	2,167
Division of Waterfront Activities	767
Division of Administration	1,229
Total Department of Public Recreation	15,165
Department of Parks Administration and Program Services	
Office of the Director	180
Division of Operations and Facility Management	2,725
Division of Planning, Design and Development	2,150
Total Department of Parks Administration and Program Services	5,055
Department of Police	104,853
Department of Fire	69,635

(Continued)

City of Cincinnati, Ohio
Statement of Revenue, Expenditures and Changes in Fund Balance
For the year ended December 31, 2008

(Amounts in Thousands)

GENERAL FUND

(Continued)

Expenditures

Department of Transportation and Engineering		
Office of the Director	\$	467
Division of Engineering		352
Division of Transportation Planning		205
Division of Traffic Engineering		1,857
Total Department of Transportation and Engineering		<u>2,881</u>
Department of Public Services		
Office of the Director		713
Division of Traffic and Road Operations		3,073
Division of Neighborhood Operations		17,064
Division of City Facility Management		2,759
Total Department of Public Services		<u>23,609</u>
Department of Regional Computer Center		5,698
Department of Public Health		
Office of the Commissioner		1,493
Division of Technical Resources		2,095
Division of Community Health Services		3,303
Division of Primary Care - Programs		4,053
Division of Primary Care - Health Centers		8,027
Total Department of Public Health		<u>18,971</u>
Nondepartmental Accounts		
Pension		
Contributions to City Pension System		10,118
Contributions to State Pension System		1,418
Contributions to Police and Fire Pension System for Police		15,742
Contributions to Police and Fire Pension System for Fire		13,998

(Continued)

City of Cincinnati, Ohio
Statement of Revenue, Expenditures and Changes in Fund Balance
For the year ended December 31, 2008

(Amounts in Thousands)

GENERAL FUND

(Continued)

Expenditures

Employee Benefits		
Employee Hospital Care	\$	22,136
Dental and Vision Care		2,763
Medicare Tax		2,616
Public Employee Assistance		235
Workers' Compensation Insurance		1,751
Police Officers and Firefighters' Insurance		250
State Unemployment Compensation		414
Lump Sum Payments		996
Life Insurance		55
Professional Services and Legal Fees		
Judgments Against the City		1,132
Collaborative Policing Efforts		75
County Fees		900
Election Expense		362
Mayor's Office Obligations		11
Justice Department Policing Efforts		97
Cincinnati Public Schools		5,000
Audit Fees		307
Port Authority of Greater Cincinnati		330
Property Investment Reimbursement Agreements		3,796
Total Nondepartmental Accounts		<u>84,502</u>
 Total Expenditures		 360,021
 Excess (Deficiency) of revenues over expenditures		 (3,575)

(Continued)

City of Cincinnati, Ohio
Statement of Revenue, Expenditures and Changes in Fund Balance
For the year ended December 31, 2008
(Amounts in Thousands)

GENERAL FUND
(Continued)

Other Financing Sources(Uses)		
Transfers In	\$	363
Transfers (Out)		<u>(3,555)</u>
Total Other Financing Sources (Uses)		(3,192)
Excess (Deficiency) of Revenue and Other Financing Sources		(6,767)
Fund balances, January 1		<u>73,464</u>
Fund balances, December 31	\$	<u><u>66,697</u></u>

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CITY OF CINCINNATI, OH
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Capital Project Funds			
Revenue			
Taxes	\$ 37,939	\$ 37,939	\$ -
Use of Money and Property	1,742	1,742	-
Special Assessments	5	5	-
Intergovernmental Revenue	1,780	1,780	-
Federal Grants	6,489	6,489	-
State Grants and Subsidies	2,029	2,029	-
Miscellaneous	1,597	1,597	-
Total Revenues	51,581	51,581	-
Capital Outlay Expenditures			
Regional Computer Center	1,475	1,475	-
Department of the City Manager			
Office of the City Manager	3,923	3,923	-
Division of Environmental Management	309	309	-
Total Department of the City Manager	4,232	4,232	-
Department of Human Resources	13	13	-
Department of Finance			
Division of Treasury	15	15	-
Division of Income Tax	96	96	-
Division of Purchasing	45	45	-
Total Department of Finance	156	156	-
Department of Economic Development	281	281	-
Department of Community Development and Planning			
Division of Housing Development	15,037	15,037	-
Division of Community Development	4,050	4,050	-
Division of New Construction and Building Standards	136	136	-
Total Department of Community Development	19,223	19,223	-
Department of City Planning	41	41	-
Department of Public Recreation			
Division of Waterfront Activities	277	277	-
Division of Support Services	9,717	9,717	-
Total Department of Public Recreation	9,994	9,994	-
Department of Parks			
Division of Operations and Facilities	87	87	-
Division of Administration and Program Services	7,376	7,376	-
Total Department of Parks	7,463	7,463	-
Department of Building and Inspections			
Division of Building Inspections	937	937	-
Total Department of Buildings and Inspections	937	937	-

(Continued)

CITY OF CINCINNATI, OH
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Capital Project Funds			
(Continued)			
Capital Outlay Expenditures			
Department of Police	\$ 1,587	\$ 1,587	\$ -
Department of Fire	747	747	-
Department of Transportation and Engineering			
Office of the Director	173	173	-
Division of Transportation Planning	10,445	10,445	-
Division of Engineering	67,922	67,922	-
Division of Traffic Engineering	1,280	1,280	-
Total Department of Transportation and Engineering	79,820	79,820	-
Department of Public Services			
Division of Traffic and Road Operations	195	195	-
Neighborhood Operations Division	193	193	-
Division of City Facility Management	22,286	22,286	-
Total Department of Public Services	22,674	22,674	-
Department of Public Health			
Office of the Commissioner	940	940	-
Total Department of Public Health	940	940	-
Total Capital Outlay Expenditures	149,583	149,583	-
Other Expenditures			
Department of Law			
Non Personal Services	2,406	2,406	-
Department of Finance			
Office of the Director			
Non Personal Services	51	51	-
Division of Accounts and Audits			
Non Personal Services	3,501	3,501	-
Department of Community Development and Planning			
Division of Community Development			
Non Personal Services	1	1	-
Department of Parks			
Division of Administration and Program Services			
Non Personal Services	35	35	-
Motorized Equipment	7,847	7,847	-
Total Other Expenditures	13,841	13,841	-
Total Expenditures	163,424	163,424	-
Excess (deficiency) of revenues over expenditures	(111,843)	(111,843)	-
Other Financing Sources (Uses)			
Bond Proceeds	67,300	67,300	-
Transfers In	84,307	84,307	-
Transfers (Out)	(168)	(168)	-
Total Other Financing Sources (Uses)	151,439	151,439	-
Excess (Deficiency) of Revenue over (under) Expenditures and Other Financing Sources (Uses)	39,596	39,596	-
Cancellation of Prior Years Encumbrances	-	-	-
Fund balances - beginning	151,461	151,461	-
Fund balances - ending	<u>\$ 191,057</u>	<u>\$ 191,057</u>	<u>\$ -</u>

CITY OF CINCINNATI, OH
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	Final	Actual	Variance with Final Budget Positive (Negative)
Debt Service Fund			
Revenue			
Taxes	\$ 39,392	\$ 39,392	\$ -
Use of Money and Property	21,993	21,993	-
Intergovernmental Revenue	4,948	4,948	-
Miscellaneous Revenue	2,664	2,664	-
Total Revenues	68,997	68,997	-
Expenditures			
Department of the City Manager			
Non Personal Services	1,238	1,238	-
Capital Outlay	22,931	22,931	-
Debt Service	26,789	26,789	-
Total Department of the City Manager	50,958	50,958	-
Department of Finance			
Division of Accounts and Audits			
Personal Services	110	110	-
Non Personal Services	138	138	-
Total Division of Accounts and Audits	248	248	-
Division of Treasury			
Personal Services	111	111	-
Non Personal Services	969	969	-
Debt Service	77,721	77,721	-
Total Division of Treasury	78,801	78,801	-
Total Department of Finance	79,049	79,049	-
Department of Community Development and Planning			
Division of Housing Development			
Non Personal Services	475	475	-
Capital Outlay	3,606	3,606	-
Debt Service	4,267	4,267	-
Total Division of Housing Development	8,348	8,348	-
Division of Community Development			
Non Personal Services	74	74	-
Debt Service	9,282	9,282	-
Total Division of Community Development	9,356	9,356	-
Total Department of Community Development	17,704	17,704	-
Urban Planning			
Non Personal Services	4	4	-
Debt Service	6,672	6,672	-
Total Urban Planning	6,676	6,676	-
Total Expenditures	154,387	154,387	-
Excess (deficiency) of revenues over expenditures	(85,390)	(85,390)	-
Other Financing Sources (Uses)			
General Obligation Bond Proceeds	24,420	24,420	-
Bond Premiums	1,127	1,127	-
Revenue Bond Proceeds	75,054	75,054	-
Total Other Financing Sources (Uses)	100,601	100,601	-
Excess (Deficiency) of Revenue over (under) Expenditures and Other Financing Sources (Uses)	15,211	15,211	-
Fund balances - beginning	50,071	50,071	-
Fund balances - ending	\$ 65,282	\$ 65,282	\$ -

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CITY OF CINCINNATI, OHIO

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Health Services Fund - Used to improve, establish, expand, and/or maintain health services to the citizens of Cincinnati.

Street Construction, Maintenance and Repair Fund - Used to account for street maintenance, repair and cleaning, and the operation and maintenance of traffic signals. Financing is provided by the City's share of State-levied Motor Vehicle License Tax, Gasoline Tax, and reimbursements of expenses.

Parking Meter Fund - Used to account for resources provided by collections from parking meters.

Cable T.V. Fund - Used to account for the proceeds of cable franchise fees received from the cable provider.

Income Tax Infrastructure Fund - Used to account for the proceeds of a .1% levy on earned income for infrastructure purposes.

Income Tax Transit Fund - Used to account for the proceeds of a .3% levy on earned income for transit purposes.

Motor Vehicle License Fund - Used to account for resources provided by the locally levied Municipal Motor Vehicle License Tax.

Special Recreation Fund - Used to account for monies received for special activities such as enrichment exercise programs or caretaker services.

Recreation - Used to account for Federal funds, private contributions, and user fees, and for expenditures made for special recreation activities.

Parks - Used to account for State funds, private contributions, and user fees, and for expenditures made for special parks activities.

Safety - Used to account for Federal and State funds and private contributions, and for expenditures made for public safety purposes.

Health - Used to account for Federal and State funds, private contributions and user fees, and for expenditures made for public health purposes.

Cincinnati Blue Ash Airport - Used to account for the revenue and the expenditures for the operation and maintenance of a municipal airport.

Community Development - Used to account for Federal funds received for city-wide development operations.

Department of Labor Grants - Used to account for Federal funds received for the relief of unemployment through jobs and training.

Other - Used to account for Federal and State funds, private contributions and user fees, and for expenditures for specific purposes not otherwise designated.

Bettman Nature Center - Used to account for the investment and expenditure of bequests made for the Bettman Nature Center.

CITY OF CINCINNATI, OHIO

PERMANENT FUNDS

Groesbeck Endowment - Used to account for the investment and expenditure of bequests made for the cost of music concerts in Burnet Woods.

Schmidlapp Park Music - Used to account for the investment and expenditure of bequests made for the cost of music concerts in Eden Park.

Joanna Peters Bequest - Used to account for the investment and expenditure of bequest made for the treatment of alcoholism.

W. M. Ampt Music Endowment - Used to account for the investment and expenditure of bequests made for the cost of concerts in various City parks.

Crosley Field Trust - Used to account for the investment and expenditure of bequests made for the maintenance of the Crosley Field Sports Complex.

Kroger Trust - Used to account for the investment and expenditure of a bequest made for the maintenance of the Hartwell Recreation Center.

Yeatman's Cove Park Trust - Used to account for the investment and expenditure of a bequest made for the maintenance of the Yeatman's Cove Park.

Park Board Fund - Used to account for the investment and expenditure of bequests related to the maintenance and improvement of Fleischmann Gardens, the Geier Esplanade, and various citywide parks.

CITY OF CINCINNATI, OHIO
 Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2008
 (Amounts in Thousands)

	Special Revenue Funds									
	Health Services	Construction Maintenance and Repair	Parking Meter	Cable T.V.	Income Tax Infrastructure	Income Tax Transit	Motor Vehicle License	Special Recreation	Street	
ASSETS										
Cash and Equivalents	\$ 1,423	\$ 2,774	\$ 937	\$ 2,963	\$ 4,000	\$ 10,989	\$ 786	\$ 31		\$ 1,679
Equity in City Treasury Cash										
Investments										
Receivables:										
Taxes					2,185	6,557				
Accounts, Net	202	1		2	41		1	16		
Accrued Interest						98		18		
Due from Other Funds	33	101	22	286	106	253	30	48		
Due from Other Governments		4,086					1,267			
Inventory					156		63			
Advances to Other Funds		496								
Total Assets	\$ 1,658	\$ 7,458	\$ 959	\$ 3,251	\$ 6,488	\$ 17,897	\$ 2,147	\$ 1,792		\$ 1,792
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts Payable	\$ 97	\$ 35	\$ 1	\$ 216	\$ 52	\$ 34	\$ 2	\$ 40		
Due to Other Funds	9	137	1	94	137		38	9		
Accrued Payroll	80	363	2	83	117		89	69		
Accrued Liabilities	4	5		2	10		2	2		
Deposits Payable		6		238	1					
Deferred Revenue		2,632			797	2,459	862	12		
Estimated Liability for Unpaid Claims					151					
Total Liabilities	190	3,178	3	633	1,265	2,493	993	132		
Fund Balances:										
Reserved for Encumbrances	174	442	49	733	616	204	101	87		
Reserved for Advances to Other Funds		496								
Reserved for Inventory					156		63			
Unreserved - Designated for Contingencies	1,294	3,342	907	1,885	4,451	5,000	990	1,573		
Unreserved - Undesignated	1,468	4,280	956	2,618	5,223	15,404	1,154	1,660		
Total Fund Balances	\$ 1,658	\$ 7,458	\$ 959	\$ 3,251	\$ 6,488	\$ 17,897	\$ 2,147	\$ 1,792		\$ 1,792
Total Liabilities and Fund Balances										

CITY OF CINCINNATI, OHIO
 Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2008
 (Amounts in Thousands)

	Special Revenue Funds										Bettman Nature Center	
	Recreation	Parks	Safety	Health	Cincinnati Blue Ash Airport	Community Development	Department of Labor Grants	Other				
ASSETS												
Cash and Equivalents	\$ 10	\$ 2,814	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 46
Equity in City Treasury Cash	2,795	1,937	21,219	3,278	355	82	491				9,774	
Investments		1,854										
Receivables:												
Accounts, Net		1		453	17						350	
Special Assessments						5,418					3,691	
Accrued Interest	16	28	132									
Due from Other Funds	64	44	488	75	8	2	11				244	
Due from Other Governments			86	285		967					2,894	
Inventory				198							63	
Advances to Other Funds	25										1,212	
Total Assets	\$ 2,910	\$ 6,678	\$ 21,925	\$ 4,289	\$ 380	\$ 6,469	\$ 502	\$ 18,274	\$	\$	\$ 1,120	
LIABILITIES AND FUND BALANCE												
Liabilities:												
Accounts Payable	\$ 10	\$ 6	\$ 325	\$ 512	\$ 4	\$ 904	\$ 14	\$ 1,741	\$	\$	\$	\$
Due to Other Funds	1	2	32	82		60		37				
Accrued Payroll		15	59	300		67		65				
Accrued Liabilities			1	9		139		2,548				
Deposits Payable			1,594									
Deferred Revenue	11	18	144	226		5,918		4,184				
Advances from Other Funds			1,212					125				
Total Liabilities	22	41	3,367	1,129	4	7,088	14	8,700				
Fund Balances:												
Reserved for Encumbrances	2,160	41	1,061	1,094	50	12,907	109	14,552				
Reserved for Advances to Other Funds	25							1,212				
Reserved for Inventory				198				63				
Reserved in Accordance with Trust	2,113										1,120	
Unreserved - Designated for Compensated Absences			8,683									
Unreserved - Undesignated	(1,410)	6,596	8,814	1,868	326	(13,526)	379	(6,253)				
Total Fund Balances	2,888	6,637	18,558	3,160	376	(619)	488	9,574			1,120	
Total Liabilities and Fund Balances	\$ 2,910	\$ 6,678	\$ 21,925	\$ 4,289	\$ 380	\$ 6,469	\$ 502	\$ 18,274	\$	\$	\$ 1,120	

CITY OF CINCINNATI, OHIO
 Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2008
 (Amounts in Thousands)

	Permanent Funds										Total Nonmajor Governmental Funds
	Groesbeck Endowment Fund	Schmidlapp Park Music Fund	Joanna Peters Bequest	The W.M. Ampt Music Endowment Fund	Crosley Field Trust	Kroger Trust	Yeatman's Cove Park Trust	Park Board Fund			
ASSETS											
Cash and Equivalents	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Equity in City Treasury Cash	41	50	108	128	50	81	577	242			3,253
Investments, at Fair Value	354			140	595			4,333			66,467
Receivables:											8,336
Taxes											8,742
Accounts, Net											1,084
Special Assessments											9,109
Accrued Interest	1	1	1	2		1	8				306
Due from Other Funds	1	1	3	3		2	13				1,838
Due from Other Governments											9,585
Inventory											480
Advances to Other Funds											1,733
Total Assets	\$ 397	\$ 52	\$ 112	\$ 273	\$ 645	\$ 84	\$ 598	\$ 4,575	\$	\$	\$ 110,933
LIABILITIES AND FUND BALANCES											
Liabilities:											
Accounts Payable	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 3,992
Due to Other Funds											639
Accrued Payroll											1,309
Accrued Liabilities											2,722
Deposits Payable											1,839
Deferred Revenue	1	1	1	1		1	5				17,273
Estimated Liability for Unpaid Claims											151
Advances from Other Funds											1,337
Total Liabilities	1	1	1	1		1	5				29,262
Fund Balances:											
Reserved for Encumbrances											34,380
Reserved for Advances to Other Funds											1,733
Reserved for Inventory											480
Reserved in Accordance with Trust											9,394
Unreserved - Designated for Compensated Absences	385	51	111	261	225	50	503	4,575			8,683
Unreserved - Designated for Contingencies				11	420		90				5,000
Unreserved - Undesignated	11					33					22,001
Total Fund Balances	396	51	111	272	645	83	593	4,575			81,671
Total Liabilities and Fund Balances	\$ 397	\$ 52	\$ 112	\$ 273	\$ 645	\$ 84	\$ 598	\$ 4,575	\$	\$	\$ 110,933

CITY OF CINCINNATI, OHIO
Combining Statement of Revenue, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2008
(Amounts in Thousands)

	Special Revenue Funds							
	Health Services	Street Construction Maintenance and Repair	Parking Meter	Cable T.V.	Income Tax Infrastructure	Income Tax Transit	Motor Vehicle License	Special Recreation
REVENUES								
Taxes	\$	\$	\$	\$	\$	\$	\$	\$
Licenses and Permits				2,507	15,121	45,362		
Use of Money and Property				(1)				389
Special Assessments						331		
Intergovernmental Revenue		10,104		12			2,549	
State Grants and Subsidies								80
Charges for Current Services	3,277	1			33		1	3,600
Miscellaneous	50							
Total Revenues	3,327	10,105		2,518	15,154	45,693	2,550	4,069
EXPENDITURES								
Current:								
General Government	107		42	1,054	2,098	425	71	161
Community Development				140	4	138		
Parks and Recreation		261			1,915	42		3,350
Public Safety			352					
Transportation and Engineering			490		3,330	31	2,112	
Public Services		7,216		32	3,706			
Transit System						45,385		
Public Health	2,745							
Employee Benefits	503	2,198	37	422	3,146		465	172
Capital Outlay	6							11
Total Expenditures	3,361	9,675	921	1,648	14,199	46,021	2,648	3,694
Excess (Deficiency) of Revenues over (under) Expenditures	(34)	430	(921)	870	955	(328)	(98)	375
OTHER FINANCING SOURCES (USES)								
Transfers In			1,239	22		9		9
Transfers (Out)						(100)		(303)
Total Other Financing Sources (Uses)			1,239	22		(91)		(294)
Net Change in Fund Balances	(34)	430	318	892	955	(419)	(98)	81
Fund Balances, January 1	1,502	3,650	638	1,726	4,268	15,823	1,252	1,579
Fund Balances, December 31	\$ 1,468	\$ 4,280	\$ 956	\$ 2,618	\$ 5,223	\$ 15,404	\$ 1,154	\$ 1,660

CITY OF CINCINNATI, OHIO
Combining Statement of Revenue, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended December 31, 2008
(Amounts in Thousands)

	Special Revenue Funds							Bettman Nature Center	
	Recreation	Parks	Safety	Health	Cincinnati Blue Ash Airport	Community Development	Department of Labor Grants		Other
REVENUES									
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses and Permits	27	556	102	957	85	267	1,849		(376)
Use of Money and Property			404			57	4,265		
Special Assessments			5,188	1,167					
Intergovernmental Revenue	371		3,275	4,463		13,591	201		
Federal Grants	2,299	33	1,586	1,823			8,120		
State Grants and Subsidies	8	648	1,490	2,946		136	1,865		
Charges for Current Services		541	54	200		789	153		
Miscellaneous		1,778	12,099	11,556	85	14,840	18,675		(376)
Total Revenues	2,705	1,778	12,099	11,556	85	14,840	81	18,675	(376)
EXPENDITURES									
Current:									
General Government			68	127		1,749		4,826	
Community Development						1,289	105	3,683	
Parks and Recreation	574	1,639						1,972	10
Public Safety			5,174			8		393	
Transportation and Engineering					46			416	
Public Services					4	18		3,057	
Transit System								4	
Public Health				10,500		14		5	
Employee Benefits			1	1,656		495		1	
Capital Outlay		18	2,086			12,286		6,236	
Debt Service:									
Interest			55			281			
Total Expenditures	574	1,657	7,384	12,283	52	16,140	105	20,593	10
Excess (Deficiency) of Revenues over (under) Expenditures	2,131	121	4,715	(727)	33	(1,300)	(24)	(1,918)	(386)
OTHER FINANCING SOURCES (USES)									
Transfers In	18	287	30	38	52	1,235		287	(52)
Transfers (Out)			(30)						
Total Other Financing Sources (Uses)	18	287	(30)	38	52	1,235		287	(52)
Net Change in Fund Balances	2,149	408	4,715	(689)	85	(65)	(24)	(1,631)	(438)
Fund Balances, January 1	739	6,229	13,843	3,849	291	(554)	512	11,205	1,558
Fund Balances, December 31	<u>2,888</u>	<u>6,637</u>	<u>18,558</u>	<u>3,160</u>	<u>376</u>	<u>(619)</u>	<u>488</u>	<u>9,574</u>	<u>1,120</u>

CITY OF CINCINNATI, OHIO
Combining Statement of Revenue, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended December 31, 2008
(Amounts in Thousands)

	Permanent Funds										Total
	Groesbeck Endowment Fund	Schmidlapp Park Music Fund	Joanna Peters Bequest	The W.M. Ampt Music Endowment Fund	Crosley Field Trust	Kroger Trust	Yeatman's Cove Park Trust	Park Board Fund	Nonmajor Governmental Funds		
REVENUES											
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 62,705
Licenses and Permits											3,566
Use of Money and Property	(196)	2	4	(19)	(180)	4	25	(1,791)			1,380
Special Assessments											4,322
Intergovernmental Revenue											19,020
Federal Grants											21,982
State Grants and Subsidies											13,941
Charges for Current Services											14,005
Miscellaneous											1,787
Total Revenues	(196)	2	4	(19)	(180)	4	25	(1,791)			142,708
EXPENDITURES											
Current:											
General Government											10,728
Community Development											5,359
Parks and Recreation					9		1	44			9,817
Public Safety											5,927
Transportation and Engineering											4,313
Public Services											16,145
Transit System											45,389
Public Health											13,264
Employee Benefits											9,096
Capital Outlay											20,645
Debt Service :											
Interest											336
Total Expenditures					9		1	44			141,019
Excess (Deficiency) of Revenues over Expenditures	(196)	2	4	(19)	(189)	4	24	(1,835)			1,689
OTHER FINANCING SOURCES (USES)											
Transfers In											3,226
Transfers (Out)	(19)	(3)		(10)	(18)			(203)			(738)
Total Other Financing Sources (Uses)	(19)	(3)		(10)	(18)			(203)			2,488
Net Change in Fund Balances	(215)	(1)	4	(28)	(207)	4	24	(2,038)			4,177
Fund Balances, January 1	611	52	107	301	852	79	569	6,613			77,494
Fund Balances, December 31	396	51	111	272	645	83	593	4,575			81,671

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
HEALTH SERVICES FUND			
REVENUES			
Charges for Current Services	\$ 4,367	\$ 3,360	\$ (1,007)
Total Revenues	4,367	3,360	(1,007)
EXPENDITURES			
Department of Public Health			
Division of Primary Care - Special Programs			
Personal Services	81	27	54
Non-Personal Services	169	163	6
Total Division of Primary Care - Special Programs	250	190	60
Division of Primary Care - Health Centers			
Personal Services	1,260	1,179	81
Non-Personal Services	2,081	1,573	508
Total Division of Primary Care - Health Centers	3,341	2,752	589
Total Department of Health	3,591	2,942	649
Nondepartmental Accounts			
Contribution to Pension System	247	243	4
Employee Hospital Care	207	205	2
Dental and Vision Care	28	23	5
Medicare Tax	19	19	-
Public Employee Assistance	1	1	-
Workers' Compensation Insurance	11	11	-
General Fund Overhead Charge	106	106	-
Total Nondepartmental Accounts	619	608	11
Total Expenditures	4,210	3,550	660
Excess (Deficiency) of Revenues over (under) Expenditures	157	(190)	(347)
Cancellation of Prior Year Encumbrances	-	53	53
Fund Balance - January 1	1,251	1,251	
Fund Balance - December 31	<u>\$ 1,408</u>	<u>\$ 1,114</u>	<u>\$ (294)</u>

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND			
REVENUES			
Intergovernmental Revenue			
Motor Vehicle License	\$ 2,000	\$ 2,057	\$ 57
Gasoline	7,500	8,129	629
Miscellaneous	250	341	91
Total Revenues	9,750	10,527	777
EXPENDITURES			
Department of Parks			
Operations and Facility Management			
Non-Personal Services	297	297	-
Total Operations and Facility Management	297	297	-
Total Department of Parks	297	297	-
Department of Public Services			
Traffic and Road Operations Division			
Personal Services	3,295	2,859	436
Non-Personal Services	2,148	2,148	-
Capital Outlay	7	7	-
Total Traffic and Road Operations Division	5,450	5,014	436
Neighborhood Operations Division			
Personal Services	2,402	2,390	12
Non-Personal Services	439	439	-
Total Neighborhood Operations Division	2,841	2,829	12
Total Department of Public Services	8,291	7,843	448
Nondepartmental Accounts			
Contribution to Pension System	1,023	1,011	12
Employee Hospital Care	993	985	8
Dental and Vision Care	110	109	1
Medicare Tax	77	77	-
Workers' Compensation Insurance	50	50	-
State Unemployment Compensation	15	15	-
Life Insurance	2	2	-
Total Nondepartmental Accounts	2,270	2,249	21
Total Expenditures	10,858	10,389	469
Excess (Deficiency) of Revenues over (under) Expenditures	(1,108)	138	1,246
Cancellation of Prior Year Encumbrances	-	48	48
Fund Balance - January 1	2,364	2,364	
Fund Balance - December 31	<u>\$ 1,256</u>	<u>\$ 2,550</u>	<u>\$ 1,294</u>

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
PARKING METER FUND			
REVENUES			
Miscellaneous	\$ 1,239	\$ 1,249	\$ 10
Total Revenues	1,239	1,249	10
EXPENDITURES			
Department of Community Development and Planning			
Housing Development Division			
Personal Services	-	-	-
Non-Personal Services	-	-	-
Total Department of Community Development and Planning	-	-	-
Department of Police			
Personal Services	352	352	-
Total Department of Police	352	352	-
Department of Transportation & Engineering			
Division of Traffic Engineering			
Personal Services	101	15	86
Non-Personal Services	483	456	27
Total Department of Transportation and Engineering	584	471	113
Nondepartmental Accounts			
Contribution to Pension System	31	18	13
Employee Hospital Care	12	12	-
Dental and Vision Care	2	2	-
Medicare Tax	1	1	-
Workers' Compensation Insurance	4	4	-
Downtown Special Improvement District	191	82	109
Reserve for Contingencies	50	0	50
Total Nondepartmental Accounts	291	119	172
Total Expenditures	1,227	942	285
Excess (Deficiency) of Revenues over (under) Expenditures	12	307	295
Cancellation of Prior Year Encumbrances		3	3
Fund Balance - January 1	593	593	
Fund Balance - December 31	\$ 605	\$ 903	\$ 298

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
CABLE TV FUND			
REVENUES			
License and Permits	\$ 2,395	\$ 2,505	\$ 110
Miscellaneous	5	14	9
Total Revenues	2,400	2,519	119
EXPENDITURES			
Department of Regional Computer Center			
Personal Services	630	630	-
Non-Personal Services	777	765	12
Total Regional Computer Center	1,407	1,395	12
Office of the City Manager			
Personal Services	322	322	-
Non-Personal Services	412	397	15
Total Office of the City Manager	734	719	15
Department of Community Development and Planning			
Division of Housing Development			
Non-Personal Services	113	113	-
Total Department of Community Development and Planning	113	113	-
Department of Public Services			
Division of Neighborhood Operations			
Personal Services	33	33	-
Total Department of Public Services	33	33	-
Nondepartmental Accounts			
Contribution to Pension System	237	237	-
Employee Hospital Care	148	147	1
Dental and Vision Care	20	20	-
Medicare Tax	20	19	1
Workers' Compensation Insurance	8	8	-
Life Insurance	1	1	-
General Fund Overhead	69	69	-
Total Nondepartmental Accounts	503	501	2
Total Expenditures	2,790	2,761	29
Excess (Deficiency) of Revenues over (under) Expenditures	(390)	(242)	148
OTHER FINANCING SOURCES (USES)			
Operating Transfers In	22	22	-
Total Other Financing Sources	22	22	-
Net Change in Fund Balance	(368)	(220)	148
Cancellation of Prior Years Encumbrances	-	110	110
Fund Balance - January 1	1,886	1,886	-
Fund Balance - December 31	<u>\$ 1,518</u>	<u>\$ 1,776</u>	<u>\$ 258</u>

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
INCOME TAX INFRASTRUCTURE FUND			
REVENUES			
Taxes			
City Income Tax	\$ 15,112	\$ 15,274	\$ 162
Miscellaneous	400	724	324
Total Revenues	15,512	15,998	486
EXPENDITURES			
Regional Computer Center			
Non-Personal Services	675	658	17
Total Regional Computer Center	675	658	17
Office of the City Manager			
Personal Services	87	33	54
Non-Personal Services	4	4	-
Total Office of the City Manager	91	37	54
Office of Budget and Evaluation			
Personal Services	39	39	-
Non-Personal Services	15	13	2
Total Office of Budget and Evaluation	54	52	2
Department of Law			
Administration			
Personal Services	192	183	9
Non-Personal Services	6	5	1
Total Department of Law	198	188	10
Department of Human Resources			
Personal Services	180	180	-
Total Department of Human Resources	180	180	-
Department of Finance			
Division of Accounts and Audits			
Personal Services	173	169	4
Non-Personal Services	3	1	2
Total Division of Accounts and Audits	176	170	6
Division of Purchasing			
Personal Services	125	124	1
Non-Personal Services	6	6	-
Total Division of Purchasing	131	130	1
Total Department of Finance	307	300	7

(Continued)

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
INCOME TAX INFRASTRUCTURE FUND			
(Continued)			
Expenditures			
Department of City Planning			
Licenses and Permits			
Personal Services	\$ 60	\$ 37	\$ 23
Total Department of City Planning	<u>60</u>	<u>37</u>	<u>23</u>
Department of Public Recreation			
Division of Maintenance			
Personal Services	347	347	-
Total Department of Public Recreation	<u>347</u>	<u>347</u>	<u>-</u>
Department of Parks			
Division of Operations and Facility Management			
Personal Services	1,294	1,294	-
Non-Personal Services	<u>43</u>	<u>43</u>	<u>-</u>
Total Division of Operations and Facility Management	1,337	1,337	-
Division of Administration and Program Services			
Personal Services	<u>34</u>	<u>34</u>	<u>-</u>
Total Division of Administration and Program Services	<u>34</u>	<u>34</u>	<u>-</u>
Total Department of Parks	1,371	1,371	-
Department of Transportation and Engineering			
Office of the Director			
Personal Services	409	409	-
Non-Personal Services	<u>39</u>	<u>36</u>	<u>3</u>
Total Office of the Director	448	445	3
Division of Transportation, Planning and Urban Design			
Personal Services	76	76	-
Non-Personal Services	<u>26</u>	<u>25</u>	<u>1</u>
Total Division of Transportation, Planning and Urban Design	102	101	1
Division of Engineering			
Personal Services	1,769	1,769	-
Non-Personal Services	<u>682</u>	<u>680</u>	<u>2</u>
Total Division of Engineering	2,451	2,449	2
Division of Traffic Engineering			
Personal Services	924	924	-
Non-Personal Services	<u>128</u>	<u>77</u>	<u>51</u>
Total Division of Traffic Engineering	<u>1,052</u>	<u>1,001</u>	<u>51</u>
Total Department of Transportation and Engineering	4,053	3,996	57

(Continued)

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
INCOME TAX INFRASTRUCTURE FUND			
(Continued)			
Expenditures			
Department of Public Services			
Office of the Director			
Personal Services	\$ 184	\$ 170	\$ 14
Non-Personal Services	47	11	36
Total Office of the Director	231	181	50
Division of Traffic and Road Operations			
Personal Services	1,143	1,030	113
Non-Personal Services	685	531	154
Capital Outlay	10	9	1
Total Division of Traffic and Road Operations	1,838	1,570	268
Division of City Facility Management			
Personal Services	1,049	1,049	-
Non-Personal Services	1,327	1,327	-
Total City Facility Management	2,376	2,376	-
Total Department of Public Services	4,445	4,127	318
Nondepartmental Accounts			
Contribution to Pension System	1,841	1,622	219
Employee Hospital Care	1,365	1,204	161
Dental and Vision Care	168	144	24
Medicare Tax	122	120	2
Public Employee Assistance	10	10	-
State Unemployment Compensation	35	32	3
Workers' Compensation Insurance	82	82	-
Life Insurance	11	9	2
General Fund Overhead	746	746	-
Total Nondepartmental Accounts	4,380	3,969	411
Total Expenditures	16,161	15,262	899
Excess (Deficiency) of Revenues over (under) Expenditures	(649)	736	1,385
Cancellation of Prior Years Encumbrances	-	139	139
Fund Balance - January 1	2,227	2,227	
Fund Balance - December 31	<u>\$ 1,578</u>	<u>\$ 3,102</u>	<u>\$ 1,524</u>

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
INCOME TAX TRANSIT FUND			
REVENUES			
Taxes			
City Income Tax	\$ 45,336	\$ 45,821	\$ 485
Use of Money and Property	350	339	(11)
Total Revenues	45,686	46,160	474
EXPENDITURES			
SORTA			
Operations	45,385	45,385	-
Total SORTA	45,385	45,385	-
Office of the City Manager			
Office of Budget and Evaluation			
Personal Services	27	27	-
Total Office of the City Manager	27	27	-
Department of Community Development and Planning			
Office of the Director			
Non-Personal Services	250	250	-
Total Department of Community Development and Planning	250	250	-
Department of Parks			
Division of Operations and Facility Management			
Non-Personal Services	31	21	10
Total Department of Parks	31	21	10
Department of Transportation and Engineering			
Division of Transportation, Planning & Urban Design			
Personal Services	35	2	33
Non-Personal Services	137	29	108
Total Department of Transportation and Engineering	172	31	141
Nondepartmental Accounts			
General Fund Overhead	525	496	29
Total Nondepartmental Accounts	525	496	29
Total Expenditures	46,390	46,210	180
Excess (Deficiency) of Revenues over (under) Expenditures	(704)	(50)	654
OTHER FINANCING (Uses)			
Operating Transfers In	9	9	
Transfers Out	(100)	(100)	
Total Other Financing Uses	(91)	(91)	-
Net Change in Fund Balance	(795)	(141)	654
Cancellation of Prior Years Encumbrances		10	10
Fund Balance - January 1	11,144	11,144	
Fund Balance - December 31	\$ 10,349	\$ 11,013	\$ 664

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
MOTOR VEHICLE LICENSE FUND			
REVENUES			
Intergovernmental Revenue	\$ 2,500	\$ 2,556	\$ 56
Miscellaneous	15	41	26
Total Revenues	<u>2,515</u>	<u>2,597</u>	<u>82</u>
EXPENDITURES			
Department of Public Services			
Traffic and Road Operations Division			
Personal Services	1,343	1,343	-
Non-Personal Services	869	869	-
Total Department of Public Services	<u>2,212</u>	<u>2,212</u>	<u>-</u>
Nondepartmental Accounts			
Contribution to Pension System	229	227	2
Employee Hospital Care	204	202	2
Dental and Vision Care	25	23	2
Medicare Tax	14	13	1
Workers' Compensation Insurance	8	8	-
Life Insurance	1	1	-
General Fund Overhead	71	71	-
Total Nondepartmental Accounts	<u>552</u>	<u>545</u>	<u>7</u>
Total Expenditures	<u>2,764</u>	<u>2,757</u>	<u>7</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(249)	(160)	89
Cancellation of Prior Years Encumbrances		38	38
Fund Balance - January 1	<u>778</u>	<u>778</u>	
Fund Balance - December 31	<u>\$ 529</u>	<u>\$ 656</u>	<u>\$ 127</u>

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
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(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
SPECIAL RECREATION FUND			
REVENUES			
Use of Money and Property	\$ 400	\$ 395	\$ (5)
Charges for Services	3,545	3,646	101
Intergovernmental Revenue	-	3	3
Miscellaneous	-	2	2
Total Revenues	3,945	4,046	101
EXPENDITURES			
Department of Recreation			
West Region			
Personal Services	401	401	-
Non-Personal Services	224	218	6
Total West Region	625	619	6
East Region			
Personal Services	703	703	-
Non-Personal Services	162	159	3
Total East Region	865	862	3
Central Region			
Personal Services	481	467	14
Non-Personal Services	188	134	54
Total Central Region	669	601	68
Division of Athletics			
Personal Services	240	184	56
Non-Personal Services	387	377	10
Total Division of Athletics	627	561	66
Division of Waterfront			
Personal Services	285	126	159
Non-Personal Services	560	510	50
Total Division of Waterfront	845	636	209
Division of Support Services			
Personal Services	57	57	-
Non-Personal Services	82	44	38
Capital Outlay	20	20	-
Total Division of Support Services	159	121	38
Total Department of Recreation	3,790	3,400	390

(Continued)

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
SPECIAL RECREATION FUND			
(Continued)			
Nondepartmental Accounts			
Contribution to Pension System	\$ 112	\$ 106	\$ 6
Employee Hospital Care	18	18	-
Dental and Vision Care	2	2	-
Medicare Tax	31	28	3
Workers' Compensation Insurance	20	18	2
General Fund Overhead	179	163	16
Total Nondepartmental Accounts	<u>362</u>	<u>335</u>	<u>27</u>
Total Expenditures	<u>4,152</u>	<u>3,735</u>	<u>417</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(207)	311	518
OTHER FINANCING (Uses)			
Transfers Out	<u>(303)</u>	<u>(303)</u>	
Total Other Financing Uses	<u>(303)</u>	<u>(303)</u>	
Net Change in Fund Balance	(510)	8	518
Cancellation of Prior Year Encumbrances	-	61	61
Fund Balance - January 1	<u>1,468</u>	<u>1,468</u>	
Fund Balance - December 31	<u>\$ 958</u>	<u>\$ 1,537</u>	<u>\$ 579</u>

Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget(Non-GAAP Budgetary Basis) and Actual
 For the year ended December 31, 2008
 (Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
RECREATION GRANTS			
REVENUES			
Use of Money and Property	\$ 22	\$ 22	\$ -
Federal Grants	4	4	
State Grants and Subsidies	2,667	2,667	
Charges for Current Services	16	16	
Miscellaneous Revenue	<u>1</u>	<u>1</u>	
Total Revenues	2,710	2,710	
EXPENDITURES			
Department of Recreation			
Region 1			
Personal Services	15	15	
Non-Personal Services	<u>21</u>	<u>21</u>	
Total Region 1	36	36	
Region 2			
Personal Services	6	6	
Non-Personal Services	<u>19</u>	<u>19</u>	
Total Region 2	25	25	
Region 3			
Personal Services	192	192	
Non-Personal Services	<u>191</u>	<u>191</u>	
Total Region 3	383	383	
Division of Athletics			
Personal Services	58	58	
Non-Personal Services	<u>25</u>	<u>25</u>	
Total Division of Athletics	83	83	
Division of Waterfront			
Non-Personal Services	<u>3</u>	<u>3</u>	
Total Division of Waterfront	3	3	
Division of Support Services			
Personal Services	11	11	
Non-Personal Services	<u>100</u>	<u>100</u>	
Total Division of Support Services	111	111	
Total Department of Recreation	641	641	
Total Expenditures	<u>641</u>	<u>641</u>	
Excess (Deficiency) of Revenues over (under) Expenditures	2,069	2,069	
OTHER FINANCING SOURCES:			
Transfer In	11		(11)
Fund Balance - January 1	<u>687</u>	<u>687</u>	
Fund Balance - December 31	<u>\$ 2,767</u>	<u>\$ 2,756</u>	<u>\$ (11)</u>

Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
PARKS			
REVENUES			
Use of Money and Property	\$ 378	\$ 378	\$ -
Charges for Current Services	648	648	-
Miscellaneous	72	72	-
	<u>1,098</u>	<u>1,098</u>	<u>-</u>
Total Revenues	1,098	1,098	-
EXPENDITURES			
Department of Parks			
Office of the Director			
Non-Personal Services	32	32	-
	<u>32</u>	<u>32</u>	<u>-</u>
Total Office of the Director	32	32	-
Division of Operations and Facility Management			
Personal Services	221	221	-
Non-Personal Services	72	72	-
	<u>293</u>	<u>293</u>	<u>-</u>
Total Division of Operations and Facility Management	293	293	-
Division of Administration and Program Services			
Personal Services	401	401	-
Non-Personal Services	348	348	-
Capital Outlay	18	18	-
	<u>767</u>	<u>767</u>	<u>-</u>
Total Division of Administration and Program Services	767	767	-
Total Department of Parks	1,092	1,092	-
Total Expenditures	<u>1,092</u>	<u>1,092</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	6	6	-
Fund Balance - January 1	<u>1,775</u>	<u>1,775</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 1,781</u>	<u>\$ 1,781</u>	<u>\$ -</u>

Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
SAFETY			
REVENUES			
Licenses and Permits	\$ 102	\$ 102	\$ -
Use of Money and Property	41	41	
Intergovernmental Revenue	5,115	5,115	
Federal Grants	930	930	
State Grants and Subsidies	700	700	
Charges for Current Services	1,490	1,490	
Miscellaneous	54	54	
	<u>8,432</u>	<u>8,432</u>	
Total Revenues	8,432	8,432	
EXPENDITURES			
Department of Police			
Personal Services	238	238	
Non-Personal Services	4,496	4,496	
Capital Outlay	267	267	
Debt Services	270	270	
	<u>5,271</u>	<u>5,271</u>	
Total Department of Police	5,271	5,271	
Department of Fire			
Personal Services	19	19	
Non-Personal Services	334	334	
Capital Outlay	192	192	
	<u>545</u>	<u>545</u>	
Total Department of Fire	545	545	
Total Expenditures	<u>5,816</u>	<u>5,816</u>	
Excess (Deficiency) of Revenues over (under) Expenditures	2,616	2,616	
Fund Balance - January 1	<u>5,952</u>	<u>5,952</u>	
Fund Balance - December 31	<u>\$ 8,568</u>	<u>\$ 8,568</u>	<u>\$ -</u>

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
HEALTH GRANTS			
REVENUES			
Licenses and Permits	\$ 956	\$ 956	\$ -
Use of Money and Property	200	200	
Intergovernmental Revenue	1,167	1,167	
Federal Grants	811	811	
State Grants and Subsidies	5,505	5,505	
Charges for Current Services	<u>2,845</u>	<u>2,845</u>	
Total Revenues	11,484	11,484	
EXPENDITURES			
Department of Public Health			
Office of the Commissioner			
Personal Services	152	152	
Non-Personal Services	<u>766</u>	<u>766</u>	
Total Office of the Commissioner	918	918	
Division of Community Health			
Personal Services	1,324	1,324	
Non-Personal Services	<u>878</u>	<u>878</u>	
Total Division of Community Health	2,202	2,202	
Division of Primary Care - Special Programs			
Personal Services	2,700	2,700	
Non-Personal Services	<u>1,472</u>	<u>1,472</u>	
Total Division of Primary Care - Special Programs	4,172	4,172	
Division of Primary Care - Health Centers			
Personal Services	1,416	1,416	
Non-Personal Services	<u>2,871</u>	<u>2,871</u>	
Total Division of Primary Care - Health Centers	4,287	4,287	
Total Department of Health	11,579	11,579	
Nondepartmental Accounts			
Contribution to Pension System	838	838	
Employee Hospital Care	650	650	
Dental and Vision Care	81	81	
Medicare Tax	67	67	
Public Employee Assistance	5	5	
Workers' Compensation Insurance	45	45	
General Fund Overhead Charge	<u>104</u>	<u>104</u>	
Total Nondepartmental Accounts	1,790	1,790	
Total Expenditures	<u>13,369</u>	<u>13,369</u>	
Excess (Deficiency) of Revenues over (under) Expenditures	(1,885)	(1,885)	
Cancellation of Prior Years Encumbrances	-	118	118
Fund Balance - January 1	<u>1,265</u>	<u>1,265</u>	
Fund Balance - December 31	<u>\$ (620)</u>	<u>\$ (502)</u>	<u>\$ 118</u>

Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget(Non-GAAP Budgetary Basis) and Actual
 For the year ended December 31, 2008
 (Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
CINCINNATI BLUE ASH AIRPORT			
REVENUES			
Use of Money and Property	\$ 83	\$ 83	\$ -
Total Revenues	83	83	-
EXPENDITURES			
Department of Transportation and Engineering			
Division of Aviation			
Non-Personal Services	101	101	-
Capital Outlay	3	3	-
Total Division of Aviation	104	104	-
Total Department of Transportation and Engineering	104	104	-
Total Expenditures	104	104	-
Excess (Deficiency) of Revenues over (under) Expenditures	(21)	(21)	-
Fund Balance - January 1	255	255	
Fund Balance - December 31	<u>\$ 234</u>	<u>\$ 234</u>	<u>\$ -</u>

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
COMMUNITY DEVELOPMENT			
REVENUES			
Use of Money and Property	\$ 1,237	\$ 1,237	\$ -
Federal Grants	14,852	14,852	-
Charges for Current Services	135	135	-
Miscellaneous	317	317	-
Total Revenues	16,541	16,541	-
EXPENDITURES			
Department of the City Manager			
Office of the City Manager			
Personal Services	28	28	-
Non-Personal Services	21	21	-
Total Office of the City Manager	49	49	-
Office of Budget and Evaluation			
Personal Services	146	146	-
Non-Personal Services	60	47	13
Total Office of Budget and Evaluation	206	193	13
Total Department of the City Manager	255	242	13
Department of Law			
Division of Administration			
Personal Services	186	186	-
Non-Personal Services	50	45	5
Capital Outlay	152	141	11
Total Department of Law	388	372	16
Department of Finance			
Division of Accounts and Audits			
Personal Services	81	73	8
Non-Personal Services	4	-	4
Total Division of Accounts and Audits	85	73	12
Division of Treasury			
Personal Services	79	78	1
Total Division of Treasury	79	78	1
Division of Income Tax			
Capital Outlay	10	7	3
Total Division of Income Tax	10	7	3
Division of Purchasing			
Non-Personal Services	\$ 4	\$ 4	\$ -
Total Division of Purchasing	4	4	-
Total Department of Finance	178	162	12

(Continued)

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
COMMUNITY DEVELOPMENT			
(Continued)			
EXPENDITURES			
Department of Community Development			
Office of the Director			
Personal Services	\$ 405	\$ 353	\$ 52
Non-Personal Services	216	216	-
Capital Outlay	4,114	2,968	1,146
Total Office of the Director	<u>4,735</u>	<u>3,537</u>	<u>1,198</u>
Division of Housing Development			
Personal Services	177	177	-
Non-Personal Services	2	2	-
Capital Outlay	9,545	9,545	-
Total Division of Housing Development	<u>9,724</u>	<u>9,724</u>	<u>-</u>
Division of Human Services			
Capital Outlay	273	198	75
Total Division of Human Services	<u>273</u>	<u>198</u>	<u>75</u>
Division of Community Development			
Personal Services	15	15	-
Non-Personal Services	61	61	-
Capital Outlay	13,268	11,770	1,498
Total Division of Community Development	<u>13,344</u>	<u>11,846</u>	<u>1,498</u>
Division of New Construction and Existing Building Standards			
Capital Outlay	1,751	1,741	10
Total Division of New Construction and Existing Building Standards	<u>1,751</u>	<u>1,741</u>	<u>10</u>
Total Department of Community Development and Planning	29,827	27,046	1,208
Department of City Planning			
Personal Services	400	400	-
Non-Personal Services	39	38	1
Total Department of City Planning	<u>439</u>	<u>438</u>	<u>1</u>
Department of Parks			
Division of Administration and Program Services			
Capital Outlay	162	162	-
Total Division of Administration and Program Service	<u>162</u>	<u>162</u>	<u>-</u>
Total Department of Parks	162	162	-
Department of Police			
Capital Outlay	104	104	-
Total Department of Police	<u>104</u>	<u>104</u>	<u>-</u>

(Continued)

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
COMMUNITY DEVELOPMENT			
(Continued)			
EXPENDITURES			
Department of Public Services:			
Division of Neighborhood Operations			
Capital Outlay	\$ 179	\$ 179	\$ -
Total Division of Neighborhood Operations	<u>179</u>	<u>179</u>	<u>-</u>
Total Department of Public Services	179	179	-
Department of Health			
Division of Community Health			
Capital Outlay	617	543	74
Division of Community Health	<u>617</u>	<u>543</u>	<u>74</u>
Total Department of Health	617	543	74
Nondepartmental Accounts:			
Contribution to Pension System	300	296	4
Employee Hospital Care	157	157	-
Dental and Vision Care	22	21	1
Medicare Tax	19	19	-
Public Employee Assistance	1	1	-
Workers' Compensation Insurance	14	14	-
State Unemployment Compensation	1	-	1
Life Insurance	3	3	-
Audit and Examiner's Fees	6	6	-
Indirect Costs	450	450	-
Special Investigations and Studies	622	557	65
Total Nondepartmental Accounts	<u>1,595</u>	<u>1,524</u>	<u>71</u>
Total Expenditures	<u>33,744</u>	<u>30,772</u>	<u>1,395</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(17,203)	(14,231)	1,395
Fund Balance - January 1	<u>(7,508)</u>	<u>(7,508)</u>	<u>-</u>
Fund Balance - December 31	<u>\$ (24,711)</u>	<u>\$ (21,739)</u>	<u>\$ 1,395</u>

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
DEPARTMENT OF LABOR GRANTS			
REVENUES			
Federal Grants	\$ 81	\$ 81	\$ -
Total Revenues	81	81	-
EXPENDITURES			
Department of Community Development			
Division of Housing Development			
Non-Personal Services	194	194	-
Total Division of Housing Development	194	194	-
Division of Community Development			
Non-Personal Services	16	16	-
Total Division of Housing Development	16	16	-
Division of Workplace Development			
Non-Personal Services	7	7	-
Total Division of Housing Development	7	7	-
Total Department of Community Development and Planning	217	217	-
Total Expenditures	217	217	-
Excess (Deficiency) of Revenues over (under) Expenditures	(136)	(136)	-
Fund Balance - January 1	314	314	
Fund Balance - December 31	<u>\$ 178</u>	<u>\$ 178</u>	<u>\$ -</u>

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
OTHER GRANTS AND SPECIAL REVENUES			
REVENUES			
Taxes	\$ 2,222	\$ 2,222	\$ -
Use of Money and Property	2,079	2,079	-
Special Assessments	4,265	4,265	-
Federal Grants	5,874	5,874	-
Charges for Current Services	1,678	1,678	-
Miscellaneous	440	440	-
Total Revenues	16,558	16,558	-
EXPENDITURES			
Department of the City Manager			
Office of the City Manager			
Non-Personal Services	66	66	-
Total Office of the City Manager	66	66	-
Office of Environmental Management			
Personal Services	182	182	-
Non-Personal Services	65	65	-
Total Office of Environmental Management	247	247	-
Total Department of the City Manager	313	313	-
Department of Law			
Non-Personal Services	18	18	-
Total Department of Law	18	18	-
Department of Human Resources			
Non-Personal Services	7	7	-
Total Department of Human Resources	7	7	-
Department of Finance			
Division of Accounts and Audits			
Non-Personal Services	96	96	-
Total Division of Accounts and Audits	96	96	-
Division of Treasury			
Non-Personal Services	3,996	3,996	-
Total Division of Treasury	3,996	3,996	-

(Continued)

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
OTHER GRANTS AND SPECIAL REVENUES			
(Continued)			
Expenditures			
Division of Risk Management			
Personal Services	\$ 349	\$ 349	\$ -
Non-Personal Services	643	643	-
Total Division of Risk Management	<u>992</u>	<u>992</u>	<u>-</u>
Total Department of Finance	5,084	5,084	-
Department of Community Development and Planning			
Office of the Director			
Non-Personal Services	36	36	-
Capital Outlay	1,223	1,223	-
Total Office of the Director	<u>1,259</u>	<u>1,259</u>	<u>-</u>
Division of Housing Development			
Non-Personal Services	5,591	5,591	-
Capital Outlay	9,795	9,795	-
Total Division of Housing Development	<u>15,386</u>	<u>15,386</u>	<u>-</u>
Division of Human Services			
Non-Personal Services	48	48	-
Capital Outlay	4	4	-
Total Division of Human Services	<u>52</u>	<u>52</u>	<u>-</u>
Division of Community Development			
Non-Personal Services	1,124	1,124	-
Capital Outlay	3,594	3,594	-
Total Division of Community Development	<u>4,718</u>	<u>4,718</u>	<u>-</u>
Division of Workforce Development			
Non-Personal Services	7	7	-
Total Division of Workforce Development	<u>7</u>	<u>7</u>	<u>-</u>
Division of New Construction and Existing Building Standards			
Personal Services	107	107	-
Non-Personal Services	330	330	-
Total Division of Community Development	<u>437</u>	<u>437</u>	<u>-</u>
Total Department of Community Development and Plan	21,859	21,859	-

(Continued)

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
OTHER GRANTS AND SPECIAL REVENUES			
(Continued)			
Expenditures			
Department of City Planning			
Non-Personal Services	\$ 13	\$ 13	\$ -
Total Department of City Planning	13	13	-
Department of Parks			
Division of Operations and Facility Management			
Personal Services	397	397	-
Non-Personal Services	2,592	2,592	-
Total Department of Parks	2,989	2,989	-
Department of Police			
Non-Personal Services	391	391	-
Total Department of Police	391	391	-
Department of Transportation and Engineering			
Division of Traffic Engineering			
Personal Services	52	52	-
Non-Personal Services	603	603	-
Capital Outlay	1	1	-
Total Department of Transportation and Engineering	656	656	-
Department of Public Services			
Division of Traffic and Road Operations			
Personal Services	38	38	-
Non-Personal Services	329	329	-
Total Division of Traffic and Road Operations	367	367	-
Division of Neighborhood Operations			
Non-Personal Services	108	108	-
Total Division of Neighborhood Operations	108	108	-
Division of City Facility Management			
Personal Services	57	57	-
Non-Personal Services	3,168	3,168	-
Total City Facility Management	3,225	3,225	-
Total Department of Public Services	3,700	3,700	-

(Continued)

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Final</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
OTHER GRANTS AND SPECIAL REVENUES			
(Continued)			
Expenditures			
Department of Cincinnati Water Works			
Non-Personal Services	\$ 5	\$ 5	\$ -
Total Department of Cincinnati Water Works	<u>5</u>	<u>5</u>	<u>-</u>
Nondepartmental Accounts			
General Fund Overhead	<u>22</u>	<u>22</u>	<u>-</u>
Total Nondepartmental Accounts	<u>22</u>	<u>22</u>	<u>-</u>
Total Expenditures	<u>35,057</u>	<u>35,057</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(18,499)	(18,499)	-
Fund Balance - January 1	<u>(2,807)</u>	<u>(2,807)</u>	
Fund Balance - December 31	<u>\$ (21,306)</u>	<u>\$ (21,306)</u>	<u>\$ -</u>

CITY OF CINCINNATI, OHIO

NON-MAJOR ENTERPRISE FUNDS

Parking Facilities - Used to account for the revenue and expenses of the parking meters, garages, and lots of the City.

General Aviation - Used to account for the expenses of Lunken Airport, financed primarily through user fees.

Municipal Golf - Used to account for the revenue received from all golf activities and for the expenses of operating the golf courses of the City.

Stormwater Management - Used to account for the operation, maintenance and improvement of a stormwater management system. Financing is provided by the users of the system in proportion to their use of the system.

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CITY OF CINCINNATI, OHIO
Combining Statement of Net Assets
Nonmajor Enterprise Funds
December 31, 2008
(Amounts in Thousands)

	Business Type Activities - Enterprise Funds				Total Nonmajor Enterprise Funds
	Parking Facilities	General Aviation	Municipal Golf	Stormwater Management	
Assets					
Current Assets:					
Cash and Equivalents	\$ 29	\$	\$ 53	\$	\$ 82
Equity in City Treasury Cash	2,819	399	446	1,212	4,876
Receivables:					
Accounts, Net	55	42	4	1,822	1,923
Accrued Interest	178	34	30	86	328
Due from Other Funds	284	39	44	185	552
Prepaid Items	2	19		4	25
Advances to Other Funds	1,631	631	1,331	1,182	4,775
Restricted Assets:					
Equity in City Treasury Cash	94				94
Total Current Assets	5,092	1,164	1,908	4,491	12,655
Noncurrent Assets:					
Equity in City Treasury Cash	9,113	1,288	1,440	3,918	15,759
Restricted Equity in City Treasury	306				306
Land	7,296	13,229	1,324	3,422	25,271
Buildings, net of Accumulated Depreciation	23,212	2,724	446		26,382
Improvements, net of Accumulated Depreciation	5,318	7,409	4,740	35,026	52,493
Machinery and Equipment, net of Accumulated					
Depreciation	829	149	353	108	1,439
Property Acquired Under Capital Lease Net of Accumulated					
Amortization			141		141
Construction in Progress	2,119	972	4,208	6,426	13,725
Total Noncurrent Assets	48,193	25,771	12,652	48,900	135,516
Total Assets	\$ 53,285	\$ 26,935	\$ 14,560	\$ 53,391	\$ 148,171
Liabilities					
Current Liabilities:					
Accounts Payable	\$ 150	\$ 72	\$ 76	\$ 215	\$ 513
Due to Other Funds	53	13	8	85	159
Accrued Payroll	105	43	9	73	230
Accrued Liabilities	997	21	1	1	1,020
Accrued Interest		2	10		12
Obligations Under Capital Lease			56		56
Deposits Payable		7			7
Unearned Revenue	6,964				6,964
Compensated Absences Payable	247	70	20	107	444
Unpaid Claims Liability	1			1	2
General Obligation Bonds Payable		33	282		315
Total Current Liabilities	8,517	261	462	482	9,722
Noncurrent liabilities:					
Urban Redevelopment Loans	4,698				4,698
Compensated Absences Payable	290	136	8	213	647
General Obligation Bonds Payable		552	2,803		3,355
Obligations Under Capital Lease			74		74
Net Pension Obligation	557	175	12	260	1,004
Net Other Post Employment Benefit Obligation	266	88	5	127	486
Total Noncurrent Liabilities	5,811	951	2,902	600	10,264
Total Liabilities	14,328	1,212	3,364	1,082	19,986
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	34,076	23,898	8,850	44,982	111,806
Restricted	400				400
Unrestricted	4,481	1,825	2,346	7,327	15,979
Total Net Assets	\$ 38,957	\$ 25,723	\$ 11,196	\$ 52,309	\$ 128,185

CITY OF CINCINNATI, OHIO
Combining Statement of Revenue, Expenses and Changes in Net Assets
Nonmajor Enterprise Funds
For the year ended December 31, 2008
(Amounts in Thousands)

	Business Type Activities - Enterprise Funds				Total Nonmajor Enterprise Funds
	Parking Facilities	General Aviation	Municipal Golf	Stormwater Management	
OPERATING REVENUES					
Charges for Services	\$ 8,814	\$ 2,029	\$ 6,414	\$ 8,692	\$ 25,949
Miscellaneous Income	151		1	3	155
Total Operating Revenues	8,965	2,029	6,415	8,695	26,104
OPERATING EXPENSES					
Personal Services	3,051	1,121	240	1,674	6,086
Contractual Services	1,892	107	4,741	1,929	8,669
Maintenance and Repairs	187	123	3	2,666	2,979
Materials and Supplies	118	93	212	80	503
Utilities	434	310	466	60	1,270
Insurance	11	7	-	1	19
Taxes	976	67	75	-	1,118
Rent	177	10	-	241	428
Other Expense	80	227	2	5	314
Depreciation and Amortization	1,973	654	516	1,796	4,939
Total Operating Expenses	8,899	2,719	6,255	8,452	26,325
Operating Income (Loss)	66	(690)	160	243	(221)
NONOPERATING REVENUES (EXPENSES)					
Interest Revenue	547	119	83	299	1,048
Interest Expense	(70)	(27)	(114)	-	(211)
Loss on Disposal of Assets		(7)	-	-	(7)
Total Non-Operating Revenues (Expenses)	477	85	(31)	299	830
Income (Loss) before Contributions and Transfers	543	(605)	129	542	609
Transfers In	8			5	13
Transfers (Out)	(1,239)		(2,500)		(3,739)
Capital Contributions	8	74	362	685	1,129
Change in Net Assets	(680)	(531)	(2,009)	1,232	(1,988)
Net Assets, January 1	39,637	26,254	13,205	51,077	130,173
Net Assets, December 31	\$ 38,957	\$ 25,723	\$ 11,196	\$ 52,309	\$ 128,185

CITY OF CINCINNATI, OHIO
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the year ended December 31, 2008
(Amounts in Thousands)

	Business Type Activities - Enterprise Funds				Total Nonmajor Enterprise Funds
	Parking Facilities	General Aviation	Municipal Golf	Stormwater Management	
Cash Flows from Operating Activities:					
Receipts from Customers	\$ 8,762	\$ 2,029	\$ 6,412	\$ 8,788	\$ 25,991
Receipts from Other Funds					
Payments to Suppliers	(2,654)	(820)	(5,598)	(2,391)	(11,463)
Payments to Other Funds	(571)			(2,457)	(3,028)
Payments to Employees	(2,603)	(937)	(228)	(1,329)	(5,097)
Payments for Property Taxes	(571)	(82)			(653)
Net Cash Provided by Operating Activities	2,363	190	586	2,611	5,750
Cash Flows from Noncapital Financing Activities:					
Repayment of Advances Made To Other Funds	34	521			555
Advances to Other Funds			(141)	(691)	(832)
Amounts Due From Other Funds for Notes	(284)	(39)	(44)	(118)	(485)
Transfers to Other Funds	(1,239)		(2,500)		(3,739)
Transfers from Other Funds	8			5	13
Net Cash Provided (Used) by Noncapital Financing	\$ (1,481)	\$ 482	\$ (2,685)	\$ (804)	\$ (4,488)
Cash Flows from Capital and Related Financing Activities:					
Capital Contributed by Other Sources		67		685	752
Proceeds from Urban Redevelopment Loans					
Proceeds from the Sale of Bonds and Notes			2,500		2,500
Acquisition of Property, Plant and Equipment	(32)			(62)	(94)
Interest Paid on Bonds and Notes	(70)	(26)	(106)		(202)
Principal Paid on Bonds and Notes		(32)	(33)		(65)
Payments on Long Term Capital Leases Obligations			(51)		(51)
Additions to Construction in Progress	(799)	(724)	(209)	(1,481)	(3,213)
Net Cash Provided (Used) by Capital and Related Financing Activities	(901)	(715)	2,101	(858)	(373)
Cash Flow from Investing Activities:					
Interest and Dividends on Investments	554	111	75	268	1,008
Net Cash Provided by Investing Activities	554	111	75	268	1,008
Net Increase in Cash and Cash Equivalents	535	68	77	1,217	1,897
Cash and Cash Equivalents at Beginning of Year	11,826	1,619	1,862	3,913	19,220
Cash and Cash Equivalents at End of Year	\$ 12,361	\$ 1,687	\$ 1,939	\$ 5,130	\$ 21,117

CITY OF CINCINNATI, OHIO
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the year ended December 31, 2008
(Amounts in Thousands)

	<u>Business Type Activities - Enterprise Funds</u>				Total Nonmajor Enterprise Funds
	Parking Facilities	General Aviation	Municipal Golf	Stormwater Management	
<u>Reconciliation of Operating Income (Loss) to</u>					
<u>Net Cash Provided by</u>					
<u>Operating Activities:</u>					
Operating Income (Loss)	\$ 66	\$ (690)	\$ 160	\$ 243	\$ (221)
Depreciation and Amortization	1,973	654	516	1,796	4,939
Changes in Assets and Liabilities:					
(Increase) Decrease in:					
Receivables	(38)		(3)	114	73
Due from Other Funds		19		(18)	1
Prepaid Items	2	(19)		(4)	(21)
Increase (Decrease) in:					
Accounts Payable	(340)	63	(99)	148	(228)
Due to Other Funds	14	(1)		(4)	9
Accrued Payroll	2	6	2	26	36
Accrued Liabilities	405	(15)			390
Accrued Interest				(3)	(3)
Unearned Revenue	(165)				(165)
Compensated Absences Payable	21	22	1	83	127
Unpaid Claims Payable	(2)			(2)	(4)
Net Pension Obligation	268	95	6	146	515
Net Other Post Employment Benefit Obligation	157	56	3	86	302
Net Cash Provided by Operating Activities	<u>\$ 2,363</u>	<u>\$ 190</u>	<u>\$ 586</u>	<u>\$ 2,611</u>	<u>\$ 5,750</u>
<u>Schedule of Noncash Investing</u>					
<u>Capital and Financing Activities:</u>					
Property Plant and Equipment					
Acquired through a capital lease	\$ 8				\$ 8
Contributed by Other Funds					
Total Noncash Investing, Capital and Financing Activities	<u>\$ 8</u>				<u>\$ 8</u>

CITY OF CINCINNATI, OHIO

INTERNAL SERVICE FUNDS

Purchasing, Reproduction, and Printing - Used to account for revenue from City departments and for the expenses of operations and maintenance of the Division of Reproduction and Printing. Also, used to account for the revenue and expenses related to the distribution and sale of materials and supplies.

Fleet Services - Used to account for revenue from City departments for auto repairs and maintenance and to account for the expenses necessary to provide this service.

Property Management - Used to account for proceeds of City leases and land sales and to account for costs of administering the fixed assets of the City.

Mechanized Street Sweeping – Used to account for revenues from various sources and to track revenues and expenditures for materials, salaries, service contracts and other costs associated with the mechanized street sweeping contract awarded to City employees as a result of the managed competition process for this service.

Self Insurance-Medical - Used to account for monies appropriated from the General or other funds or received from contract agencies, employees, members of council and others, including interest earned, and to make expenditures for employee medical costs.

Self Insurance-Workers' Compensation - Used to receive, from all City funds, workers' compensation premium charges, and to pay workers' compensation premium payments, claim costs and reserve settlements.

Regional Computer Center - Used to account for revenue and expenses related to the delivery of data processing services to the City, Hamilton County, and others.

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CITY OF CINCINNATI, OHIO
Combining Statement of Net Assets
Internal Service Funds
December 31, 2008
(Amounts in Thousands)

	Purchasing Reproduction and Printing	Fleet Services	Property Management	Mechanized Street Sweeping	Self Insurance Medical	Self Insurance Workers' Compensation	Regional Computer Center	Total Internal Service Funds
ASSETS								
Current Assets:								
Equity in City Treasury Cash	\$ 242	\$ 66	\$ 121	\$	\$ 2,581	\$ 7,053	\$ 407	\$ 10,470
Receivables:								
Accounts, Net	25	182			750	6		963
Accrued Interest					72	408	15	495
Due from Other Funds	23	934	12		1,071	691	722	3,453
Due from Other Governments							1,447	1,447
Prepaid Items		5	10		1,215		30	1,260
Inventory	70	292						362
Advances to Other Funds							1,556	1,556
Total Current Assets	360	1,479	143		5,689	8,158	4,177	20,006
Noncurrent Assets:								
Equity in City Treasury Cash	781	211	394		8,345	22,810	1,316	33,857
Land		283						283
Improvements, net of Accumulated Depreciation		2,956	3				2,518	5,477
Machinery and Equipment, net of Accumulated Depreciation	140	205	11				28,761	29,117
Property Acquired Under Capital Lease, net of Accumulated Amortization	15							15
Total Noncurrent Assets	936	3,655	408		8,345	22,810	32,595	68,749
Total Assets	1,296	5,134	551		14,034	30,968	36,772	88,755

CITY OF CINCINNATI, OHIO
Combining Statement of Net Assets
Internal Service Funds
December 31, 2008
(Amounts in Thousands)

	Purchasing Reproduction and Printing	Fleet Services	Property Management	Mechanized Street Sweeping	Self Insurance Medical	Self Insurance Workers' Compensation	Regional Computer Center	Total Internal Service Funds
LIABILITIES								
Current Liabilities:								
Accounts Payable	\$ 87	\$ 791	\$	\$	\$ 4,125	\$ 629	\$ 755	\$ 6,387
Due to Other Funds	7	727	8				94	836
Accrued Payroll	25	170	15				321	531
Accrued Liabilities	1	2				1,385	423	1,811
Obligations under Capital Leases	9							9
Deposits Payable			59					59
Unearned Revenue							490	490
Compensated Absences Payable	49	345	42				695	1,131
Unpaid Claims Payable					10,210	3,750		13,960
Total Current Liabilities	178	2,035	124		14,335	5,764	2,778	25,214
Noncurrent Liabilities:								
Estimated Liability for Compensated Absences	44	186	46				466	742
Estimated Liability for Unpaid Claims						8,676		8,676
Advances from Other Funds		50	177					227
Advances from Other Governments		20					1	21
Obligations under Capital Leases	6							6
Net Pension Obligation	87	955	57				1,966	3,065
Net Other Post Employment Benefit Obligation	41	459	30				922	1,452
Total Noncurrent Liabilities	178	1,670	310			8,676	3,355	14,189
Total Liabilities	356	3,705	434		14,335	14,440	6,133	39,403
NET ASSETS								
Investment in Capital Assets, Net of Related Debt Unrestricted	140	3,444	14				31,279	34,877
	800	(2,015)	103		(301)	16,528	(640)	14,475
Total Net Assets	\$ 940	\$ 1,429	\$ 117	\$	\$ (301)	\$ 16,528	\$ 30,639	\$ 49,352

CITY OF CINCINNATI, OHIO
Combining Statement of Revenue, Expenses and Changes in Fund Net Assets
Internal Service Funds
For the year ended December 31, 2008
(Amounts in Thousands)

	Purchasing Reproduction and Printing	Fleet Services	Property Management	Mechanized Street Sweeping	Self Insurance Medical	Self Insurance Workers' Compensation	Regional Computer Center	Total Internal Service Funds
OPERATING REVENUES								
Charges for Services	\$ 3,014	\$ 17,435	\$ 1,749	\$	\$ 90,355	\$ 1,732	\$ 16,725	\$ 129,261
Miscellaneous			1,749					1,749
Total Operating Revenues	3,014	17,435	1,749		90,355	1,732	16,725	131,010
OPERATING EXPENSES								
Personal Services	643	5,032	410				9,161	15,246
Contractual Services	850	360	37		320	535	2,698	4,800
Maintenance and Repairs	123	568		12		9	414	1,126
Materials and Supplies	1,373	11,454	2				940	13,769
Utilities	2	241	3				1,019	1,265
Insurance		10			90,417	4,232	30	94,689
Rent	2	43	51				1,642	1,738
Depreciation and Amortization	64	276	4				4,320	4,664
Other Expense		46	1				27	81
Total Operating Expenses	3,057	18,030	508	12	90,744	4,776	20,251	137,378
Operating Income (Loss)	(43)	(595)	1,241	(12)	(389)	(3,044)	(3,526)	(6,368)
NONOPERATING REVENUES (EXPENSES)								
Interest Expense	(3)	(9)						(12)
Interest Revenue					293	1,449	45	1,787
Total Non-Operating Revenue (Expenses)	(3)	(9)			293	1,449	45	1,775
Income (Loss) before Contributions and Transfers	(46)	(604)	1,241	(12)	(96)	(1,595)	(3,481)	(4,593)
Transfers In							1,008	1,008
Transfers (Out)			(1,106)				(222)	(1,328)
Capital Contribution		(4)						(4)
Change in Net Assets	(46)	(608)	135	(12)	(96)	(1,595)	(2,695)	(4,917)
Net Assets, January 1	986	2,037	(18)	12	(205)	18,123	33,334	54,269
Net Assets, December 31	\$ 940	\$ 1,429	\$ 117	\$	\$ (301)	\$ 16,528	\$ 30,639	\$ 49,352

CITY OF CINCINNATI, OHIO
Combining Statement of Cash Flows
Internal Service Funds
For the year ended December 31, 2008
(Amounts in Thousands)

	Purchasing Reproduction and Printing	Fleet Services	Property Management	Mechanized Street Sweeping	Self Insurance Medical	Self Insurance Workers' Compensation	Regional Computer Center	Total Internal Service Funds
<u>Cash Flows from Operating Activities:</u>								
Receipts from Customers	\$ 159	\$ 415	\$ 1,753	\$	\$ 3,936	\$	\$ 5,819	\$ 12,082
Receipts from Other Funds	2,847	17,286			35,536	1,732	10,055	67,456
Receipts from Retirement System					49,887			49,887
Payment to Suppliers	(2,439)	(12,580)	(93)	(12)	(89,657)	(6,059)	(6,351)	(117,191)
Payments to Other Funds	(6)	(454)					(1,031)	(1,491)
Payments to Employees	(541)	(4,405)	(326)				(8,342)	(13,614)
Net Cash Provided (Used) by Operating Activities	20	262	1,334	(12)	(298)	(4,327)	150	(2,871)
<u>Cash Flows from Noncapital Financing Activities:</u>								
Repayment of Advances Made to Other Funds							73	73
Repayment of Advances Received From Other Funds		(55)		(21)		(689)	(39)	(76)
Due from Other Funds for Note Payable	(23)	(6)			(251)			(1,008)
Repayment of Amount Due to Other Fund		(147)					(222)	(147)
Transfers to Other Funds			(1,183)				1,008	(1,405)
Transfers from Other Funds								1,008
Net Cash Provided (Used) by Noncapital Financing Activities	(23)	(208)	(1,183)	(21)	(251)	(689)	820	(1,555)
<u>Cash Flows from Capital and Related Financing Activities:</u>								
Acquisition of Property, Plant and Equipment							(239)	(239)
Additions to Construction In Progress							(859)	(859)
Interest Paid on Debt	(3)	(9)						(12)
Payment on Long Term Capital Lease Obligations	(8)							(8)
Net Cash (Used) by Capital and Related Financing Activities	(11)	(9)					(1,098)	(1,118)
<u>Cash Flows from Investing Activities:</u>								
Interest on Investments					288	1,379	45	1,712
Net Cash Provided by Investing Activities					288	1,379	45	1,712
Net Increase (Decrease) in Cash and Cash Equivalents	(14)	45	151	(33)	(261)	(3,637)	(83)	(3,832)
Cash and Cash Equivalents at Beginning of Year	1,037	232	364	33	11,187	33,500	1,806	48,159
Cash and Cash Equivalents at End of Year	\$ 1,023	\$ 277	\$ 515	\$	\$ 10,926	\$ 29,863	\$ 1,723	\$ 44,327

CITY OF CINCINNATI, OHIO
Combining Statement of Cash Flows
Internal Service Funds
For the year ended December 31, 2008
(Amounts in Thousands)

	Purchasing Reproduction and Printing	Fleet Services	Property Management	Mechanized Street Sweeping	Self Insurance Medical	Self Insurance Workers' Compensation	Regional Computer Center	Total Internal Service Funds
\$	(43)	(595)	1,241	\$	(389)	\$	(3,526)	\$
	64	276	4	(12)			4,320	4,664
	(12)	37	1		(750)	(6)	23	(707)
	4	229	(12)		(807)	(2)	(170)	(758)
	(7)	21	1		(8)		(567)	14
		(2)					122	113
	(92)	(350)			1,030	(12)	(331)	245
	4	9	23		(189)		(391)	23
	1	(82)	4				(340)	(417)
						(709)	(31)	(740)
	38	(13)	(8)				(137)	(145)
			30				(259)	(204)
	40	461	31		815	(554)	905	261
	23	271	19				532	1,437
	\$	\$	\$	\$	\$	\$	\$	\$
	20	262	1,334	(12)	(298)	(4,327)	150	(2,871)
	\$	\$	\$	\$	\$	\$	\$	\$
	33	(224)						(224)
		107						33
	\$	\$	\$	\$	\$	\$	\$	\$
	33	(117)						(84)

Reconciliation of Operating Income (Loss) to

Net Cash Provided (Used) by

Operating Activities:

Operating Income (Loss)

Depreciation and Amortization

Changes in Assets and Liabilities:

(Increase) Decrease in:

Receivables

Due from Other Funds

Due from Other Governments

Inventory

Prepaid Items

Increase (Decrease) in:

Accounts Payable

Deposits Payable

Due to Other Funds

Accrued Payroll

Accrued Liabilities

Unearned Revenue

Estimated Liability for Compensated Absences

Estimated Liability for Unpaid Claims Payable

Net Pension Obligation

Net Other Post Employment Benefit Obligation

Net Cash Provided (Used) by

Operating Activities

Schedule of Noncash Investing,

Capital and Financing Activities:

Property Plant and Equipment

Transferred to Other Funds

Acquired by Capital Lease

Contributed by Other Funds

Total Noncash Investing, Capital

and Financing Activities

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CITY OF CINCINNATI, OHIO

FIDUCIARY FUNDS

TRUST AND AGENCY FUNDS

Pension Trust Fund

Pension Trust - Used to account for the receipts and expenditures of the City's Retirement System.

Agency Funds

Towing Charges - Used to account for monies received as charges for towing and storage of impounded vehicles.

Convention Facility Authority – Used to account for monies collected by the City of Cincinnati from Transient Occupancy Tax Revenues.

Admission Tax Bond - Used to account for deposits related to entertainment facilities in the City.

Engineering Deposits - Used to account for Transportation & Engineering monies reserved for specific purposes.

Metropolitan Sewer District - Used to account for the monies of the Metropolitan Sewer District.

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CITY OF CINCINNATI, OHIO
Statement of Plan Net Assets
Pension Trust
December 31, 2008
(Amounts in Thousands)

	Pension	Healthcare	Total
ASSETS			
Cash and Equivalents	\$ 46,724	\$ 21,595	\$ 68,319
Investments, at fair value:			
Government Bonds	1,738	804	2,542
Government Agencies	7,282	3,365	10,647
Government Mortgage Backed Securities	102,526	47,385	149,911
Government Inflation Index Bonds	12,725	5,881	18,606
Corporate Bonds	147,614	68,224	215,838
State and Local Obligations	1,900	878	2,778
Equities	692,328	319,977	1,012,305
Venture Capital	137,446	63,524	200,970
Real Estate	108,655	50,217	158,872
Other Bonds	12,753	5,894	18,647
Other Assets	28,830	13,324	42,154
Total Investments, at fair value	1,253,797	579,473	1,833,270
Collateral on Loaned Securities	165,767	76,613	242,380
Receivables:			
Accounts Receivable - Other	185	86	271
Accounts Receivable for Securities Sold	64,147	29,647	93,794
Accrued Interest and Dividends	4,728	2,185	6,913
Due from Other Funds	761	351	1,112
Due from Other Governments	1,689	780	2,469
Loans Receivable	9,917	4,583	14,500
Machinery and Equipment	1,219	563	1,782
Accumulated Depreciation	(962)	(445)	(1,407)
Total Assets	1,547,972	715,431	2,263,403
LIABILITIES			
Accounts Payable	973	449	1,422
Accounts Payable for Securities Purchased	130,816	60,460	191,276
Due to Other Funds	583	269	852
Obligations under Securities Lending	165,767	76,613	242,380
Accrued Payroll	21	9	30
Accrued Liabilities	7,661	3,540	11,201
Estimated Liability for Compensated Absences	70	32	102
Total Liabilities	305,891	141,372	447,263
NET ASSETS			
Held in Trust for Employees' Pension Benefits	1,242,081		1,242,081
Held in Trust for Employees' Post employment Healthcare Benefits		574,059	574,059
Combined Net Assets	\$ 1,242,081	\$ 574,059	\$ 1,816,140

CITY OF CINCINNATI, OHIO
Combining Statement of Changes in Plan Net Assets
Pension Trust
For the year ended December 31, 2008
(Amounts in Thousands)

	Pension	Healthcare	Total
ADDITIONS			
Contributions:			
Member	\$ 10,850	\$ 994	\$ 11,844
Employer	24,964	2,286	27,250
Other		995	995
Total Contributions	35,814	4,275	40,089
Transfers from Other Retirement Systems	598		598
Investment Income			
From Investing Activities:			
Interest & Dividends	49,775	23,175	72,950
Net Appreciation (Depreciation) in Fair Value of Investments	(534,948)	(249,075)	(784,023)
Total Investment Earnings (Loss)	(485,173)	(225,900)	(711,073)
Less Investment Management Expenses	3,944	1,837	5,781
Net Income From Investing Activities	(489,117)	(227,737)	(716,854)
From Security Lending Activities:			
Securities Lending Income	7,159	3,344	10,503
Securities Lending Expense:			
Borrower Rebates	(5,015)	(2,343)	(7,358)
Management Fees	(532)	(248)	(780)
Total Securities Lending Expenses	(5,547)	(2,591)	(8,138)
Net Income from Securities Lending Activities	1,612	753	2,365
Total Additions (Losses)	(451,093)	(222,709)	(673,802)
DEDUCTIONS			
Benefits Payments:			
Pension and Annuities	130,428		130,428
Hospital and Medical Care		48,901	48,901
Medicare		3,831	3,831
Dental Benefits		1,610	1,610
Vision Benefits		141	141
Death Benefits, Active and Retired	1,216		1,216
Loss Due to Death of Members with Loans	1		1
Transfers - Retirement to Other Systems	2,089		2,089
Total Benefits Payments	133,734	54,483	188,217
Refunds of Contributions	1,366		1,366
Administrative Expenses:			
Personal Services	514	240	754
Contractual Services	473	221	694
Materials and Supplies	8	4	12
Depreciation	33	16	49
Total Administration Expenses	1,028	481	1,509
Total Deductions	136,128	54,964	191,092
Change in Net Assets	(587,221)	(277,673)	(864,894)
Net Assets held in Trust for Benefits			
Beginning of Year	1,829,302	851,732	2,681,034
End of Year	\$ 1,242,081	\$ 574,059	\$ 1,816,140

CITY OF CINCINNATI, OHIO
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2008
(Amounts in Thousands)

	Agency Funds						Total
	Towing Charges Private Operators	Convention Facility Authority	Admissions Tax Bonds	Engineering Deposits	Metropolitan Sewer District		
ASSETS							
Equity in City Treasury Cash	\$ 333	\$ 244	\$ 27	\$ 2,717	\$ 295,107	\$ 3,321	
Investments, at fair value						295,107	
Receivables:							
Accounts, Net	7	6	1	117	32,590	32,721	
Accrued Interest and Dividends					828	828	
Total Assets	<u>\$ 340</u>	<u>\$ 250</u>	<u>\$ 28</u>	<u>\$ 2,834</u>	<u>\$ 328,525</u>	<u>\$ 331,977</u>	
LIABILITIES							
Accounts Payable	\$ 23	\$	\$	\$ 3	\$ 14,613	\$ 14,639	
Due to Other Governments	300	250			293,573	294,123	
Accrued Payroll					1,643	1,643	
Accrued Liabilities					31	31	
Deposits Payable	17		28	2,831		2,876	
Estimated Liability for Compensated Absences					7,607	7,607	
Net Pension Obligation					7,627	7,627	
Net Other Post Employment Benefit Obligation					3,431	3,431	
Total Liabilities	<u>\$ 340</u>	<u>\$ 250</u>	<u>\$ 28</u>	<u>\$ 2,834</u>	<u>\$ 328,525</u>	<u>\$ 331,977</u>	

CITY OF CINCINNATI, OHIO
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended December 31, 2008
(Amounts in Thousands)

	Balance January 1, 2008	Additions	Deductions	Balance December 31, 2008
<u>TOWING CHARGES - PRIVATE OPERATORS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 293	\$ 657	\$ 617	\$ 333
Accounts Receivable		7		7
Total Assets	<u>293</u>	<u>664</u>	<u>617</u>	<u>340</u>
LIABILITIES				
Accounts Payable	\$ 293	\$ 23	\$ 293	\$ 23
Due to Other Governments		300		300
Deposits Payable		1,265	1,248	17
Total Liabilities	<u>\$ 293</u>	<u>\$ 1,588</u>	<u>\$ 1,541</u>	<u>\$ 340</u>
<u>CONVENTION FACILITY AUTHORITY</u>				
ASSETS				
Equity in City Treasury Cash	\$ 244	\$ 244	\$ 244	\$ 244
Accounts Receivable	304	6	304	6
Due from Other Governments	304		304	
	<u>\$ 852</u>	<u>\$ 250</u>	<u>\$ 852</u>	<u>\$ 250</u>
LIABILITIES				
Accounts Payable	\$ 304		\$ 304	
Due to Other Governments	548	250	548	250
Total Liabilities	<u>\$ 548</u>	<u>\$ 250</u>	<u>\$ 548</u>	<u>\$ 250</u>
<u>ADMISSION TAX BONDS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 27	\$ 1	\$ 1	\$ 27
Accounts Receivable		1		1
Total Assets	<u>\$ 27</u>	<u>\$ 2</u>	<u>\$ 1</u>	<u>\$ 28</u>
LIABILITIES				
Deposits Payable	\$ 27	\$ 1	\$	\$ 28
<u>ENGINEERING DEPOSITS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 2		\$ 2	
Equity in City Treasury Cash	2,008	1,935	1,226	2,717
Accounts Receivable	27	240	150	117
Total Assets	<u>\$ 2,037</u>	<u>\$ 2,175</u>	<u>\$ 1,378</u>	<u>\$ 2,834</u>
LIABILITIES				
Accounts Payable	\$	\$ 3	\$	\$ 3
Deposits Payable	2,037	2,061	1,267	2,831
	<u>\$ 2,037</u>	<u>\$ 2,061</u>	<u>\$ 1,267</u>	<u>\$ 2,831</u>

CITY OF CINCINNATI, OHIO
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended December 31, 2008
(Amounts in Thousands)

	Balance January 1, 2008	Additions	Deductions	Balance December 31, 2008
<u>METROPOLITAN SEWER DISTRICT</u>				
ASSETS				
Investments	\$ 352,442	\$ 359,873	\$ 417,208	\$ 295,107
Cash With Fiscal Agent	396		396	
Accounts Receivable	31,770	3,077	2,257	32,590
Accrued Interest Receivable	1,364	828	1,364	828
Inventory	207	1,238	1,445	
Total Assets	<u>\$ 386,179</u>	<u>\$ 365,016</u>	<u>\$ 422,670</u>	<u>\$ 328,525</u>
LIABILITIES				
Accounts Payable	13,398	256,073	254,858	14,613
Due to Other Governmental Agencies	358,630	403,038	468,095	293,573
Accrued Payroll	2,031	1,643	2,031	1,643
Accrued Liabilities	23	31	23	31
Estimated Liability for Compensated Absences	6,821	7,607	6,821	7,607
Net Pension Obligation	4,406	3,221		7,627
Net Other Post Employment Benefit Obligation	870	2,561		3,431
Total Liabilities	<u>\$ 386,179</u>	<u>\$ 674,174</u>	<u>\$ 731,828</u>	<u>\$ 328,525</u>
<u>TOTAL AGENCY FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 2		\$ 2	\$
Equity in City Treasury Cash	2,572	2,837	2,088	3,321
Cash with Fiscal Agent	396		396	
Investments	352,442	359,873	417,208	295,107
Receivables:				
Accounts, Net	32,101	3,331	2,711	32,721
Accrued Interest Receivable	1,364	828	1,364	828
Due from Other Governments	304		304	
Inventory	207	1,238	1,445	
Total Assets	<u>\$ 389,388</u>	<u>\$ 368,107</u>	<u>\$ 425,518</u>	<u>\$ 331,977</u>
LIABILITIES				
Accounts Payable	13,995	256,099	255,455	14,639
Due to Other Governmental Agencies	359,178	403,588	468,643	294,123
Accrued Payroll	2,031	1,643	2,031	1,643
Accrued Liabilities	23	31	23	31
Deposits Payable	2,064	3,327	2,515	2,876
Estimated Liability for Compensated Absences	6,821	7,607	6,821	7,607
Net Pension Obligation	4,406	3,221		7,627
Net Other Post Employment Benefit Obligation	870	2,561		3,431
Total Liabilities	<u>\$ 389,388</u>	<u>\$ 678,077</u>	<u>\$ 735,488</u>	<u>\$ 331,977</u>

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**CAPITAL ASSETS USED IN THE
OPERATION OF GOVERNMENTAL FUNDS**

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CITY OF CINCINNATI, OHIO
Comparative Schedule of Capital Assets Used in the Operation of Governmental Funds
Schedule by Source
December 31
(Amounts In Thousands)

	<u>2008</u>	<u>2007</u>
Governmental Funds Capital Assets		
Land	\$ 167,875	\$ 168,179
Buildings	149,947	142,616
Improvements	338,485	323,425
Machinery and Equipment	153,942	149,771
Infrastructure	666,826	610,942
Construction in Progress	132,208	122,057
Property acquired under capital leases	<u>1,173</u>	<u>1,208</u>
Total Governmental Capital Assets	<u>\$ 1,610,456</u>	<u>\$ 1,518,198</u>
Investment in Governmental Capital Assets	<u>\$ 1,610,456</u>	<u>\$ 1,518,198</u>

Investment in Governmental Capital Assets by Source:

Permanent Improvement Fund or		
General Obligation Bonds	\$ 1,011,343	\$ 953,676
Federal Grants	82,035	70,245
State Grants	155,265	149,027
County Grants	6,962	24,845
Private	12,114	9,289
General Fund Revenues	88,297	51,980
Special Revenue Funds	33,922	6,267
Gifts	2,529	6,709
Other and Undifferentiated	<u>217,989</u>	<u>246,160</u>
Total from All Sources	<u>\$ 1,610,456</u>	<u>\$ 1,518,198</u>

CITY OF CINCINNATI, OHIO
Schedule of Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
As of December 31, 2008
(Amounts in Thousands)

	Total	Land	Buildings	Improvements	Equipment	Infrastructure	Property Acquisition under Capital Leases	Construction In Progress
Mayor and Council	\$ 92				\$ 92			\$
City Manager	353		48	4,013	305	5,093		
Economic Development	9,106							
Law	52				52			
Human Resources	4,416			4,405	11			
Finance	310				310			
Regional Computer Center	3,823				3,823			
Community Development	121,984	63,933	2,128	43,464	269	12,190		
Recreation	115,028	6,914	22,020	82,308	3,578	208		
Parks	41,566	12,722	12,810	8,350	2,774	4,910		
Buildings and Inspections	517			91	426			
Public Safety	65,790	1,591	7,852	9,972	45,290	644,040	1,085	
Transportation & Engineering	684,255	22,187	5,450	11,631	947			
Enterprise Services	1,167	297			870			
Public Services	55,767	1,011	6,074	24,087	24,210	385		
Public Health	13,492	237	2,736	8,009	2,510			
Pooled, Unassigned Equipment	911				911			
Southern Railway Improvement	83,224			83,224				
General Government								
Land	58,700	58,700						
Buildings	90,557		90,557					
Improvements	51,745			51,745				
Total Governmental Capital Assets Allocated by Function	1,402,855	167,592	149,675	331,299	86,378	666,826	1,085	
Construction in Progress	132,208							132,208
Internal Service Funds:								
Purchasing, Printing and Stores	889				801			88
Fleet Services	6,392	283	272	4,314	1,523			
Street Sweeping								
Property Management	21			6	15			
Regional Computer Center	68,091			2,866	65,225			
Total Governmental Capital Assets	\$ 1,610,456	\$ 167,875	\$ 149,947	\$ 338,485	\$ 153,942	\$ 666,826	\$ 1,173	\$ 132,208

CITY OF CINCINNATI, OHIO
Schedule of Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity
For the Year Ended December 31, 2008
(Amounts in Thousands)

	General Capital Assets January 1, 2008	Additions	Deletions	General Capital Assets December 31, 2008
Mayor and Council	\$ 92	\$	\$	\$ 92
City Manager	378		25	353
Economic Development	9,093	13		9,106
Law	92		40	52
Human Resources	4,416			4,416
Regional Computer Center	3,817	6		3,823
Finance	378	17	85	310
Community Development	119,708	3,056	780	121,984
Recreation	100,417	14,832	221	115,028
Parks	36,649	4,942	25	41,566
Buildings and Inspections	399	118		517
Public Safety	60,546	8,570	3,326	65,790
Transportation & Engineering	630,480	53,811	36	684,255
Enterprise Services	1,167			1,167
Public Services	55,815	1,030	1,078	55,767
Public Health	12,756	736		13,492
Pooled, Unassigned Equipment	1,170		259	911
Southern Railway Improvement	83,224			83,224
General Government				
Land	58,700			58,700
Buildings	90,557			90,557
Improvements	51,805		60	51,745
Construction in Progress	122,057	82,972	72,821	132,208
Internal Service Funds:				
Purchasing, Printing and Stores	857	32		889
Fleet Services	6,533	1,047	1,188	6,392
Street Sweeping	77		77	
Property Management	21			21
Regional Computer Center	66,994	2,173	1,076	68,091
Total Governmental Capital Assets	<u>\$ 1,518,198</u>	<u>\$ 173,355</u>	<u>\$ 81,097</u>	<u>\$ 1,610,456</u>

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SCHEDULE

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CITY OF CINCINNATI, OHIO

Outstanding Bonds and Notes

December 31, 2008

<u>Year</u>	<u>~General Obligation Bonds and Notes</u>	<u>#Municipal Income Tax Bonds & Notes</u>	<u>@Water Works Bonds</u>	<u>*Revenue Bonds & Notes</u>	<u>@Police & Fire Pension Bonds</u>
1999	\$123,050,000	\$22,953,000	\$110,940,000	\$ 12,779,000	\$ ----
2000	164,800,000	25,563,000	96,500,000	12,346,000	41,050,000
2001	175,340,000	23,780,000	82,180,000	104,504,000	40,620,000
2002	195,500,000	14,097,000	67,810,000	108,407,000	40,170,000
2003	221,750,000	11,717,000	53,340,000	237,450,000	39,700,000
2004	220,620,000	5,937,000	41,510,000	228,152,000	39,205,000
2005	217,710,000	13,560,000	31,380,000	332,094,000	42,935,000
2006	223,225,000	22,995,000	22,950,000	321,282,337	42,935,000
2007	222,868,000	42,655,000	16,400,000	391,750,000	42,365,000
2008	223,695,000	50,095,000	11,800,000	406,010,000	41,515,000

<u>Year</u>	<u>++Urban Development Taxable Bonds</u>	<u>@Recreational Facility Bonds & Notes</u>	<u>@Off-Street Parking Facilities Bonds</u>	<u>@ Urban Renewal/ Economic Development Bonds & Notes</u>	<u>*Metropolitan Sewer District Bonds & Notes</u>
1999	\$7,200,000	\$ 7,080,000	\$ 2,685,000	\$13,990,000	\$ ----
2000	7,000,000	14,975,000	2,100,000	16,450,000	----
2001	6,790,000	13,855,000	1,750,000	16,440,000	----
2002	6,570,000	12,265,000	10,500,000	20,595,000	----
2003	6,335,000	10,910,000	10,150,000	18,490,000	----
2004	6,090,000	9,545,000	700,000	33,085,000	----
2005	5,830,000	8,375,000	350,000	35,046,800	----
2006	5,555,000	10,090,000	----	37,694,301	----
2007	5,265,000	10,435,000	----	26,640,000	----
2008	4,960,000	9,820,000	----	25,835,000	12,800,000

<u>Year</u>	<u>@Stormwater Bonds and Notes</u>	<u>@Urban Redevelopment Bonds and Notes</u>	<u>Gross Tax Supported Debt</u>	<u>Gross Revenue Supported Debt</u>	<u>Gross Total Debt</u>
1999	\$7,000,000	\$ 2,895,000	\$123,050,000	\$187,522,000	\$310,572,000
2000	6,075,000	2,795,000	164,800,000	224,854,000	389,654,000
2001	5,150,000	12,180,000	175,340,000	307,249,000	482,589,000
2002	4,225,000	7,305,000	195,500,000	291,944,000	487,444,000
2003	3,300,000	16,625,000	221,750,000	408,017,000	629,767,000
2004	2,375,000	16,235,000	220,620,000	382,834,000	603,454,000
2005	1,450,000	14,885,000	217,710,000	485,905,800	703,615,800
2006	725,000	13,565,000	223,225,000	477,791,638	701,016,638
2007	----	12,230,000	222,868,000	547,740,000	770,608,000
2008	----	10,870,000	223,695,000	573,705,000	797,400,000

- ~ Supported by general tax levy or special assessment levy.
- # Supported by Municipal Income Tax, but have property tax support if necessary.
- @ Supported by current revenue, but have property tax support if necessary.
- * Supported by current revenue, no tax support pledged.
- ++ Supported by current revenue, but have property tax support if necessary-taxable.

CITY OF CINCINNATI, OHIO
Schedule of Expenditures of Federal Awards
(Non-GAAP Budgetary Basis)
For the year ended December 31, 2008

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures
<i>1 U.S. Department of Agriculture</i>						
<i>* Passed through Ohio Department of Health</i>						
* Hamilton County WIC Program	391	10.557	31-2-001-1-CL-07	0		(21)
* Hamilton County WIC Program	391	10.557	31-2-001-1-CL-08	52		
* Hamilton County WIC Program	391	10.557	31-2-001-1-WA-0109	2614		(2587)
Total for CFDA No. 10.557				2,666	0	(2,608)
<i>U.S. Department of Agriculture</i>						
<i>Passed through Ohio Department of Education</i>						
* CACFP- Child & Adult Care Food Program	319	10.558	31-2-001-1-CL-06	0		0
* CACFP- Child & Adult Care Food Program	319	10.558	009070	103	0	(36)
* CACFP- Child & Adult Care Food Program	324	10.558	009070	40	0	(57)
Total for CFDA No. 10.558				143	0	(93)
TOTAL DEPARTMENT OF AGRICULTURE				2809		(2701)
<i>2 U.S. Department of Health and Human Services</i>						
<i>* Passed through Council on Aging of Southwestern Ohio</i>						
* Special Programs for the Aging Title III Part B	324	93.044		23		(23)
(a.) Total for CFDA No. 93.044				23	0	(23)
* Special Programs for the Aging Title III Part C	324	93.045		190	15	(276)
(a.) Total for CFDA No. 93.045				190	15	(276)
<i>* Passed through Cincinnati Health Network</i>						
* Homeless Health Care Program	448	93.151	Contract #75-9509	67		(85)
* Homeless Health Care Program	448	93.151	Contract #85-9623	172		(170)
(b.) Total for CFDA No. 93.151				239	0	(255)
<i>* Passed through Ohio Department of Health</i>						
* Regional Lead Poisoning Prevention	380	93.197	31-2-001-1-BE-07			(8)
* Regional Lead Poisoning Prevention	380	93.197	31-2-001-1-BE-08	64	1	(72)
* Regional Lead Poisoning Prevention	380	93.197	31-2-001-1-BE-09	20		(29)
Total for CFDA No. 93.197				84	1	(109)
<i>* Passed through Neighborhood Health Care</i>						
* Cincinnati Health Network	446	93.224	Contract #75-9551			(85)
* Cincinnati Health Network	446	93.224	Contract #85-9668			(108)
Total for CFDA No. 93.224				-	-	(193)
<i>* Passed through Ohio Department of Health</i>						
* Immunization Action Plan Special	415	93.268	31-2-001-2-AZ-07	67		(64)
* Immunization Action Plan Special	415	93.268	31-2-001-2-IM-0108	375		(288)
Total for CFDA No. 93.268				442	0	(352)
<i>* U.S. Department of Health & Human Services</i>						
<i>* Passed through Ohio Department of Community Dev.</i>						
* Child Care & Development Block Grant	323	93.575		19		(19)
Total for CFDA No. 93.575				19	0	(19)
<i>* Passed through YMCA of Greater Cincinnati</i>						
* TANF - Child Care Services	323	93.558		39		(39)
* TANF - Cincy After School	319	93.558		0	0	0
Total for CFDA No. 93.558				39	0	(39)
<i>* U.S. Department of Health & Human Services</i>						
<i>* Passed through Ohio Department of Health</i>						
* Social Services Block Grant	323	93.667		19		(19)
Total for CFDA No. 93.667				19	0	(19)
<i>* Passed through Ohio Department of Health</i>						
* Federal AIDS Prevention	378	93.940	31-2-01-2-F-DL-SE1			(191)
* Federal AIDS Prevention	378	93.940	31-2-001-2-AS-08	118		(101)
* Federal AIDS Prevention	378	93.940	31-2-001-2-HP-0108	734	6	(648)
Total for CFDA No. 93.940				852	6	(940)
<i>* Passed through Ohio Department of Health</i>						
* STD Control Program	378	93.977	31-2-001-2-BX-08			(2)
* STD Control Program	378	93.977	31-2-001-2-ST-0109	42		(63)
Total for CFDA No. 93.977				42	0	(65)
STD/HIV Prevention Training Centers	379	93.978	R30/CCR516650-08			(2)
STD/HIV Prevention Training Centers	379	93.978	R30/CCR516650-09	400		(400)
Total for CFDA No. 93.978				400	0	(402)

CITY OF CINCINNATI, OHIO
Schedule of Expenditures of Federal Awards
(Non-GAAP Budgetary Basis)
For the year ended December 31, 2008

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures
<i>* Passed through Ohio Department of Health</i>						
* Heart Health in Hamilton County	425	93.991	31-2-001-2-ED-07	9		(53)
* Heart Health in Hamilton County	425	93.991	31-2-001-2-CH-0108	150		(93)
Total for CFDA No. 93.991				159	0	(146)
<i>* Passed through Ohio Department of Health</i>						
* Public Health Infrastructure	350	93.283	31-2-001-2-B1-07	89		0
* Public Health Infrastructure	350	93.283	31-2-001-2-B1-08	71		(82)
* Public Health Infrastructure	350	93.283	31-2-001-2-PI-0209	18		(4)
Total for CFDA No. 93.283				178	0	(86)
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES				2,686	22	(2,924)
3 U.S. Department of Housing & Urban Development						
* Community Development Block Grant	304	14.218	B07-MC390003	8,503		(8,503)
* Community Development Block Grant	304	14.218	B08-MC390003	3,365	1,536	(5,449)
(c.) Total for CFDA No. 14.218				11,868	1,536	(13,952)
* Emergency Shelter Grant	445	14.231	S-07-MC-39-0003	70		(70)
* Emergency Shelter Grant	445	14.231	S-08-MC-39-0003	469		(469)
Total for CFDA No. 14.231				539	0	(539)
* HOME-Shelter Plus Care	410	14.238	OH16C20-0001	120		(120)
* HOME-Shelter Plus Care	410	14.238	OH16C30-0001	185		(197)
* HOME-Shelter Plus Care	410	14.238	OH16C40-0001	368		(368)
* HOME-Shelter Plus Care	410	14.238	OH16C50-0001	184		(184)
* HOME-Shelter Plus Care	410	14.238	OH16C60-0015	1,111		(1,111)
* HOME-Shelter Plus Care	410	14.238	OH16C70-0001	23		(23)
* HOME-Shelter Plus Care	410	14.238	OH16C70-0001	1,641		(1,641)
Total for CFDA No. 14.238				3,632	0	(3,644)
* HOME	411	14.239	M-04-MC-39-0213	561		(561)
* HOME	411	14.239	M-05-MC-39-0213	788		(788)
* HOME	411	14.239	M-07-MC-39-0213	179		(495)
* HOME	411	14.239	M-08-MC-39-0213	232	153	(350)
* HOME	411	14.239	M-96-MC-39-0213	286		(286)
* HOME	411	14.239	M-97-MC-39-0213	489		(489)
* HOME	411	14.239	M-98-MC-39-0213	450		(450)
* HOME	411	14.239	Outstanding CFDA Loans	0		(25,309)
Total for CFDA No. 14.239				2,985	153	(28,728)
* Housing Opportunities For People With Aids	465	14.241	O-HH-06-F001	54		(54)
* Housing Opportunities For People With Aids	465	14.241	O-HH-07-F001	469		(469)
Total for CFDA No. 14.241				523	0	(523)
Empowerment Zone	386	14.244	EZ-99-04-0009	1,180		(1,180)
Total for CFDA No. 14.244				1,180	0	(1,180)
FY06 HUD Grant	472	14.246	B-06-SP-OH-0779			(3)
Total for CFDA No. 14.246				0	0	(3)
Lead Hazard Control Grant	381	14.900	OHLHB0360-07	415		(404)
Total for CFDA No. 14.900				415	0	(404)
TOTAL DEPARTMENT OF HOUSING & URBAN DEVELOPMENT				21,142	1,689	(48,973)
4 U.S. Department of the Interior						
<i>* Passed through Ohio Department of Natural Resources</i>						
* ODNR-Hooked on Fishing	324	15.605		10		(9)
(d.) Total for CFDA No. 15.605				10	0	(9)
TOTAL DEPARTMENT OF THE INTERIOR				10	0	(9)
5 U.S. Department of Justice						
<i>* Passed through Ohio Department of Youth Services</i>						
Juvenile Accountability	368	16.540	2007-JB-015-A242	24		(9)
Total for CFDA No. 16.540				24	0	(9)
<i>* Passed through Ohio Office of Criminal Justice Services</i>						
Mental Health Associates (Byrne)	368	16.579	2006-JG-A02-6256	7		(10)
Delinquency Prevention	447	16.579	2000-DG-BOV-7655	1		0
Computer Cop	447	16.579	2006-JG-B01-6260	10		(10)
Computer Cop	447	16.579	2000-JG-B01-6238	25		(25)
Total for CFDA No. 16.579				43	0	(45)
<i>* Passed through Ohio Office of Criminal Justice Services</i>						
* Domestic Violence Advocacy	368	16.588	2007-WF-VA5-8583	54		(54)

CITY OF CINCINNATI, OHIO
Schedule of Expenditures of Federal Awards
(Non-GAAP Budgetary Basis)
For the year ended December 31, 2008

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures
Total for CFDA No. 16.588				54	0	(54)
Local Law Enforcement Block Grant	345	16.592	2004-LB-BX-0452		(1)	(107)
Total for CFDA No. 16.592				0	(1)	(107)
Bulletproof Vests	368	16.607	100415	4		(20)
Total for CFDA No. 16.607				4	0	(20)
<i>* Passed through Ohio Office of Criminal Justice Services</i>						
* Project Safe Neighborhood	368	16.609	2006-PS-PSN-300	20		(19)
Total for CFDA No. 16.609				20	0	(19)
Computer Aided Dispatch	980	16.710	2004-CK-WX-0135	309	0	(225)
Police Risk Management Systems	980	16.710	2003-CK-WX 0167	52	0	(1)
2005 Earmark - RMS	368	16.710	2005-CK-WX-0118	(143)		
2008 Earmark - RMS	368	16.710	2005-CK-WX-0558	239		(41)
Total for CFDA No. 16.710				457	0	(267)
Justice Assistance Grant	478	16.738	2005-DJ-BX-1383			(132)
Justice Assistance Grant	361	16.738	2006-DJ-BX-0957			(86)
Justice Assistance Grant	375	16.738	2007-DJ-BX-1160		13	
Justice Assistance Grant	345	16.738	2008-DJ-BX-0307	196	1	(98)
Total for CFDA No. 16.738				196	14	(316)
TOTAL DEPARTMENT OF JUSTICE				798	13	(837)
<i>6 U.S. Department of Transportation</i>						
Lunken Improvements - '03	980	20.106	3-39-0018-1603			(2)
FAA/ODOT Local Match '06	980	20.106	07-07	175		
Total for CFDA No. 20.106				175	0	(2)
<i>* Passed through Ohio Department of Transportation</i>						
* L & N Bridge Approach Improvements	980	20.205	PID20312		239	
* Hopple St., Meeker to I-75 Improv.	980	20.205	PID 04905			(2)
* Queen City Ave-White/Wyoming	980	20.205	PID04909			(3)
* Queen City Ave-White/Wyoming	980	20.205	PID10599			43
* Ohio River Trail Salem to Downtown	980	20.205	PID20399			(69)
* ML King Woodside to Eden	980	20.205	PID 24485	210		(223)
Gilbert Ave Greenway	980	20.205	PID 78010 ODOT	168		(147)
Kennedy Connector	980	20.205	OH Dept of Dev			(106)
Columbia Pwy Access Management	980	20.205	PID 11895 ODOT			(207)
Hamilton Ave. Windmere to Groesbeck	980	20.205	PID 24503 ODOT	987		(1,584)
Eighth Street Viaduct	980	20.205	PID 77363	6,725		(6,725)
Zoo-Vine St. Pedestrianbridge	980	20.205	PID 77706	747		(845)
Park Infrastructure Rehab	980	20.205	PID 78015	485		(468)
Mt. Adams Steps	980	20.205	PID 80757	630		(647)
Walvogel Viaduct Replacement 06	980	20.205	PID 20082 ODOT			(192)
Sub-total for ODOT - CFDA No. 20.205				9,952	239	(11,175)
<i>* Passed through Governor's Highway Safety Office</i>						
Law Enforcement Overtime Program	368	20.600	GG-2008-31-00-00-00195	82		(84)
Law Enforcement Overtime Program	368	20.600	GG-2008-31-00-00-00208	57		(39)
(f.) Total for CFDA No. 20.600				139	0	(123)
TOTAL DEPARTMENT OF TRANSPORTATION				10,266	239	(11,300)
Brownfield Job Training	474	66.815	JT96546102	81		(78)
Total for CFDA No .66.815				81	0	(78)
TOTAL ENVIRONMENTAL PROTECTION AGENCY				81	0	(78)
<i>8 National Park Service</i>						
Mt. Airy/Kirby Valley Trail	980	15.919	RT03 (101)	7		(22)
Mt. Auburn Hopkins Park	980	15.919	39-CTY-1610-02-01	23		(36)
Total for CFDA No. 15.919				30	0	(58)
TOTAL NATIONAL PARK SERVICE				30	0	(58)
<i>9 Department of Homeland Security</i>						
<i>* Passed through Hamilton County Emergency Mgt. Agency</i>						
* Urban Areas Security Initiative		97.008	S03-UASI-31	(61)		61
* Urban Areas Security Initiative		97.008	S04-UASI-31-0546	(232)		232
* Urban Areas Security Initiative		97.008	S05-UASI-31-0297	(7)		7
* Urban Areas Security Initiative	476	97.008	S06-UASI-31-0236	935		(932)
* Urban Areas Security Initiative	476	97.008	S07-UASI	104		(104)
* Urban Areas Security Initiative	895	97.008	S06-UASI-31-02326	171		(171)

CITY OF CINCINNATI, OHIO
Schedule of Expenditures of Federal Awards
(Non-GAAP Budgetary Basis)
For the year ended December 31, 2008

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures
Total for CFDA No . 97.008				910	0	(907)
9 Department of Homeland Security						
* <i>Passed through Hamilton County Emergency Mgt. Agency</i>						
			04SHSGP	175		(175)
			05SHSGP	(9)		9
* Homeland Security Grant Program		97.073	06SHSCP	<u>177</u>		<u>(177)</u>
Total for CFDA No . 97.073				343	0	(343)
* <i>Passed through Ohio Dept. of Natural Resources</i>						
* Paddle Safe Cincinnati	324	97.012	2006-17	(1)		
* Paddle Safe Cincinnati	324	97.012	2008-34	7		(3)
Total for CFDA No . 97.012				<u>6</u>	0	<u>(3)</u>
* <i>Passed through Ohio Dept. of Public Safety</i>						
* FEMA-Windstorm	479	97.036	FEMA 1805-DR-061-15000			(2,659)
Total for CFDA No . 97.036				0	0	(2,659)
Fire Prevention & Safety Grant	472	97.044	EMW-2006-FP-02745	45		(43)
Fire Prevention & Safety Grant	343	97.044	EMW-2006-FP-02745	4		(15)
Total for CFDA No . 97.044				<u>49</u>	0	<u>(58)</u>
* <i>Passed through Ohio Emergency Management Agency</i>						
Metropolitan Medical Response System	454	97.071	S-06-MMRs6-31-0241	159		(158)
Metropolitan Medical Response System	393	97.071	EMW-2004-GR-0554			(24)
Metropolitan Medical Response System	393	97.071	S-06-MMRs6-31-0241			(12)
* Metropolitan Medical Response System	454	97.071	70-0560-0-1-999			(7)
Total for CFDA No . 97.044				<u>159</u>	0	<u>(201)</u>
* <i>Passed through Ohio Emergency Management Agency</i>						
FY07 UASI	476	97.067	0000006885	11		(11)
Metropolitan Medical Response System	454	97.067	0000007023	42		(30)
Total for CFDA No . 97.067				<u>53</u>	0	<u>(41)</u>
TOTAL DEPARTMENT OF HOMELAND SECURITY				1,520	0	(4,212)
TOTAL FEDERAL GRANTS & SUBSIDIES (Non-GAAP Basis)				39,342	1,963	(71,092)
Less Amount Recognized as Contributed Capital				(10,518)		
Less Accrual of Federal Grant & Subsidies at 12/31/07				(675)		
Plus Accrual of Federal Grant & Subsidies at 12/31/08				784		
Less Receivable from Federal Government at 12/31/07				<u>(1,225)</u>		
Amount Recognized as Federal Grants & Subsidies (GAAP Basis)				<u>27,708</u>		

* Indicates Federal monies passed through another agency to the City of Cincinnati.

Total Community Development loans outstanding at December 31, 2008 totaled \$37,784,666 under CFDA 14.218 and \$25,309,495 under CFDA 14.239.

CITY OF CINCINNATI, OHIO
INFRASTRUCTURE INCOME TAX

In accordance with the provisions of Chapter 311 of the Cincinnati Municipal Code, an additional earnings tax of .1% shall be levied for costs related to constructing, equipping, maintaining and repair of the City's infrastructure. Such tax shall remain in effect as long as the City appropriates at least the base amount required and subsequently expends funds at a level (ninety percent of the annual base amount within three years) specified in Chapter 311, CMC.

The following data summarizes the results of the City's compliance with the infrastructure income tax requirements for 2008 and 2007.

(AMOUNTS IN THOUSANDS)

	<u>2008</u>	<u>2007</u>
Required Base Amount	\$63,189	\$61,064
Actual Appropriated Amount	\$77,103	\$75,771
Infrastructure Expenditures - As of December 31, 2008	\$45,148	\$58,695
Percentage of Expenditures to Base Amount	71.4491%	96.1205%

I hereby certify that the City of Cincinnati appropriated for 2008 an amount sufficient to meet the requirements for continuation of the Infrastructure Income Tax. I also certify that the City of Cincinnati did expend through 2008 for the 2007 Infrastructure year more than 90% of the annual base amount, which satisfies the requirements for continuation of the Infrastructure Income Tax.



Joe Gray
Director of Finance

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STATISTICAL SECTION



Union Terminal was very successful in the 1930s and 1940s, but by the 1950s it faced competition from automobiles and passenger airline service. The number of trains continued to decline until 1972, when the last train service to Union Terminal ended. In 1975, the City of Cincinnati bought the terminal and ran advertisements to lease the building for a \$1 per year. In 1980, a Columbus developer converted the terminal into a shopping mall; the economic downturn of the 1980s caused the project to fail.

The administrators of the Cincinnati Museum of Natural History and the Cincinnati Historical Society developed plans for a joint museum project. The spaciousness of Union Terminal, along with its history and design, made it the top choice as a location for the project. In 1990, the Cincinnati Union Terminal reopened as the Cincinnati Museum Center, featuring the Cincinnati Museum of Natural History, the Cincinnati Historical Society Museum and Library and an OMNIMAX Theater. In 1997 the Children's Museum joined the Center, helping to attract more visitors each year. The Museum Center has proven to be a great success. That success helped sustain the building; in 2008, we celebrated the 75th Anniversary since the completion of the Union Terminal Building.



CITY OF CINCINNATI, OHIO

STATISTICAL SECTION

This section of the City of Cincinnati's comprehensive annual financial report provides detailed historical and economic information for users of the financial statements, notes to the financial statements, and required supplementary information for the purpose of assessing and evaluating the City's economic condition.

Financial Trends – This section provides information on the City's net assets, changes to net assets and fund balance for assessing the changes in financial position over time.

Revenue Capacity – This section provides information on the City's ability to generate revenue, specifically income tax (the major source of revenue for governmental activities) and property tax revenue.

Debt Capacity Information – This section provides information on the City's outstanding debt, debt limitations and the ability to leverage and pay future debt.

Demographic and Economic Information – This section provides information about the environment in which the City operates.

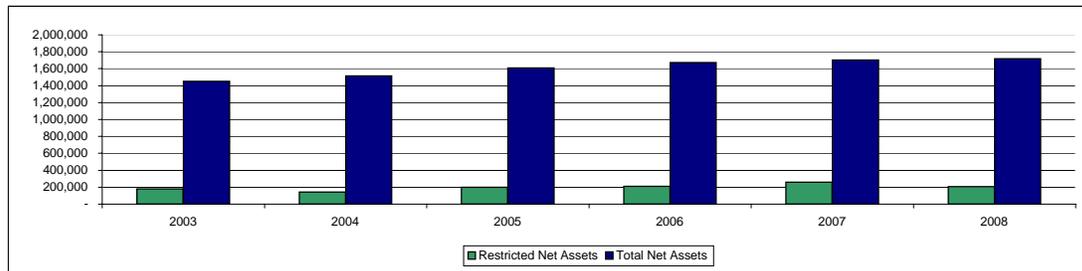
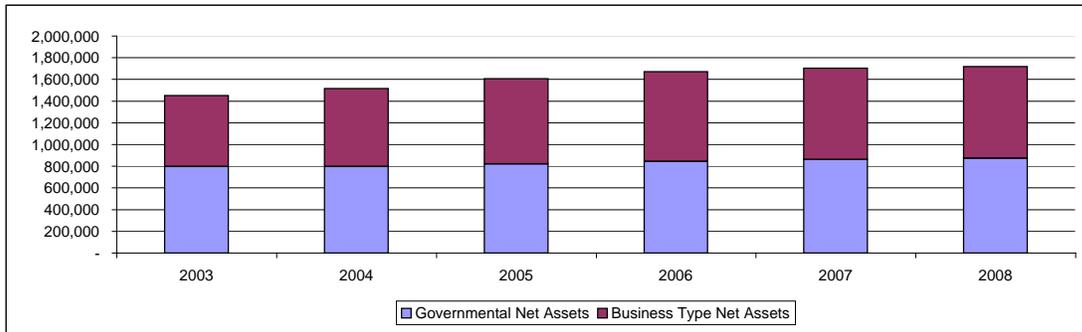
Operating Information – This section provides operating information related to the City's infrastructure, assets and services provided by function.

Sources: Unless otherwise noted, the information in these statistical schedules is from the comprehensive annual financial reports for the relevant years. The City implemented GASB 34 in 2002; schedules presenting government wide information include information beginning in that year.

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**City of Cincinnati
Financial Trends Information
Schedule 1
Net Assets by Category
Last Seven Fiscal Years
(Amounts in thousands)**

	Fiscal Year						
	2002	2003	2004	2005	2006	2007	2008
Governmental Activities							
Invested in capital assets, net of related debt	\$ 490,028	\$ 534,066	\$ 612,373	\$ 631,671	\$ 648,232	\$ 648,708	\$ 645,883
Restricted	197,516	176,263	141,202	151,260	158,416	176,785	162,774
Unrestricted	77,502	86,312	44,747	37,601	38,353	37,165	64,412
Subtotal governmental activities net assets	765,046	796,641	798,322	820,532	845,001	862,658	873,069
Business-Type activities							
Invested in capital assets, net of related debt	526,297	566,748	639,500	715,004	752,246	739,650	707,549
Restricted	3,435	4,452	3,004	48,974	51,409	84,453	42,929
Unrestricted	105,627	85,048	75,868	23,457	23,562	17,250	95,424
Subtotal business-type activities net assets	635,359	656,248	718,372	787,435	827,217	841,353	845,902
Primary Government							
Invested in capital assets, net of related debt	1,016,325	1,100,814	1,251,873	1,346,675	1,400,478	1,388,358	1,353,432
Restricted	200,951	180,715	144,206	200,234	209,825	261,238	205,703
Unrestricted	183,129	171,360	120,615	61,058	61,915	54,415	159,836
Total primary government net assets	\$ 1,400,405	\$ 1,452,889	\$ 1,516,694	\$ 1,607,967	\$ 1,672,218	\$ 1,704,011	\$ 1,718,971



City of Cincinnati, Ohio
Financial Trends Information
Schedule 2
Changes in Net Assets
Last Seven Fiscal Years
(Amounts in Thousands)

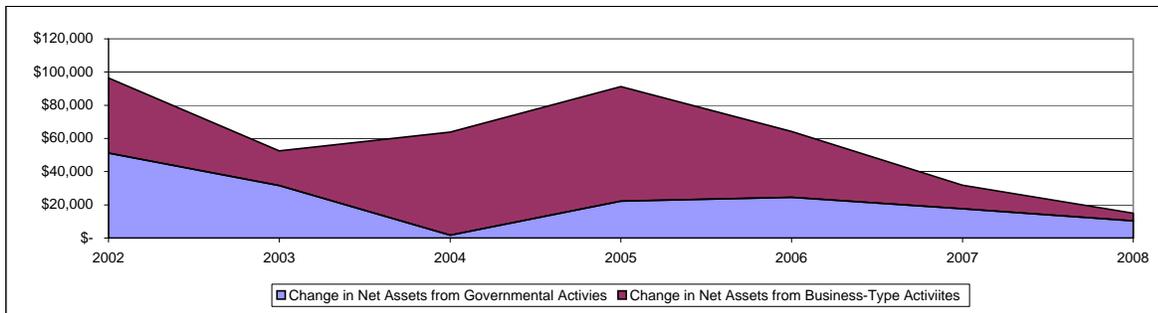
	Fiscal Year						
	2002	2003	2004	2005	2006	2007	2008
Program Revenues							
Governmental Activities:							
Charges for Services							
General Government	\$ 73,052	\$ 84,702	\$ 101,089	\$ 91,650	\$ 92,798	\$ 98,413	\$ 100,874
Community Development	1,468	1,644	1,041	676	706	1,274	2,488
Parks and Recreation	5,922	6,217	6,726	5,915	6,939	7,103	6,833
Public Safety	8,141	7,634	9,281	12,562	16,410	12,083	16,404
Transportation and Engineering	447	393	1,278	1,189	1,247	1,185	1,583
General Services	3,926						
Public Services	1,106	1,858	2,066	2,212	1,976	2,256	3,078
Public Health	9,046	9,026	8,009	8,582	8,286	9,060	8,216
Operating Grants and Contributions	56,719	53,721	43,405	43,148	62,757	38,051	43,632
Capital Grants and Contributions	21,247	27,323	16,834	13,478	9,954	12,559	21,502
Total governmental activities program revenue	181,074	192,518	189,729	179,412	201,073	181,984	204,610
Business-type activities							
Charges for Services							
Water Works	88,192	87,538	90,877	98,689	101,057	117,494	119,228
Parking Facilities	7,576	7,885	8,969	8,827	8,196	8,567	8,814
Convention Center	3,347	2,994	2,841	1,776	3,676	6,209	6,440
General Aviation	1,595	1,867	1,901	1,786	1,669	1,887	2,029
Municipal Golf	5,966	5,811	6,080	5,949	6,129	6,457	6,414
Stormwater Management	7,335	7,348	7,224	7,063	7,230	8,713	8,692
Capital Grants and Contributions	14,641	12,190	43,028	61,017	32,711	5,140	5,293
Total business-type activities program revenues	128,652	125,633	160,920	185,107	160,668	154,467	156,910
Total primary government program revenues	\$ 309,726	\$ 318,151	\$ 350,649	\$ 364,519	\$ 361,741	\$ 336,451	\$ 361,520
Expenses							
Governmental Activities:							
General Government	\$ 102,323	\$ 115,988	\$ 119,686	\$ 127,826	\$ 139,436	\$ 141,045	\$ 139,727
Economic Development					68	-	-
Community Development	52,327	65,028	60,367	39,235	56,751	45,910	48,658
Parks and Recreation	34,647	35,496	37,033	39,438	40,848	42,069	44,616
Public Safety	182,135	192,370	205,338	218,576	224,724	235,945	247,924
Transportation and Engineering	24,042	25,378	30,529	26,472	37,271	37,734	37,965
Transit Systems				37,712	41,950	43,814	45,389
Enterprise Services	51,171	35,558	37,038				
Public Services	40,036	44,662	46,477	48,125	47,268	53,166	60,227
Public Health	39,297	40,844	42,437	44,809	44,227	43,367	45,703
Interest on long-term debt	17,243	17,618	18,516	21,767	18,789	19,034	21,276
Total governmental activities expenses	543,221	572,942	597,421	603,960	651,332	662,084	691,485
Business-type activities							
Water Works	78,039	84,142	88,095	99,895	99,177	108,314	113,804
Parking Facilities	7,127	7,416	6,845	8,637	9,118	10,397	8,969
Convention Center	7,715	7,117	7,057	6,809	10,359	14,588	18,372
General Aviation	1,937	2,083	1,922	2,032	2,160	2,319	2,753
Municipal Golf	5,634	6,282	5,820	6,266	6,179	6,428	6,369
Stormwater Management	4,652	5,829	5,722	5,739	7,226	8,258	8,452
Total business-type activities expenses	105,104	112,869	115,461	129,378	134,219	150,304	158,719
Total primary government expenses	\$ 648,325	\$ 685,811	\$ 712,882	\$ 733,338	\$ 785,551	\$ 812,388	\$ 850,204
Net (Expense)/Revenue							
Governmental activities	\$ (362,147)	\$ (380,424)	\$ (407,692)	\$ (424,548)	\$ (450,259)	\$ (480,100)	\$ (486,875)
Business-type activities	23,548	12,764	45,459	55,729	26,449	4,163	(1,809)
Total Primary Government Net Expense	(338,599)	(367,660)	(362,233)	(368,819)	(423,810)	(475,937)	(488,684)

Continued

City of Cincinnati, Ohio
Financial Trends Information
Schedule 2
Changes in Net Assets
Last Seven Fiscal Years
(Amounts in Thousands)

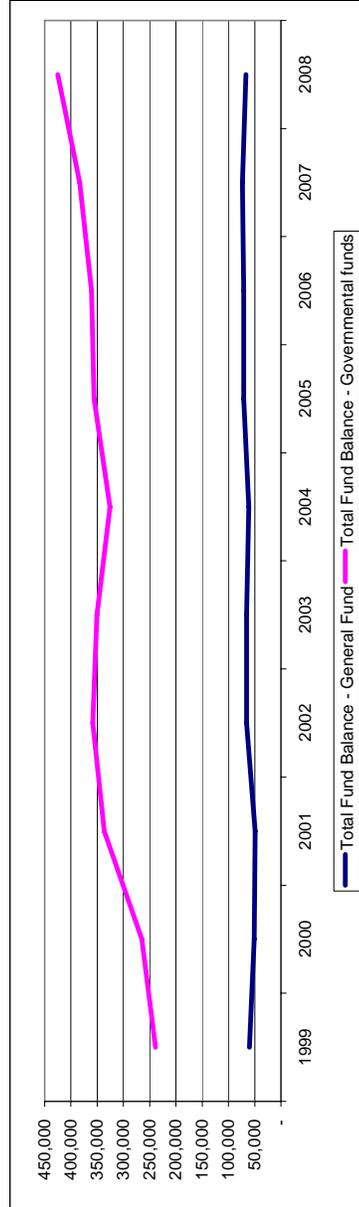
(Continued)

	Fiscal Year						
	2002	2003	2004	2005	2006	2007	2008
General Revenues and Other Changes in Net Assets							
Governmental activities:							
Tax							
Property taxes	\$ 64,051	\$ 68,040	\$ 67,614	\$ 67,816	\$ 79,996	\$ 75,393	\$ 75,062
Income taxes	252,790	259,488	261,712	297,583	305,254	304,466	319,565
Admission taxes	3,446	4,075	3,890	3,691	4,494	4,309	4,570
Shared taxes	66,386	68,018	72,162	67,304	63,412	67,927	73,079
Occupancy Tax		1,449	1,810	1,909	1,874	2,131	2,222
Unrestricted Investment earnings	46,277	11,199	11,252	12,234	20,344	23,361	19,363
Miscellaneous	249	52	105	206	55	127	699
Special Item - Gain on Sale of Property						16,543	
Loss on disposal of assets	(5,331)						
Transfers between governmental and business-type activities	(14,457)	(302)	(9,172)	(3,985)	(701)	3,500	2,726
Total governmental activities	413,411	412,019	409,373	446,758	474,728	497,757	497,286
Business-type activities:							
Tax							
Occupancy taxes	1,662	1,019	1,092	1,230	1,046	1,274	1,287
Unrestricted Investment earnings	3,879	2,396	2,272	4,176	7,278	8,380	6,320
Miscellaneous	2,455	4,780	4,129	3,943	4,308	3,819	2,455
Loss on disposal of assets	(870)	(372)	0				
Special Item - Fixed Asset Impairment							(978)
Transfers between governmental and business-type activities	14,457	302	9,172	3,985	701	(3,500)	(2,726)
Total business-type activities	21,583	8,125	16,665	13,334	13,333	9,973	6,358
Total Primary Governmental Activities	434,994	420,144	426,038	460,092	488,061	507,730	503,644
Change in Net Assets							
Governmental activities	\$ 51,264	\$ 31,595	\$ 1,681	\$ 22,210	\$ 24,469	\$ 17,657	\$ 10,411
Business-type activities	45,131	20,889	62,124	69,063	39,782	14,136	4,549
Total Primary Governmental Activities	\$ 96,395	\$ 52,484	\$ 63,805	\$ 91,273	\$ 64,251	\$ 31,793	\$ 14,960



City of Cincinnati
Financial Trends Information
Schedule 3
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Amounts in Thousands)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Fund										
Reserved	\$ 13,235	\$ 12,241	\$ 11,086	\$ 12,263	\$ 14,138	\$ 12,894	\$ 15,229	\$ 13,712	\$ 17,406	\$ 13,226
Unreserved	46,617	38,577	38,239	53,078	51,339	48,539	55,994	57,392	56,058	53,471
Total General Fund	59,852	50,818	49,325	65,341	65,477	61,433	71,223	71,104	73,464	66,697
Capital Projects Fund										
Reserved	35,031	52,217	98,255	76,025	66,639	65,634	72,364	66,454	67,052	103,682
Unreserved	52,448	59,576	77,571	112,658	97,142	87,925	94,921	94,446	109,614	105,996
Total Capital Projects Fund	87,479	111,793	175,826	188,683	163,781	153,559	167,285	160,900	176,666	209,678
Debt Service Fund										
Reserved	16,467	25,375	34,636	36,971	53,534	44,240	44,780	51,256	55,545	65,660
Unreserved	-	-	-	-	-	-	-	-	-	1,425
Total Debt Service Fund	16,467	25,375	34,636	36,971	53,534	44,240	44,780	51,256	55,545	67,085
All Other Governmental Funds										
Reserved	38,857	40,857	60,030	54,770	47,549	42,488	41,709	45,472	40,850	45,987
Unreserved	36,036	36,284	16,902	12,431	19,918	23,789	31,275	31,898	36,644	35,684
Total Other Governmental Funds	74,893	77,141	76,932	67,201	67,467	66,277	72,984	77,370	77,494	81,671
Total Fund Balance, Governmental Funds	\$ 238,691	\$ 265,127	\$ 336,719	\$ 358,196	\$ 350,259	\$ 325,509	\$ 356,272	\$ 360,630	\$ 383,169	\$ 425,131
Estimated Liability for Compensated Absences	\$ 6,003	\$ 6,359	\$ 6,645	\$ 6,985	\$ 7,248	\$ 7,433	\$ 7,624	\$ 7,923	\$ 8,340	\$ 8,683



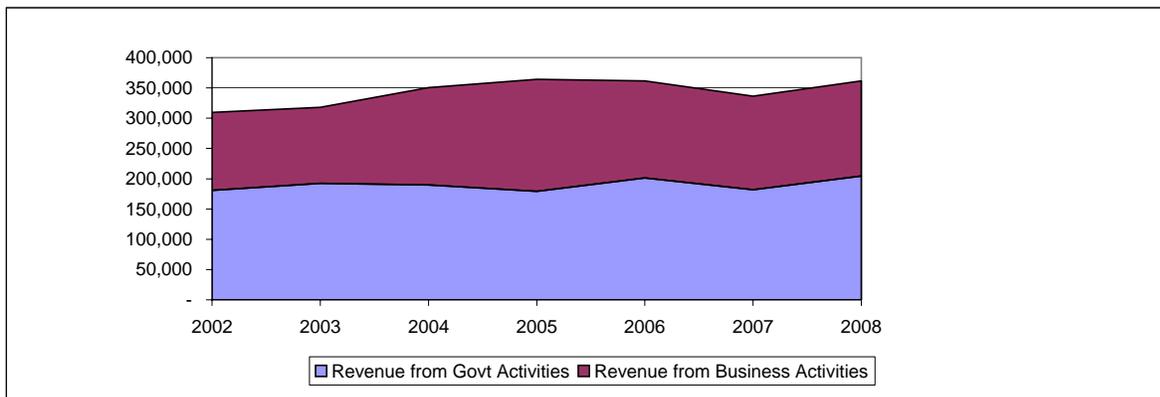
Note: In 2004 a reserve of fund balance was created for the Estimated Liability for Compensated Absences. In prior years this amount has been included in the liability section of the financial statements. Prior years have been restated.

City of Cincinnati
Financial Trends Information
Schedule 4
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Amounts in Thousands)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues										
Taxes	\$ 308,885	\$ 314,404	\$ 317,263	\$ 317,356	\$ 331,539	\$ 339,750	\$ 357,636	\$ 384,108	\$ 392,302	\$ 398,520
Licenses and Permits	8,017	8,975	9,647	9,483	9,331	9,844	10,449	10,917	11,516	11,302
Use of Money and Property	37,402	43,468	90,005	69,724	37,509	49,532	37,413	46,741	52,347	45,223
Special Assessments	3,661	3,425	3,300	3,987	3,425	3,000	4,183	4,048	4,257	4,327
Intergovernmental Revenue	67,973	65,333	70,092	73,332	75,209	70,976	75,976	67,800	69,001	77,737
Federal Grants	101,078	108,438	54,753	65,408	56,349	40,343	33,723	56,410	32,613	32,613
State Grants and Subsidies	21,170	17,526	43,605	8,757	6,853	8,933	3,263	7,545	4,429	22,584
Charges for Current Services	25,452	25,039	25,357	27,917	24,006	26,483	27,441	29,979	31,448	32,326
Miscellaneous	7,398	10,552	7,282	5,694	11,478	14,662	14,460	6,908	6,584	5,744
Total Revenue	581,036	597,160	621,304	581,668	556,036	565,560	564,564	614,456	613,690	630,376
Expenditures										
Current										
General Government	62,013	67,076	67,276	54,140	52,119	52,081	46,751	49,555	51,621	51,828
Community Development				15,030	46,978	27,128	10,263	9,575	8,934	13,087
Parks and Recreation	26,336	26,398	28,393	27,588	28,411	27,921	28,360	30,626	30,746	30,037
Public Safety	130,434	124,839	131,084	136,615	142,126	151,301	154,319	168,514	171,533	180,415
Transportation and Engineering	1,236	5,117	4,576	4,783	7,328	7,220	7,386	7,586	8,422	7,194
Transit System							37,672	41,950	43,820	45,389
General Services	46,451	48,661	49,241	46,654	35,588	37,588	-	33,529	38,371	39,754
Public Services	20,830	32,857	33,971	33,261	35,358	34,776	33,724	33,529	33,461	32,235
Public Health	30,427	31,863	33,738	33,497	34,632	35,056	34,225	34,752	33,461	32,235
Employee Benefits	52,310	50,735	53,028	56,131	58,645	67,581	72,318	77,986	84,415	81,588
Capital Outlay	205,216	227,892	148,419	132,843	128,012	121,460	96,133	152,032	114,358	130,585
Debt Services:										
Principal Retirement	45,387	46,472	66,400	47,148	55,385	48,914	35,514	50,581	53,079	34,398
Interest	9,939	13,863	17,098	17,402	17,457	18,599	18,054	18,878	19,298	21,006
Police and Fire Prior Service Costs										
Bond Issuance Cost				377	707	342	679	389	1,059	1,403
Total Expenditures	630,579	717,189	633,224	607,469	636,164	636,529	575,418	675,963	659,117	668,919
Excess(Deficiency) of Revenues over(under) Expenditures	(48,543)	(120,029)	(11,920)	(25,811)	(80,128)	(70,969)	(10,854)	(61,507)	(45,427)	(38,543)
Other Financing Sources(Uses)										
General Obligation Bonds and Notes Issued	48,019	142,387	73,623	54,380	58,840	55,695	44,431	61,190	50,500	41,600
Refunding Bonds Issued						2,130	40,470	6,067	52,005	
Payment to Refunded Bonds Escrow Agent						(2,130)	(40,292)		2,300	
State Loans Received										
Capital Lease Agreements										
Revenue Bonds Issued	116	9		7,270	20,505	3,213	1,021	720	9,995	35,280
Premium on Bonds Issued				413	821				1,133	
Discount on Revenue Bonds				5,608	(70)				3,524	(654)
State Loan				363						
Other Transfers				14,069						
Net Operating Interest Income	(344)									
Operating Transfers In	102,635	247,061	161,267	76,886	92,337	117,408	39,280	48,532	85,980	130,747
Operating Transfers(Out)	(101,063)	(242,831)	(169,601)	(97,581)	(100,582)	(43,253)	(50,664)	(62,030)	(82,030)	(127,701)
Total Other Financing Sources(Uses)	49,363	146,626	79,721	46,976	71,928	46,219	41,617	65,865	67,966	80,505
Net change in fund balances	(180)	26,597	67,801	21,165	(8,200)	(24,750)	30,763	4,358	22,539	41,962
Debt service as a Percentage of Noncapital Expenditures	13.01%	20.80%	17.22%	13.68%	14.29%	13.34%	11.32%	13.33%	13.48%	10.55%

City of Cincinnati
Financial Trends Information
Schedule 5
Program Revenues by Function (Optional Schedule)
Last Seven Fiscal Years
(Amounts in Thousands)

Function/Program	Program Revenue						
	2002	2003	2004	2005	2006	2007	2008
Governmental Activities:							
General Government	\$ 77,750	\$ 94,357	\$ 106,815	\$ 94,598	\$ 100,473	\$ 110,447	\$ 103,886
Community Development	46,610	37,877	28,716	32,316	39,478	25,617	25,404
Parks and Recreation	9,309	10,949	8,958	7,655	10,897	9,832	13,888
Public Safety	10,032	11,577	12,818	15,997	31,978	17,649	21,909
Transportation and Engineering	18,027	21,396	16,319	11,232	1,608	253	18,842
Transit System							
Enterprise Services	3,926						
Public Services	1,106	1,858	2,066	2,326	2,036	2,296	4,968
Public Health	14,314	14,504	14,037	15,288	14,603	15,890	15,713
Subtotal governmental activities program revenue	181,074	192,518	189,729	179,412	201,073	181,984	204,610
Business-type activities							
Water Works	98,729	96,199	95,940	113,153	106,703	122,429	122,327
Parking Facilities	7,576	7,891	8,969	8,827	8,218	8,610	8,822
Convention Center	7,272	6,051	40,613	48,064	29,101	6,209	7,505
General Aviation	1,774	2,324	2,076	2,051	1,987	1,983	2,103
Municipal Golf	5,966	5,811	6,080	5,949	7,429	6,511	6,776
Stormwater Management	7,335	7,357	7,242	7,063	7,230	8,725	9,377
Subtotal business-type activities program revenues	128,652	125,633	160,920	185,107	160,668	154,467	156,910
Total primary government program revenues	\$ 309,726	\$ 318,151	\$ 350,649	\$ 364,519	\$ 361,741	\$ 336,451	\$ 361,520



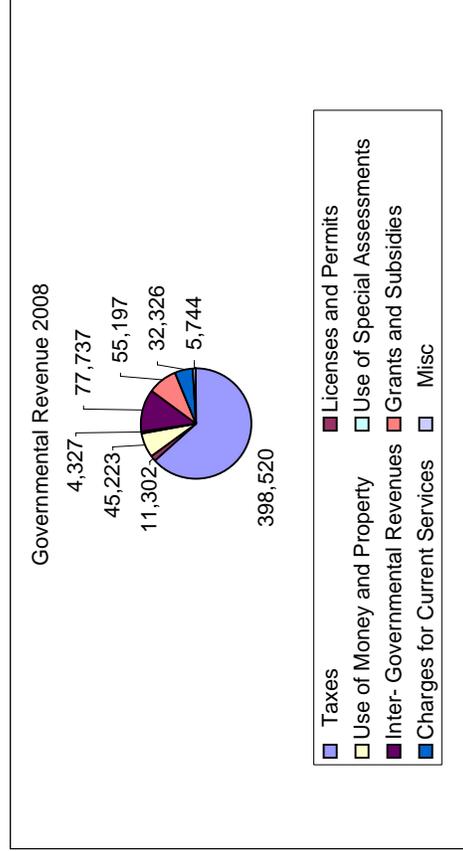
City of Cincinnati
Financial Trends Information
Schedule 6

Total Revenue by Source, Governmental Funds
Last Ten Fiscal Years
(Amounts in Thousands)

Fiscal Year	Taxes	Licenses and Permits	Use of Money and Property	Special Assessments	Inter-Governmental Revenues	Grants and Subsidies	Charges for Current Services	Misc	Total
1999	308,885	8,017	37,402	3,661	67,973	122,248	25,452	7,398	581,036
2000	314,404	8,975	43,468	3,425	65,333	125,964	25,039	10,552	597,160
2001	317,263	9,647	90,005	3,300	70,092	98,358	25,357	7,282	621,304
2002	317,356	9,483	69,724	3,987	73,332	65,408	36,674	5,718	581,682
2003	331,539	9,331	37,509	3,762	75,209	63,202	24,006	11,478	556,036
2004	339,750	9,844	49,532	3,918	72,095	49,276	26,483	14,662	565,560
2005	357,636	10,449	37,413	4,183	75,976	37,006	27,441	14,460	564,564
2006	384,108	10,917	46,741	4,048	67,800	63,955	29,979	6,908	614,456
2007	392,302	11,516	52,347	4,257	69,001	46,235	31,448	6,584	613,690
2008	398,520	11,302	45,223	4,327	77,737	55,197	32,326	5,744	630,376
Change 1999-2008	29.0%	41.0%	20.9%	18.2%	14.4%	-54.8%	27.0%	-22.4%	8.5%

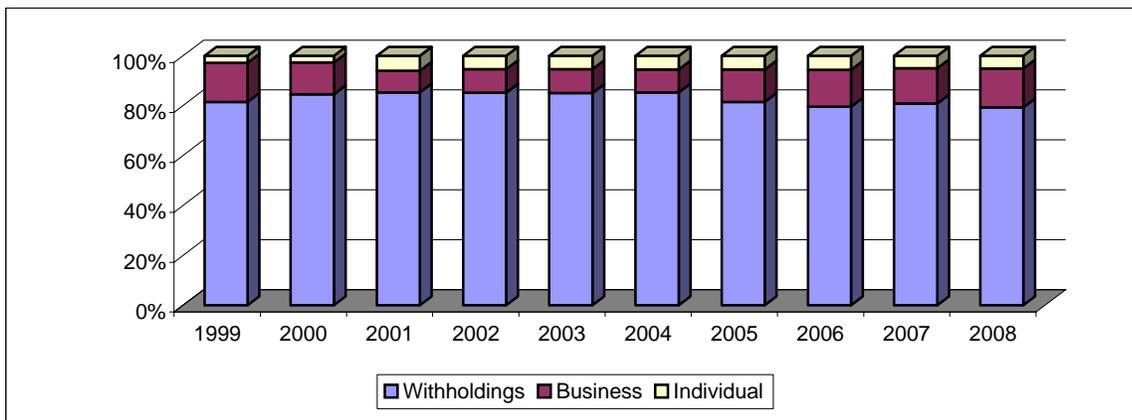
City of Cincinnati
Tax Revenues by Source, Governmental Funds

Fiscal Year	Income Tax	Property Tax	Admissions Tax	Occupancy Tax	Tax Revenue
1999	247,848	58,403	2,634		308,885
2000	249,174	61,895	3,335		314,404
2001	251,824	62,190	3,249		317,263
2002	251,694	62,216	3,446		317,356
2003	258,936	67,079	4,075	1,449	331,539
2004	267,331	66,694	3,915	1,810	339,750
2005	285,116	66,956	3,673	1,891	357,636
2006	298,603	79,138	4,493	1,874	384,108
2007	311,327	74,534	4,310	2,131	392,302
2008	317,532	74,196	4,570	2,222	398,520
Change 1999-2008	28.1%	27.0%	73.5%	22.8%	29.0%



**City of Cincinnati
Revenue Capacity
Schedule 1
Income Tax Revenue Base and Collections
Cash Basis
Last Ten Fiscal Years
(in thousands)**

Tax Year	Individual	% Total	Business	% Total	Withholding	% Total
1999	7,009	2.8%	39,020	15.7%	202,503	81.5%
2000	7,125	2.8%	32,606	12.7%	217,183	84.5%
2001	16,195	6.1%	22,939	8.6%	226,358	85.3%
2002	14,295	5.5%	24,517	9.4%	223,295	85.2%
2003	14,654	5.4%	25,676	9.5%	228,875	85.0%
2004	15,046	5.5%	25,080	9.2%	233,142	85.3%
2005	16,226	5.5%	38,407	13.0%	240,200	81.5%
2006	17,984	5.7%	46,714	14.8%	251,446	79.5%
2007	16,206	5.1%	44,812	14.0%	258,136	80.9%
2008	17,414	5.2%	51,676	15.5%	264,806	79.3%



Note: 1. In years 1999 and 2000 sole proprietor income is included in business income.
2. The income tax rate is 2.1%.

Source: Cincinnati Income Tax Division

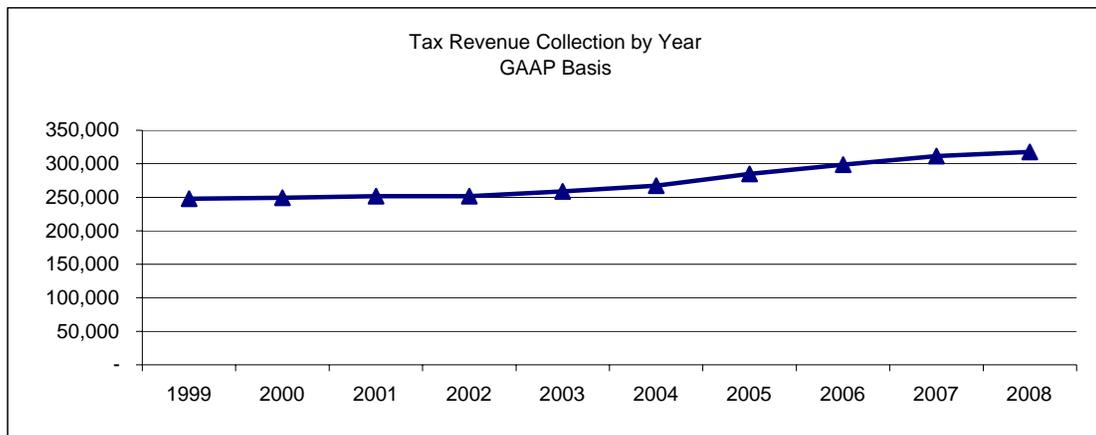
**City of Cincinnati
Revenue Capacity
Schedule 2
Income Tax Revenues
Last Ten Fiscal Years
(in thousands)**

Non GAAP Budgetary Basis

Year	General Fund	Transit Fund	Infrastructure Fund	Permanent Improvement Fund	Total	% Inc(Dec) PriorYr
1999	180,500	35,360	11,787	19,875	247,522	4.80%
2000	183,035	35,426	11,809	17,713	247,983	0.19%
2001	188,598	36,503	12,168	18,251	255,520	3.04%
2002	185,259	35,856	11,952	17,928	250,995	-1.77%
2003	187,993	36,802	12,267	20,550	257,612	2.64%
2004	193,411	37,434	12,478	18,717	262,040	1.72%
2005	210,536	40,749	13,583	20,375	285,243	8.85%
2006	219,000	43,149	14,383	25,512	302,044	5.89%
2007	225,008	43,840	14,614	23,421	306,883	1.60%
2008	231,758	45,821	15,274	27,898	320,751	4.52%

GAAP Basis

Year	General Fund	Transit Fund	Infrastructure Fund	Permanent Improvement Fund	Total	% Inc(Dec) PriorYr
1999	180,741	35,407	11,802	19,898	247,848	3.83%
2000	183,905	35,594	11,865	17,810	249,174	0.54%
2001	185,508	35,904	11,968	18,444	251,824	1.06%
2002	186,137	36,026	12,009	17,522	251,694	-0.05%
2003	188,971	36,991	12,330	20,644	258,936	2.88%
2004	197,616	38,248	12,750	18,717	267,331	3.24%
2005	210,415	40,726	13,575	20,364	285,080	6.64%
2006	216,323	42,631	14,210	25,439	298,603	4.74%
2007	226,704	44,168	14,723	25,732	311,327	4.26%
2008	229,381	45,362	15,121	27,668	317,532	1.99%



**City of Cincinnati
Revenue Capacity
Schedule 3
Assessed Valuations and Estimated True Values
Last Ten Years**

Assessed Valuations

Year	Real Property	Public Utility Property	Tangible Personal Property	Total	Direct Tax Rate
1999	3,749,677,500	398,949,700	664,939,340	4,813,566,540	11.46
2000	4,363,343,290	400,519,090	674,101,770	5,437,964,150	10.90
2001	4,363,447,780	377,645,690	687,613,910	5,428,707,380	10.76
2002	4,379,262,050	304,549,100	644,918,170	5,328,729,320	10.76
2003	4,871,308,460	319,863,560	535,538,450	5,726,710,470	10.63
2004	4,930,272,530	323,749,180	536,114,777	5,790,136,487	10.36
2005	4,836,981,760	319,434,990	542,827,280	5,699,244,030	10.34
2006	5,507,516,440	324,806,710	412,447,200	6,244,770,350	10.19
2007	5,522,872,120	312,711,570	337,541,870	6,173,125,560	9.93
2008	5,523,140,570	259,754,620	182,812,120	5,965,707,310	9.89

The current assessed valuation for 2008 is computed at approximately the following percentages of estimated true value:

real property - 35%; public utilities, tangible personal property machinery and equipment, and inventory - various.

For real property, the estimated true values for the last ten years are computed as follows:

Year	Estimated True Values	Year	Estimated True Values
1999	\$ 10,713,364,285	2004	\$ 14,086,492,943
2000	12,466,695,114	2005	13,819,947,886
2001	12,466,993,657	2006	15,735,761,257
2002	12,512,177,286	2007	15,779,634,629
2003	13,918,024,171	2008	15,780,401,629

For public utility property and tangible personal property, the City is not able to calculate estimated true values for the last ten years because the tangible personal property components (machinery and equipment, and business inventory) have been assessed over the years at different percentages.

**City of Cincinnati
Revenue Capacity
Schedule 4
Property Tax Rates - Direct and Overlapping Governments
Last Ten Years**

Year	Year	City Levy	School Levy	County Levy	Total Levy	Residential Effective Millage	Commercial Effective Millage	Debt Service Included in City and Total Levy	
1998 for	1999	11.46	53.13	19.54	84.13	62.02	67.08	5.36	5.71
1999 for	2000	10.90	51.94	20.83	83.67	56.98	63.10	5.36	5.71
2000 for	2001	10.76	56.93	19.92	87.61	61.15	67.53	5.36	5.67
2001 for	2002	10.76	57.15	21.47	89.38	62.83	69.32	5.36	5.66
2002 for	2003	10.63	56.25	21.87	88.75	58.94	66.70	5.36	5.65
2003 for	2004	10.36	60.75	21.51	92.62	62.90	70.98	5.36	10.17
2004 for	2005	10.34	60.83	21.06	92.23	64.21	71.87	5.36	10.15
2005 for	2006	10.19	59.77	20.81	90.77	57.61	68.60	5.36	10.14
2006 for	2007	9.93	59.37	20.18	89.48	56.94	67.99	5.36	10.05
2007 for	2008	9.89	59.67	20.56	90.12	57.57	68.69	5.36	10.05

Note: Rates are expressed as dollars of tax per thousand dollars of taxable valuation.

Source: Hamilton County Auditor's Office

**City of Cincinnati
Revenue Capacity
Schedule 5
Principal Property Taxpayers
Current Year and Nine Years Ago**

Taxpayer	2008			1999		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Duke Energy (aka Cinergy)	266,271,770	1	4.48%	308,384,170	1	6.41%
The Procter and Gamble Co	62,975,800	2	1.06%	128,653,610	2	2.37%
Cincinnati Bell Telephone Inc	34,557,140	3	0.58%	95,172,510	3	1.98%
Carew Realty Inc	29,263,860	4	0.49%			
Ohio Teachers Retirement System	26,250,000	5	0.44%	26,775,000	7	0.56%
Columbia Development	24,239,670	6	0.41%	28,000,000	6	0.58%
Fifth Third Bank	21,799,510	7	0.37%			
Jewish Health Systems, Inc	20,496,940	8	0.35%			
Regency Centers LP	19,619,800	9	0.33%			
Centro NP Residual Pool	15,477,130	10	0.26%			
Emery Realty				30,975,000	4	0.64%
Prudential Insurance				28,000,000	5	0.58%
Unova Industrial						
Fath Properties Limited						
Senior Lifestyle				19,285,280	10	0.40%
Hewlett Packard Co						
Fifth Third Center				21,350,000	8	0.44%
Total	520,951,620		8.77%	707,595,570		14.40%

Total Assessed Value

Source: Hamilton County Auditors' Office

Note:

1. Assessed Valuation is based on both the personal and real property valuation of the largest property holder in the city.
2. The total assessed valuation figure is the 2008 valuation for 2009 real property tax collections.

City of Cincinnati
Revenue Capacity
Schedule 6
Property Tax Levy and Collections
Last Ten Years
(in thousands)

Year	Net Tax Levy	Current Collections	Percentage of Current Collections to Net Levy	Prior Year Collections	Total Collections	Percentage of Total Collections to Net Levy
1999	56,218	52,974	94.23%	1,987	54,961	97.76%
2000	59,878	56,588	94.51%	2,282	58,870	98.32%
2001	59,536	56,064	94.17%	2,230	58,294	97.91%
2002	58,201	54,858	94.26%	2,271	57,129	98.16%
2003	62,769	58,366	92.99%	2,580	60,946	97.10%
2004	61,664	56,720	91.98%	2,740	59,460	96.43%
2005	60,536	56,162	92.77%	2,696	58,858	97.23%
2006	65,893	61,046	92.64%	3,279	64,325	97.62%
2007	65,406	59,879	91.55%	3,148	63,027	96.36%
2008	63,909	59,067	92.42%	2,978	62,045	97.08%

City of Cincinnati
Revenue Capacity
Schedule 7
Water Works
Top Ten Retail Customer Data
For The Year Ended December 31, 2008

RANK	NAME OF CUSTOMER	TOTAL CONSUMPTION,		TOTAL CONSUMPTION,		TOTAL CHARGES		TOTAL CHARGES	
		HUNDREDS OF CUBIC FEET	THOUSANDS OF GALLONS	PERCENT OF TOTAL CONSUMPTION	PERCENT OF TOTAL CHARGES	TOTAL CHARGES	PERCENT OF TOTAL CHARGES		
1	University of Cincinnati	657,534	491,798	1.18%	\$ 710,045	0.64%			
2	Cognis Corporation	523,851	391,811	0.94%	\$ 677,214	0.61%			
3	Wornick Company	406,438	303,992	0.73%	\$ 644,728	0.58%			
4	Flint Ink	364,214	272,411	0.66%	\$ 577,993	0.52%			
5	Childrens Hospital	330,426	247,140	0.60%	\$ 417,681	0.37%			
6	John Morrell Co	321,241	240,270	0.58%	\$ 511,478	0.46%			
7	Procter and Gamble	319,192	238,737	0.58%	\$ 405,213	0.36%			
8	Cinergy Solutions	241,699	180,777	0.44%	\$ 384,133	0.34%			
9	Metropolitan Sewer District	226,425	169,353	0.41%	\$ 285,884	0.26%			
10	Coca Cola Company	223,936	167,491	0.40%	\$ 283,821	0.25%			
	Total - Top Ten Retail Customers	3,614,955	1,460,012	6.51%	\$ 4,898,189	4.38%			
	Total - Top 75 Users	19,521,683	14,601,109	35.18%	\$ 26,876,477	24.11%			
	Total - System	55,494,321	41,506,597		\$ 111,710,970				

**City of Cincinnati
Revenue Capacity
Schedule 8
Water Works
Historical and Projected Water System Pumpage**

Year	Total Pumpage (MG's)	Average Day MGD	Maximum Day MGD	System's Rated Pumpage Capacity MGD	Maximum Daily Pumpage as % of Capacity
1999	49,697.876	136.2	234.3	255	91.88%
2000	48,747.764	133.2	196.8	255	77.18%
2001	47,047.006	128.9	169.6	255	66.51%
2002	49,679.150	136.1	217.8	261	83.45%
2003	48,574.063	133.1	207.9	261	79.66%
2004	49,005.613	134.3	176.8	261	67.74%
2005	50,246.239	137.7	213.8	255	83.84%
2006	47,990.075	131.5	211.5	260	81.35%
2007	50,240.000	137.6	213.0	260	81.92%
2008	51,030.000	139.8	217.0	260	83.46%
2009	51,830.000	142.0	220.0	260	84.62%

MG - Million Gallons

MGD - Million Gallons per Day

**City of Cincinnati
Revenue Capacity
Schedule 9
Water Works
Accounts Receivable**

Year	Net Water Sales	Cash Collected During Year for Current & Prior Year's Sales	Percentage of Sales Collected
2008	\$ 110,122,765	\$ 109,451,016	99.39%
2007	108,648,659	107,857,042	99.27%
2006	93,746,893	92,171,945	98.32%
2005	93,542,902	92,994,903	99.41%
2004	86,574,584	84,906,679	98.07%
2003	83,270,619	82,523,831	99.10%
2002	82,815,023	82,260,162	99.33%
2001	77,001,567	78,200,650	101.56%
2000	80,820,774	79,806,757	98.75%
1999	82,617,834	82,311,461	99.63%
	\$ 899,161,620	\$ 892,484,446	99.26%

City of Cincinnati
Debt Capacity Information
Schedule 1
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Amount in Thousands)

Fiscal Year	General Obligation Bonds	General Obligation Notes	Revenue Bonds	Revenue Notes	Total Outstanding Debt	Outstanding Debt per Capita (Actual)	% of Personal Income	Debt to Net Asset Ratio
Governmental Activities								
1999	162,720	11,303	12,779		186,802	555.30	2.0%	N/A
2000	249,716	11,303	12,346		273,365	852.32	2.8%	N/A
2001	265,628	21,300	11,819		298,747	901.77	2.9%	2.39
2002	273,473	21,497	18,522		313,492	946.28	3.1%	2.44
2003	296,530	12,532	38,140		347,202	1,048.03	3.2%	2.29
2004	312,447	5,697	35,852		353,996	1,068.54	3.1%	2.26
2005	320,278	9,930	33,449	3,000	366,657	1,155.33	3.4%	2.24
2006	340,640	6,050	30,595	6,087	383,372	1,157.14	3.2%	2.20
2007	352,955	8,268	38,115	7,380	406,718	1,224.13	N/A	2.16
2008	363,120	12,800	70,825	2,550	449,295	1,351.43	N/A	1.95
Business-Type Activities								
1999	123,770				123,770	367.93	1.3%	N/A
2000	107,289	9,000			116,289	351.02	1.2%	N/A
2001	91,157		92,685		183,842	554.93	1.8%	3.21
2002	74,967	9,100	89,885		173,952	525.07	1.6%	3.65
2003	58,745	24,510	199,310		282,565	852.92	2.6%	3.46
2004	45,158	12,000	192,300		249,458	752.99	2.2%	2.88
2005	33,567	7,747	295,645		336,959	1,061.75	3.1%	2.34
2006	25,170	7,874	284,600		317,644	958.75	2.6%	2.60
2007	17,635	-	346,255		363,890	1,095.22	N/A	2.32
2008	15,470	-	332,635		348,105	1,047.06	N/A	2.44
Total Primary Governmental Activities								
1999	286,490	11,303	12,779		310,572	923.22	3.2%	N/A
2000	357,005	20,303	12,346		389,654	1,176.18	3.9%	N/A
2001	356,785	21,300	104,504		482,589	1,456.70	4.7%	2.70
2002	348,440	30,597	108,407		487,444	1,471.35	4.6%	2.87
2003	355,275	37,042	237,450		629,767	1,900.95	5.8%	2.32
2004	357,605	17,697	228,152		603,454	1,821.53	5.3%	2.51
2005	353,845	17,677	329,094	3,000	703,616	2,217.08	6.3%	2.29
2006	365,810	13,924	315,195	6,087	701,016	2,115.89	5.8%	2.39
2007	370,590	8,268	384,370	7,380	770,608	2,319.35	N/A	2.24
2008	378,590	12,800	403,460	2,550	797,400	2,398.50	N/A	2.16

City of Cincinnati
Debt Capacity Information
Schedule 2
Ratio of Net General Bonded Debt
To Assessed Value and Net Bonded Debt Per Capital
Last Ten Years

Year	Net Bonded Debt (Note 1)	Assessed Value	Population (Note 2)	Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt per Capita
1999	112,420,155	4,813,566,540	336,400	2.34%	334
2000	152,076,405	5,437,964,150	331,290	2.80%	459
2001	160,794,777	5,428,707,380	331,290	2.96%	485
2002	181,745,936	5,328,729,320	331,290	3.41%	549
2003	204,360,090	5,726,710,470	331,290	3.57%	617
2004	199,851,276	5,790,136,487	331,290	3.45%	603
2005	195,355,794	5,699,244,030	317,361	3.43%	616
2006	196,217,743	6,244,770,350	317,361	3.14%	618
2007	198,642,767	6,173,125,560	332,252	3.22%	598
2008	267,007,624	5,965,707,310	332,458	4.48%	803

Note 1 - Includes only the net general obligation debt that is tax supported.

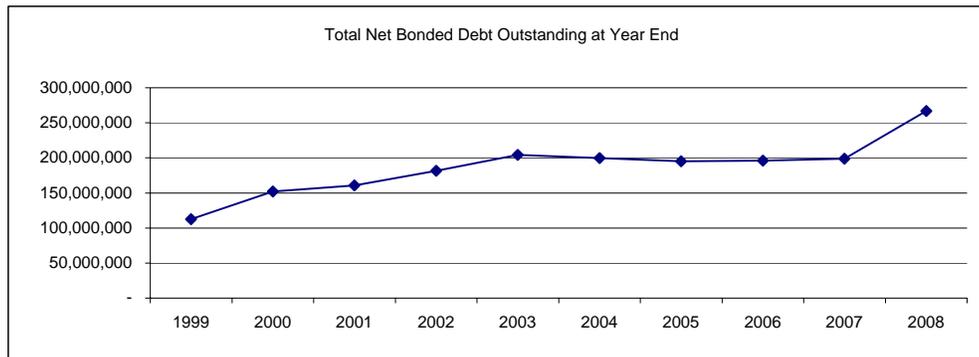
Note 2 - The 1998 - 2008 figures are based on Bureau of the Census data.

City of Cincinnati
Debt Capacity Information
Schedule 3
Computation of Direct and Overlapping Debt
December 31, 2008

	Assessed Valuation (a)	Net General Tax Supported Debt	Percent Overlapping	Net Tax Supported Overall Debt
<u>Direct:</u>				
City of Cincinnati	\$ 5,965,707,310	\$ 267,007,624	100 %	\$ 267,007,624
<u>Overlapping:</u>				
Board of Education - Cincinnati City School District	6,725,113,100	738,530,000 (b)	89 %	657,291,700
Hamilton County	20,161,987,990	109,965,564 (a)	31 %	32,989,669
Subtotal		<u>848,495,564</u>		<u>690,281,369</u>
Total		<u>\$ 1,115,503,188</u>		<u>\$ 957,288,993</u>

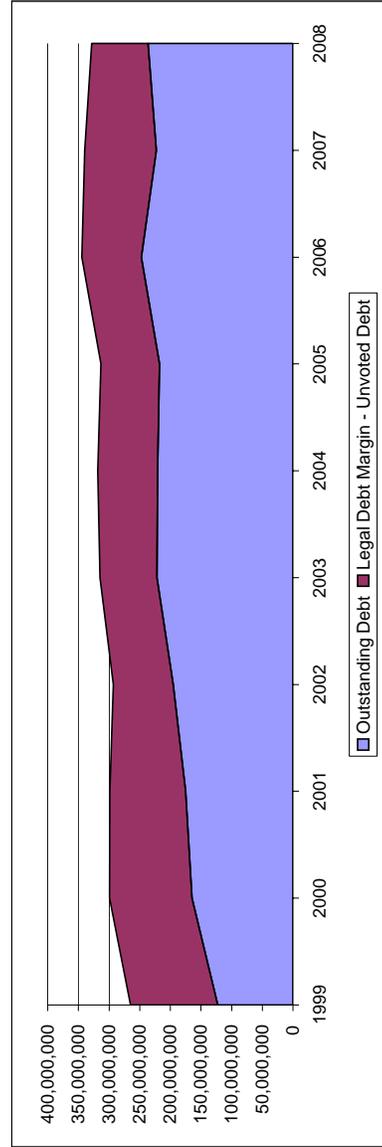
(a) Source: Hamilton County Auditor's Office

(b) Source: Cincinnati City School District



City of Cincinnati
Debt Capacity Information
Schedule 4
Legal Debt Margin
December 31

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Overall Debt Limitation - 10-1/2% of Assessed Valuation	\$ 505,424,487	\$ 570,986,236	\$ 570,014,275	\$ 559,516,579	\$ 601,304,599	\$ 607,964,331	\$ 598,420,623	\$ 657,615,564	\$ 648,178,184	\$ 626,399,268
Net Debt Within 10-1/2% Limitation	122,640,000	164,535,000	175,220,000	195,400,000	221,670,000	220,560,000	217,670,000	247,190,000	222,868,000	236,495,000
Legal Debt Margin Within 10-1/2% Limitation	24.26%	28.82%	30.74%	34.92%	36.86%	36.28%	36.37%	37.59%	34.36%	37.75%
Net Debt Percentage of 10 1/2 % Limitation										
Unvoted Debt Limitation - 5-1/2% of Assessed Valuation	\$ 264,746,160	\$ 289,088,028	\$ 298,578,906	\$ 293,080,113	\$ 314,969,076	\$ 318,457,507	\$ 313,458,422	\$ 344,465,295	\$ 339,521,906	\$ 328,113,902
Net Debt Within 5-1/2% Limitation	122,640,000	164,535,000	175,220,000	195,400,000	221,670,000	220,560,000	217,670,000	247,190,000	222,868,000	236,495,000
Legal Debt Margin Within 5-1/2% Limitation	46.32%	55.01%	58.68%	66.67%	70.38%	69.26%	69.44%	71.76%	65.64%	72.08%
Net Debt Percentage of 5 1/2 % Limitation										



City of Cincinnati
Debt Service Capacity
Schedule 5
Revenue Bonds Debt Service Coverage
Last Ten Fiscal Years

Fiscal Year	Economic Development Financing Bonds				Water Works Bonds					
	Payment in Lieu of Taxes	Principal	Debt Service Interest	Total	Coverage	Revenue	Principal	Debt Service Interest	Total	Coverage
1999	1,650,296	344,000	1,016,895	1,360,895	1.21					
2000	1,423,318	368,000	992,001	1,360,001	1.05					
2001	1,884,766	592,000	959,174	1,551,174	1.22					
2002	1,967,377	567,000	967,075	1,534,075	1.28	\$ 93,034,000	\$ 2,800,000	\$ 4,759,000	\$ 7,559,000	4.77
2003	2,651,448	887,000	1,160,626	2,047,626	1.29	93,597,000	2,935,000	4,621,000	7,556,000	4.56
2004	2,651,448	887,000	1,160,626	2,047,626	1.29	96,651,000	7,010,000	9,367,000	16,377,000	2.15
2005	4,848,086	2,288,000	1,995,000	4,283,000	1.13	105,797,000	7,240,000	11,174,000	18,414,000	2.18
2006	4,840,444	2,854,000	1,915,905	4,769,905	1.01	110,858,000	11,045,000	12,721,000	23,766,000	1.91
2007	4,796,765	2,475,000	1,782,231	4,257,231	1.13	127,995,000	11,475,000	13,082,000	24,557,000	2.24
2008	6,486,865	2,955,000	2,209,510	5,164,510	1.26	126,574,000	13,620,000	14,840,000	28,460,000	1.75

Includes:

- Urban Renewal Revenue Bonds, Series 1990A - One Gateway Project (165)
- Economic Development Revenue Bonds, Series 1996 - Cincinnati Development Group LLC - Fountain Square West Project (156)
- Economic Development Revenue Bonds, Series 1998 - Convention Place Mall Project - RSJJ Investments Limited (157)
- Economic Development Revenue Bonds, Series 2002 - Saks Fifth Avenue Inc. & Race Street Development LTD (158)
- Economic Development Revenue Bonds, Series 2003 - Convergys Corporation Project (159)

City of Cincinnati
Debt Capacity
Schedule 6
Water Works
Historical Financial Operations
(Dollars in Thousands)

	2001	2002	2003	2004	2005	2006	2007	2008
<u>Operating Revenue</u>								
Total Operating Revenue	\$81,542	\$90,124	\$91,556	\$94,706	\$102,272	\$105,059	\$121,244	\$121,508
<u>Operating Expense:</u>								
Personal Services	29,237	31,292	31,741	34,703	36,805	37,600	39,575	41,041
Contractual Services	7,491	8,082	8,692	8,555	8,963	7,328	8,530	9,660
Maintenance and Repair	2,836	2,575	3,006	3,170	3,223	3,135	4,550	4,115
Materials and Supplies	5,917	5,992	6,256	5,389	5,651	6,105	7,451	7,869
Utilities	6,802	7,918	8,007	7,911	9,270	9,752	11,639	11,287
Insurance	181	230	264	205	234	201	169	114
Taxes	16	-	1	1	46	48	2	0
Rent	306	394	656	989	931	1,037	823	1,057
Other	190	470	482	507	470	412	354	823
Depreciation and Amortization Expense	12,152	15,630	15,597	16,950	19,516	21,471	21,934	22,705
Amortization Mason Agreement	-	48	60	63	66	-	72	76
Bad Debt Expense	175	-	-	-	-	-	-	-
Total Operating Expense	65,303	72,631	74,762	78,443	85,175	87,089	95,099	98,747
Operating Income	\$ 16,239	\$ 17,493	\$ 16,794	\$ 16,263	\$ 17,097	\$ 17,970	\$ 26,145	\$ 22,761
<u>Non-Operating Revenue (Expenses):</u>								
Capital Contribution	\$8,475	\$10,537	\$8,661	\$5,063	\$14,464	\$5,646	\$4,935	\$3,099
Gain (Loss) on Disposal of Fixed Assets	(516)	(24)	(323)	(828)	(351)	(628)	(52)	(1,338)
Transfers In	236	-	-	-	-	-	-	-
Interest Revenue	8,521	2,910	2,041	1,945	3,525	5,799	6,751	5,272
Interest Expense	(7,416)	(4,749)	(8,234)	(7,164)	(12,155)	(11,113)	(12,359)	(13,997)
Total Non-Operating Revenue (Expense):	9,300	8,674	2,145	(984)	5,483	(296)	(725)	(6,964)
Net Income	\$25,539	\$26,167	\$18,939	\$15,279	\$22,580	\$17,674	\$25,420	\$15,797

City of Cincinnati
Debt Capacity
Schedule 7
Water Works
Projected Operating Results

<u>Description</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
	\$	\$	\$
Metered Water Sales			
Revenue Under Existing Rates	96,331,300	96,685,100	96,532,400
Indicated Revenue Increases (a)			
Month - Year	Revenue Increase		
January 2007	7.00%	6,800,000	6,796,000
January 2008	6.00%	6,237,000	6,233,000
January 2009	5.50%	5,303,000	6,057,000
January 2010	6.00%		6,099,000
January 2011	6.00%		6,465,000
Total Increased Revenue	18,340,000	25,185,000	32,520,000
Total Metered Water Sales Revenue	114,671,300	121,870,100	129,052,400
Other Revenue	2,586,500	2,586,500	2,664,100
Billing Services	7,750,000	7,870,100	7,991,900
Construction Reimbursement Charges	343,000	343,000	343,000
Interest Income (b)	2,359,800	2,660,500	2,900,700
Total Revenue	127,710,600	135,330,200	142,952,100
Operating & Maintenance Expense (c)	76,719,200	79,587,700	82,801,400
Net Revenue Available for Debt Service	50,991,400	55,742,500	60,150,700
Series 2001 Revenue Bond Debt Service	4,541,345	4,545,920	4,544,975
Series 2003 Revenue Bond Debt Service	5,273,800	5,274,125	5,272,500
Series 2005A Revenue Bond Debt Service	7,291,781	7,384,906	7,288,656
Series 2007A Revenue Bond Debt Service	6,095,350	6,096,150	6,096,750
Future Senior Lien Revenue Bond Debt Service (d)	8,708,000	11,173,000	15,723,000
Total Senior Lien Revenue Bond Debt Service	31,910,276	34,474,101	38,925,881
Series 2005B Revenue Bond Debt Service	-	-	-
Series 2005B Revenue Bond Conversion Debt Service	1,500,000	1,500,000	1,500,000
Total Junior Lien Revenue Bond Debt Service	1,500,000	1,500,000	1,500,000
Subordinate General Obligation Bond Debt Service (e)	2,495,600	2,411,600	2,327,600
Total Junior Lien Revenue Bond Debt Service	2,495,600	2,411,600	2,327,600
State of Ohio Issue 2 Money (\$1M/20Yrs/0%)-2003	50,000	50,000	50,000
State of Ohio Issue 2 Money (\$980K/20Yrs/0%)-2004	49,000	49,000	49,000
State of Ohio Issue 2 Money (\$1.15M/20Yrs/0%)-2005	57,500	57,500	57,500
Ohio EPA Water Supply Revolving Loan (\$1.7M/20Yrs/3.25%)-2006	116,100	116,100	116,100
Ohio EPA Water Supply Revolving Loan (\$4M/20Yrs/3.25%)-2006	273,600	273,600	273,600
Other Financing Requirements	546,200	546,200	546,200
Revenues Available for Transfer to Water System Reserve Fund	14,539,324	16,810,599	16,851,019
Working Capital Balance			
Prior Year Revenue Fund Working Capital Balance	22,416,801	25,677,324	28,318,599
Revenue Transfer To Water System Reserve Fund	11,278,801	14,169,324	16,380,599
Revenues Available for Transfer	14,539,324	16,810,599	16,851,019
End of Year Working Capital Balance	25,677,324	28,318,599	28,789,019
Working Capital Balance Requirement (f)	11,508,000	11,938,000	12,420,000
Revenues Transferred the Next Fiscal Year	14,169,324	16,380,599	16,369,019
Water System Reserve Fund			
Beginning of Year Balance	13,732,044	13,941,645	17,329,369
Deposits	11,278,801	14,169,324	16,380,599
Transfer to Water Works Capital Improvement Fund	11,069,200	10,781,600	10,390,460
End of Year Balance	13,941,645	17,329,369	23,319,508
Senior Lien Revenue Bond Debt Service Coverage	160%	162%	155%
Total Bond Debt Service Coverage	142%	145%	141%

*Figures for 3012 and 2013 are not available at this time.

(a) Reflects the effect of a 12.5% bill proration and billing lag on the level of revenues to be received in the first year of each revenue adjustment.

(b) Does not include interest earnings from construction fund which will be used to fund future projects and reduce additional borrowing.

(c) Inflation factors used in calculations are 2.6-6.0% increases for Non-Personnel Costs and 3% increases in Personnel Costs

(d) Estimated Future Issues assuming revenue bonds (25 years bonds) as follows:

Year	Proceeds	
	Required	Interest Rate
2009	\$77.356MM	5.00%
2011	\$95.395MM	5.25%
2013	\$90.080MM	5.50%

(e) General Obligation Bond debt issued for Water System Improvements.

(f) It has been the policy of the Utility to maintain a working capital reserve equal to 15% of the prior fiscal year's O&M Expenses.

City of Cincinnati
Debt Capacity
Schedule 8
Water Works

Senior Bonds and Senior Subordinated Debt Service Requirements

Year	Senior Bonds and Senior Subordinated Debt Service Requirements						Total Senior Bonds and Subordinated Debt Service	
	Debt Service Series 2007B	Debt Service Series 2007A	Debt Service Series 2005A	Debt Service Series 2003 Bonds	Debt Service Series 2001 Bonds	Total Senior Bonds Debt Service	Debt Service GO Debt	Total Subordinated Debt Service
2009	5,162,363.00	6,095,350.00	7,291,781.00	5,273,800.00	4,541,345.00	28,364,639.00	2,495,600.00	3,995,600.00
2010	5,161,563.00	6,096,150.00	7,384,906.00	5,274,125.00	4,545,920.00	28,462,664.00	2,411,600.00	3,911,600.00
2011	5,165,323.00	6,096,750.00	7,288,656.00	5,272,500.00	4,544,975.00	28,368,204.00	2,327,600.00	3,827,600.00
2012	5,162,123.00	10,137,150.00	7,386,938.00	5,273,850.00	500,250.00	28,460,311.00	2,243,600.00	3,743,600.00
2013	5,165,348.00	15,195,750.00	7,290,438.00	5,023,350.00	209,100.00	28,362,986.00	2,159,600.00	3,659,600.00
2014	5,164,313.00	15,551,500.00	7,382,438.00	386,960.00		28,455,211.00	1,875,600.00	3,375,600.00
2015	5,164,438.00	15,632,650.00	7,383,188.00	271,098.00		28,451,374.00	1,500,000.00	1,500,000.00
2016	5,162,400.00	15,148,650.00	7,291,438.00	762,998.00		28,365,486.00	1,500,000.00	1,500,000.00
2017	5,165,600.00	15,875,250.00	7,386,188.00	33,948.00		28,460,986.00	1,500,000.00	1,500,000.00
2018	5,165,000.00	15,876,000.00	7,287,688.00	33,948.00		28,362,636.00	1,500,000.00	1,500,000.00
2019	5,160,750.00	15,876,500.00	7,384,688.00	33,948.00		28,455,886.00	1,500,000.00	1,500,000.00
2020	5,165,500.00	15,871,875.00	7,291,938.00	33,948.00		28,363,261.00	1,500,000.00	1,500,000.00
2021	5,163,500.00	15,875,475.00	7,382,938.00	33,948.00		28,455,861.00	1,500,000.00	1,500,000.00
2022	5,164,750.00	7,855,725.00	807,938.00	493,948.00		14,322,361.00	8,075,000.00	8,075,000.00
2023	5,163,750.00	8,067,400.00		287,788.00		13,518,938.00	8,696,250.00	8,696,250.00
2024	5,165,250.00					5,165,250.00	8,620,000.00	8,620,000.00
2025	5,163,750.00					5,163,750.00	8,478,785.00	8,478,785.00
2026	5,164,000.00					5,164,000.00		
2027	5,165,500.00					5,165,500.00		
2028	5,162,750.00					5,162,750.00		
2029	5,165,500.00					5,165,500.00		
2030	5,163,000.00					5,163,000.00		
2031	5,165,000.00					5,165,000.00		
2032	5,160,750.00					5,160,750.00		
	<u>\$ 123,932,221.00</u>	<u>\$ 185,252,175.00</u>	<u>\$ 96,241,161.00</u>	<u>\$ 23,939,157.00</u>	<u>\$ 14,341,590.00</u>	<u>\$ 443,706,304.00</u>	<u>\$ 13,513,600.00</u>	<u>\$ 66,883,635.00</u>
								<u>\$ 510,589,939.00</u>

City of Cincinnati, Ohio
Demographic and Economic Information
Schedule 1
Population Statistics
Last Ten Calendar Years

Year	Population				Civilian Labor Force Estimates				% Unemployed	
	United States	Ohio	Cincinnati MSA	Hamilton County	United States	Ohio	Cincinnati MSA	Hamilton County		Cincinnati
1999	279,040,138	11,335,454	1,999,126	849,917	139,368,000	5,780,700	1,045,700	432,000	171,500	3.3
2000	282,171,936	11,363,719	2,014,615	844,290	142,583,000	5,807,000	1,045,800	428,800	160,400	3.4
2001	285,039,803	11,391,298	2,035,394	849,297	143,734,000	5,825,600	1,049,300	425,600	159,400	4.0
2002	287,726,647	11,410,582	2,049,629	848,120	144,863,000	5,838,100	1,057,000	423,900	159,900	4.9
2003	290,210,914	11,430,306	2,065,531	847,161	146,510,000	5,860,000	1,071,300	423,100	156,300	5.1
2004	292,892,127	11,445,095	2,082,796	846,254	147,401,000	5,862,800	1,081,800	420,400	154,900	5.1
2005	295,560,549	11,450,954	2,101,215	846,225	149,320,000	5,889,500	1,094,500	419,000	153,000	5.4
2006	298,362,973	11,458,390	2,119,959	847,184	151,428,000	5,942,100	1,109,600	425,700	164,100	5.2
2007	301,290,332	11,477,641	2,143,824	853,928	153,124,000	5,976,700	1,121,300	436,400	164,300	5.0
2008	304,059,724	11,485,910	N/A	N/A	154,287,000	5,971,900	1,127,500	438,200	164,800	5.8

Year	Personal Income (In Millions)				Per Capita Personal Income			
	United States	Ohio	Cincinnati MSA	Hamilton County	United States	Ohio	Cincinnati MSA	Hamilton County
1999	7,992,904	311,062	295,500	27,420	27,939	26,859	29,057	32,262
2000	8,554,392	322,038	318,439	28,330	29,847	28,207	30,474	33,554
2001	8,746,826	326,984	323,493	29,137	30,582	28,585	31,008	34,307
2002	8,923,886	335,185	328,703	30,011	30,838	29,197	31,766	35,385
2003	9,326,994	346,775	335,574	30,556	31,530	29,846	32,303	36,069
2004	10,013,509	361,190	352,359	32,376	33,157	30,765	33,933	38,258
2005	10,541,055	368,095	370,077	33,376	34,690	31,672	35,009	39,418
2006	11,207,803	382,830	393,208	34,774	36,794	33,000	36,299	41,047
2007	11,839,843	399,133	421,143	36,489	38,615	34,468	37,782	42,730
2008	12,125,350	409,154	N/A	N/A	39,751	35,511	N/A	N/A

Source: Ohio Department of Job and Family Services (mi.state.oh.us/)
US Dept of Commerce, Bureau of Economic Commerce (www.bea.gov)
N/A = Not Available

**City of Cincinnati
Demographic and Economic Information
Schedule 2
Ten Largest Employers
In Cincinnati Primary Metropolitan Statistical Area
Current Year and Nine Years Ago**

Employer	2008		1999	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
The Kroger Co	15,600	1 1.49%	16,200	1 1.85%
University of Cincinnati	15,539	2 1.49%	13,600	4 1.55%
The Procter and Gamble Co	12,900	3 1.23%	14,200	2 1.62%
Children's Hospital Medical Center	10,347	4 0.99%		
Tri-Health Inc	9,850	5 0.94%	7,500	7 0.86%
Health Alliance	9,475	6 0.91%	13,400	5 1.53%
Wal-mart Stores	7,787	7 0.74%		
Fifth Third Bank	7,633	8 0.73%		
ABX Air Inc.	7,500	9 0.72%		
Archdiocese of Cincinnati	7,500	10 0.72%		
General Electric			7,500	6 0.86%
Cincinnati Public Schools			7,400	8 0.85%
City of Cincinnati			5,850	10 0.67%
U S Government			13,600	3 1.55%
American Financial			6,000	9 0.69%
Total	104,131	9.95%	105,250	12.02%
Total Metropolitan Statistical Area	1,046,300		875,500	

Source: Business Courier 2009 Winter Book of Business Lists

City of Cincinnati, Ohio
Demographic and Economic Information
Schedule 3
Construction and Property Values

Year	New Residential Construction (1)		New Non-Residential Construction (1)		Total Construction (1)	
	Number of Permits	Estimated Cost (in thousands)	Number of Permits	Estimated Cost (in thousands)	Number of Permits	Estimated Cost (in thousands)
1999	129	12,008	497	196,139	9,471	448,484
2000	169	30,170	567	250,681	10,483	540,208
2001	120	24,712	70	136,958	9,206	570,930
2002	198	44,323	65	52,432	8,726	559,529
2003	154	36,200	78	67,496	8,146	333,396
2004	187	26,488	55	97,719	7,950	486,905
2005	240	48,343	52	119,455	8,336	509,344
2006	231	75,678	53	93,812	8,498	543,753
2007	149	35,202	56	125,545	8,165	414,610
2008	72	13,138	66	183,436	8,196	431,373

Year	Property Value (2)	
	Residential (in thousands)	Non-Residential (in thousands)
1999	5,979,174	4,734,190
2000	7,165,094	5,301,602
2001	7,191,011	5,275,983
2002	7,190,165	5,322,012
2003	8,135,933	6,695,987
2004	8,154,379	6,857,111
2005	8,191,224	6,541,396
2006	9,890,166	6,773,615
2007	9,880,248	5,899,386
2008	9,944,823	5,835,579

Source: (1) The City's Department of City Plannings' records
(2) Values obtained from the Hamilton County Auditor's Office

**City of Cincinnati, Ohio
Demographic and Economic Information
Schedule 4
Salaries of Principal Officials**

<u>Position</u>	<u>Salary</u>
Mayor	\$131,904
Councilmember	\$65,952
City Manager	\$223,927
Commissioner of Health	\$114,941 - \$155,171
Deputy City Manager	\$114,941 - \$155,171
City Solicitor	\$114,941 - \$155,171
Various Department Directors	\$ 98,374 - \$132,805

MAYOR and CITY COUNCIL

The mayor is elected for a four-year term by the voters of Cincinnati. The legislature of the City is a nine-member council elected at large on a partisan basis for two-year terms. The vice-mayor is chosen by the mayor from the councilmembers. A list of the council incumbents and the term each is presently serving appears on page (xiii). The mayor selects the city manager, but the mayor's nominee must be approved by a majority of the council. The city manager appoints the deputy city manager and the department directors.

**City of Cincinnati, Ohio
Demographic and Economic Information
Schedule 5
Surety Bond Coverage**

A faithful performance blanket bond coverage of \$5,000,000 is maintained for all City employees.

Cincinnati-Middletown MSA
Demographic and Economic Information
Schedule 6
Annual Employment Average by Industry
(in thousands)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Goods-Producing Industries	199.2	198.3	190.5	179.2	176.6	176.5	175.7	174.2	172.1	160.8
Natural Resources, Mining and Construction	50.2	50.6	51.1	49.2	49.6	52.4	52.4	52.6	50.6	45.0
Construction of Buildings	11.3	11.5	11.0	11.3	12.3	12.7	12.8	12.6	12.1	9.7
Specialty Trade Contractors	32.4	33.1	32.6	31.5	31.5	34.0	33.7	34.2	32.6	29.6
Manufacturing	149.1	147.7	139.4	130.0	127.0	124.2	123.3	121.7	121.5	115.8
Durable Goods	88.6	87.7	82.2	75.4	72.7	71.9	71.9	71.8	72.1	69.2
Primary Metals	8.6	9.0	8.6	7.9	8.0	8.0	7.5	6.5	6.8	6.2
Transportation Equipment	19.3	19.9	20.1	18.2	17.1	17.1	18.2	19.5	19.8	19.1
Motor Vehicle Parts	6.9	7.8	8.4	8.6	8.0	7.8	8.4	8.8	8.7	7.8
Aerospace Products and Parts	10.2	9.8	9.9	8.9	8.3	8.3	8.7	9.4	9.5	9.8
Nondurable Goods	60.4	60.0	57.2	54.7	54.4	52.3	51.4	49.9	49.4	46.6
Chemical Manufacturing	13.6	13.4	13.0	12.4	12.4	11.0	11.1	11.2	11.1	11.2
Service-Providing Industries	806.4	819.1	821.0	829.5	839.5	848.8	859.6	864.2	873.0	877.4
Trade, Transportation, and Utilities	216.4	218.1	216.1	213.7	210.9	210.3	211.0	209.6	212.8	215.4
Wholesale Trade	58.9	59.3	58.8	58.3	57.2	56.7	58.0	59.2	61.0	60.4
Merchant Wholesalers, Durable Goods	27.7	28.1	27.5	26.8	26.8	26.9	27.8	28.7	28.8	28.3
Merchant Wholesalers, Non-Durable Goods	20.9	21.6	21.8	22.1	22.3	22.3	22.5	23.2	23.8	23.6
Retail Trade	115.0	115.6	115.0	112.6	110.6	110.8	109.4	109.2	109.7	111.5
Food and Beverage Stores	19.6	19.8	20.3	19.8	20.8	20.3	20.3	20.8	21.4	21.8
Grocery Stores	16.9	17.1	17.6	17.2	17.5	17.2	17.4	17.9	18.6	18.9
Health and Personal Care Stores	8.0	7.6	7.4	7.4	7.8	7.6	7.4	7.3	7.4	7.3
Clothing and Clothing Accessories Stores	7.3	7.6	7.4	7.8	8.4	9.3	9.3	9.4	8.8	9.7
General Merchandise Stores	27.4	25.5	23.8	22.1	22.4	22.1	21.6	22.0	22.7	25.0
Transportation, Warehousing and Utilities	42.4	43.1	42.3	42.8	43.1	42.8	43.6	41.1	42.0	43.5
Transportation and Warehousing	39.5	38.5	37.1	37.6	39.0	39.6	40.4	38.0	38.9	39.8
Air Transportation	9.2	9.5	8.9	9.8	10.3	10.4	10.0	8.6	8.0	7.0
Information	20.6	20.3	19.4	17.8	16.2	16.0	15.8	15.7	15.6	15.3
Telecommunications	6.9	7.2	6.9	6.1	5.6	5.7	5.4	N/A	N/A	N/A
Financial Activities	57.5	59.1	60.9	64.1	66.0	65.0	65.6	65.3	65.6	64.4
Finance and Insurance	42.9	44.2	46.1	48.9	51.5	50.8	51.5	51.6	52.3	52.2
Credit Intermediation and Related Activities	17.0	17.8	18.5	20.1	21.3	21.1	21.5	20.8	20.5	21.3
Insurance Carriers and Related Activities	20.1	20.2	20.4	21.8	23.5	22.9	22.9	23.2	23.8	24.2
Professional and Business Services	134.9	139.1	138.9	139.6	144.1	147.0	152.3	156.0	154.8	155.6
Professional and Technical Services	48.4	50.8	50.5	49.7	50.9	50.7	52.2	53.6	54.7	56.0
Management of Companies and Enterprises	28.8	29.8	29.6	29.9	30.8	30.7	31.6	32.7	33.5	36.6
Administrative, Support, and Waste Services	57.7	58.6	58.8	60.0	62.4	65.6	68.5	69.7	66.7	63.0
Employment Services	27.6	28.5	27.6	26.9	29.8	33.3	35.4	36.4	34.1	30.2
Services to Buildings and Dwellings	13.1	13.2	13.0	12.8	13.1	12.8	13.4	13.4	13.6	12.5
Educational and Health Services	118.6	119.6	121.0	124.7	127.2	131.1	134.6	137.4	141.3	147.3
Educational Services	12.0	11.9	11.6	11.9	12.8	13.7	14.2	14.4	14.6	15.8
Health Care and Social Assistance	106.6	107.7	109.5	112.7	114.4	117.4	120.4	123.1	126.7	131.5
Hospitals	35.1	35.0	35.4	35.9	37.2	38.3	39.4	40.7	41.3	44.1
Leisure and Hospitality	93.2	96.0	96.1	98.2	99.9	103.2	105.4	105.2	106.9	101.9
Arts, Entertainment and Recreation	17.8	18.7	17.7	17.9	18.3	18.9	18.9	18.3	18.8	16.4
Accommodation and Food Services	75.4	77.3	78.5	80.3	81.6	84.3	86.6	86.9	88.0	85.5
Other Services	41.9	41.2	40.5	40.9	42.1	42.9	42.8	42.5	43.2	43.1
Government	123.3	125.9	128.1	130.6	133.1	133.2	132.2	132.5	132.9	134.4
Federal Government	16.8	18.0	17.9	18.4	17.8	17.6	17.6	17.7	17.4	16.9
State Government	25.3	25.5	25.8	26.0	26.7	27.1	27.4	27.1	27.5	29.0
State Government Education	20.1	20.3	20.5	21.0	21.5	21.9	22.2	21.9	22.3	24.0
Local Government	81.3	82.4	84.4	86.2	88.6	88.4	87.1	87.7	88.1	88.5
Local Government Education	46.7	47.5	48.3	48.4	49.8	49.9	49.0	49.4	49.0	50.8
Total	1005.6	1017.4	1011.5	1008.6	1016.1	1025.3	1035.3	1038.4	1045.1	1038.2
Unemployment Rate	3.3	3.4	4.0	4.9	5.1	5.1	5.4	5.2	5.0	5.8

Note: The Cincinnati-Middletown are included Brown, Butler, Clermont, Hamilton and Warren Counties in Ohio; Dearborn, Franklin and Ohio Counties in Indiana; Boone, Bracken, Campbell, Gallatin, Grant, Kenton, and Pendleton Counties in Kentucky.

Source: Ohio Department of Job and Family Services, Bureau of Labor Market Information

City of Cincinnati
Operating Information
Schedule 1
Full Time Equivalent Positions by Function/Program
Last Ten Fiscal Years

Function/Program	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Government	494	483	478	444	451	582	542	547	497	400
Community Development	93	84	83	77	76	60	56	52	61	140
General Services	310	310	317	296	228	75	72	73	66	61
Parks and Recreation	357	351	343	335	333	310	314	311	311	302
Public Safety	1,342	1,319	1,304	1,312	1,326	1,365	1,322	1,333	1,342	1,356
Police	839	865	855	860	847	860	855	870	885	905
Fire	141	148	148	148	171	168	159	163	151	152
Transportation and Engineering	501	473	459	456	464	438	437	464	425	416
Public Services	467	496	500	485	492	470	452	451	414	426
Public Health	644	632	650	624	595	571	563	559	526	532
MSD										
Enterprise										
Water Works	580	578	594	573	592	589	570	569	542	541
Parking Facility	65	64	54	64	58	56	55	51	44	41
Convention Center	45	42	37	39	32	31	29	1	1	
General Aviation	10	12	12	12	13	11	13	13	13	13
Municipal Golf	2	2	2	2	2	2	2	2	2	2
Stormwater Management	15	13	9	15	21	15	16	11	12	31
	5,905	5,872	5,845	5,742	5,701	5,603	5,457	5,470	5,292	5,318

Source: Cincinnati Human Resource Information System

City of Cincinnati
Operating Information
Schedule 2
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Government										
Litigations	150	149	170	195	207	152	121	342	383	117
Total Cases	28	64	69	43	38	65	83	223	295	79
Open Cases										
Community Development										
Housing Units	2,318	2,801	3,134	2,088	1,630	2,465	2,110	2,239	2,052	1,581
Job Created/Retained through Income Tax Credits	7,708	2,715	2,200	1,994	1,531	575	570	273	319	65
Enterprise Zone Agreement	26	15	9	5	10	5	1	2	5	0
Police										
Service Calls	298,910	300,713	288,283	288,242	295,387	292,826	291,468	303,670	273,652	287,268
Arrests	60,852	60,146	41,829	42,497	47,007	47,830	48,757	47,474	41,510	41,542
Reports Filed	40,209	39,863	45,635	47,639	46,923	44,798	43,427	26,850	24,678	24,743
Fire										
Incidences (Fires, EMS)	63,267	63,618	64,453	65,428	65,451	65,423	65,206	65,866	67,435	68,973
Parks										
Annual Visitors	N/A	N/A	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Nature Education Programs	N/A	N/A	1,500	1,500	1,300	1,300	1,300	1,000	1,000	1,000
Volunteer Hours	N/A	N/A	30,000	30,000	32,800	33,700	33,700	62,500	87,737	87,737
Park Reservations	N/A	N/A	645	660	675	690	690	1,300	1,350	1,350
Visitor Center Phone Calls	N/A	N/A	16,200	17,900	18,000	21,000	21,000	24,600	26,350	26,350
Health										
Patients	48,787	44,181	43,234	47,712	48,787	46,237	48,961	37,077	34,688	41,674
Visits	144,267	140,935	139,040	135,296	138,833	134,637	137,105	125,971	123,445	119,846
Inspections	24,627	28,077	28,935	29,337	35,098	29,203	26,317	24,312	31,244	17,635
Birth and Death Certificates	101,707	98,618	97,034	94,033	86,938	83,213	84,314	82,876	76,187	68,568
Sanitation										
Total solid waste collected and disposed	111,889	113,700	117,800	11,500	116,500	114,377	115,000	106,463	103,504	100,045
Water Works										
Water Delivered to Water Mains (Gallons)	49,697,876,000	48,747,763,000	47,047,006,000	49,679,150,000	48,574,063,000	49,005,613,000	50,246,239,000	47,990,075,000	53,410,396,000	49,566,715,000
Total Water Consumption (Gallons)	41,049,853,000	40,630,682,000	39,083,763,000	41,198,056,000	39,700,260,000	41,206,219,000	42,128,497,000	40,061,250,000	44,161,654,000	41,510,868,000
Percent of Unmetered Water	17%	17%	17%	17%	18%	16%	16%	17%	17%	16%
Average Daily Delivery (Gallons)	136,159,000	133,191,000	128,896,000	136,107,000	133,080,000	134,038,000	137,661,000	131,480,000	146,330,000	135,428,000
Maximum Daily Pumpage (Gallons)	234,267,000	196,730,000	169,636,000	217,882,000	207,864,000	176,763,000	213,827,000	211,466,000	229,517,000	220,566,000
Minimum Daily Pumpage (Gallons)	104,747,000	105,760,000	105,529,000	101,296,000	98,590,000	106,310,000	108,872,000	102,692,000	106,102,000	99,924,000

N/A = Not Available

City of Cincinnati
Operating Information
Schedule 3
Capital Asset and Infrastructure Statistics by Function/Program
Last Seven Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007	2008
Public Safety							
Police							
Stations	5	5	5	5	5	5	5
Fire							
Fire Stations	26	26	26	26	26	26	26
Paramedic Units	4	4	4	4	4	4	4
Life Support Ambulances	6	6	6	6	6	6	6
Aircraft Rescue	1	1	1	1	1	1	1
Transportation and Engineering							
Streets (lane miles)	2,820	2,840	2,840	2,840	2,840	2,840	2,840
Sidewalks (miles)	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Street Signs	150,000	300,000	300,000	300,000	300,000	300,000	150,000
Bridges	71	71	66	68	68	63	62
Retaining Walls (miles)	48	49	49	51	51	52	52
Public Recreation							
Parks							
Acreage	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Regional Parks	5	5	5	5	5	5	5
Neighborhood parks	70	70	70	70	70	70	70
Preserves and Nature areas	34	34	34	34	34	34	34
Nature Education Centers	5	5	5	5	5	5	5
Playgrounds	52	52	52	52	52	52	52
Hiking Trails (miles)	50	50	50	65	65	65	65
Plant Species - Krohn Conservatory	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Park Facilities & Structures	121	121	121	121	121	121	121
Street Trees	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Recreation							
Acreage	2,300	2,300	2,300	2,600	2,600	2,600	2,600
Recreation and Senior Centers	45	40	40	40	40	38	38
Play Areas	108	108	108	108	108	108	108
Swimming Pools	41	40	40	40	40	38	38
Tennis Courts	122	122	122	122	122	122	122
Public Services							
Traffic Engineering							
Traffic Signs	705	725	725	739	745	758	749
Street Lights	31,500	31,500	31,500	32,000	32,000	32,000	28,706
Public Health							
Health Centers	6	6	6	6	6	6	6
Water Works							
Total Assets (in thousands)	\$ 642,501	\$ 759,982	\$ 751,109	\$ 877,497	\$ 877,914	\$ 970,706	\$ 980,822
Water Customer Accounts	235,556	236,945	238,460	239,630	240,472	241,040	241,416
Miles of Water Main in the System	2,992	3,012	3,058	3,079	3,102	3,109	3,121
Municipal Golf							
Golf Courses	7	7	7	7	7	7	7
General Aviation							
Acreage	1,000	1,000	1,000	1,000	1,000	870	1,253
Convention Center							
Meeting Rooms		41	41	N/A	37	37	37
Exhibit Space (Square Feet)	162,000	162,000	162,000	162,000	195,000	195,000	195,000
Meeting/Ballroom Space (Square Feet)	82,000	82,000	82,000	82,000	102,000	102,000	102,000
Parking Facilities							
Parking Lots/Garages	9	10	10	15	14	14	14
Parking Meters	6,200	6,400	6,400	5,700	5,700	5,400	5,400
Stormwater Management							
Miles of Storm Sewers	315	315	315	315	315	350	350

Comprehensive Annual **FINANCIAL REPORT**

PREPARED BY:

Accounts and Audits

*Bea Ebner, Karen Alder, Christopher Bigham,
Kim DeWalt, Jeff Harmon, Monica Morton,
Bev Nussman, Pam Sacherman, Bryan Schmitt,
Linda Weigand, Jessica Young, Carolyn Fehr*

SPECIAL ACKNOWLEDGEMENT FOR CONTRIBUTIONS FROM:

Water Works

Janet Klenk, Andy Remlinger

Retirement

Ron Wilson

Treasury

Nicole Lee

DESIGNED BY:

Transportation and Engineering

Laura Martin

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- 3, 12, 14, 17: Gibson R. Yungblut Collection
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