

**OHIO-KENTUCKY-INDIANA
REGIONAL COUNCIL OF GOVERNMENTS**

**FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION**

FOR THE YEARS ENDED JUNE 30, 2012 AND 2011



Dave Yost • Auditor of State

Executive Committee
Ohio Kentucky Indiana Regional Council of Governments
720 East Pete Rose Way, Suite 420
Cincinnati, Ohio 45202

We have reviewed the *Independent Auditors' Report* of the Ohio Kentucky Indiana Regional Council of Governments, Hamilton County, prepared by Bastin & Company, LLC, for the audit period July 1, 2011 through June 30, 2012. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

February 5, 2013

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OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS

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ACRONYMS

ARRA	American Reinvestment and Recovery Act
CMAQ	Congestion Mitigation and Air Quality
FHWA	Federal Highway Administration
FIAM	Fiscal Impact Analysis Model
FTA	Federal Transit Authority
GIS	Geographic Information System
HCEMA	Hamilton County Emergency Management Agency
IDEM	Indiana Department of Environmental Management
INDOT	Indiana Department of Transportation
JARC	Job Access Reserve Commute
KYTC	Kentucky Transportation Cabinet
MAP-21	Moving Ahead for Progress in the 21 st Century
MIS	Major Investment Study
NF	New Freedom
ODOT	Ohio Department of Transportation
OEPA	Ohio Environmental Protection Agency
OKI	Ohio-Kentucky-Indiana Regional Council of Governments
SAFETEA-LU	Safe, Accountable, Flexible and Efficient Transportation Equity Act: A Legacy for Users
SNK	Surface Transportation Planning (Northern Kentucky)
STP	Surface Transportation Planning (Ohio)
TCSP	Transportation Community System Preservation
UPWP	Unified Planning Work Program

Bastin & Company, LLC

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the Ohio-Kentucky-Indiana Regional Council of Governments (OKI), as of and for the years ended June 30, 2012 and 2011, which collectively comprise OKI's basic financial statements as listed in the table of contents. These financial statements are the responsibility of OKI's management. Our responsibility is to express opinions on these financial statements based on our audits.

We conducted our audits 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 Ohio-Kentucky-Indiana Regional Council of Governments, as of June 30, 2012 and 2011, and the respective changes in financial position and cash flows thereof, for the years 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 November 14, 2012, on our consideration of OKI's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise OKI's basic financial statements as a whole. The accompanying supplemental schedules 1-3 and schedules of cumulative revenues and expenditures for completed programs and programs in progress are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The supplemental schedules 1-3, schedules of cumulative revenues and expenditures for completed programs and programs in progress and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in cursive script that reads "Bastin & Company, LLC". The signature is written in black ink on a light-colored background.

Cincinnati, Ohio
November 14, 2012

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012
(Unaudited)**

The Ohio-Kentucky-Indiana Regional Council of Governments (OKI) offers this narrative overview and analysis of OKI's financial performance during the fiscal year ending June 30, 2012. Please read it in conjunction with OKI's financial statements, which follow this section.

OKI AT A GLANCE

The Ohio-Kentucky-Indiana Regional Council of Governments (OKI) is a council of local governments, business organizations and community groups committed to developing collaborative strategies to improve the quality of life and the economic vitality of the region.

Formed in 1964, OKI has spent 48 years cultivating partnerships and alliances that range from the federal government to local councils. Its 117 members represent governmental, social and civic groups from nearly 200 communities in the eight-county, three-state region.

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

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

PROGRAMS AND ACTIVITIES

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

Since federal transportation investments stimulate land use change, OKI developed a Fiscal Impact Analysis Model to give local governments a way to determine costs and benefits by analyzing the budgetary impacts of alternative land use scenarios.

OKI's Water Quality planning program involves work that enables wastewater treatment projects to obtain permits and promotes practices to reduce stormwater runoff and restore streams. Last year, OKI updated its Ohio Water Quality Management Plan for the first time since 1978.

OKI's Clean Air Program is leading the fight for cleaner air in the region by bringing ozone and particulate matter pollution issues to the forefront of people's minds.

PROJECTS

Brent Spence Bridge Cooperative: OKI is working closely with local officials, the business community, the Kentucky Transportation Cabinet and Ohio Department of Transportation on this vital river crossing.

Eastern Corridor Project: OKI continues to assist in the development of this project that provides multi-modal solutions to transportation issues and maximizes regional benefits. The Eastern Corridor stretches from the downtown Cincinnati urbanized core in Hamilton County to western Clermont County in Ohio and into northern Kentucky.

Freight: In 2011 OKI completed a comprehensive freight plan that includes numerous specific multi-modal improvements to enhance the region's freight transportation system.

Uptown Transportation Study: OKI led the first phase of this transportation study which investigated improvements to, from and within the Uptown area. The recommendations of the study will help unleash more than \$1 billion in new development for this area, the region's 2nd largest economic employer. Developing and evaluating a preferred alternative which will improve access to and from Interstate 71 and the Uptown area is under development.

Regional Infrastructure Improvement Zones (RIIZ): OKI is actively working with Congress on draft legislation to change federal law and allow tax deductions for private sector investment in infrastructure projects. This innovative solution leverages federal and state funds, while benefiting communities and keeping people, businesses and the economy growing and moving.

2040 Regional Transportation Plan: This plan serves as a blueprint for transportation projects in the OKI region through the year 2040. It addresses current and future needs created by growth and development. At the same time, it responds to Federal Highway Administration and Clean Air Act requirements to mitigate congestion and address air quality and other environmental, social and financial issues.

RideShare: OKI's RideShare program enables commuters to save time and money through carpools and vanpools. OKI works with individuals and major employers in the region on how RideShare can work for them.

Cincinnati Streetcar: OKI provided \$4 million to Cincinnati's efforts to build a new streetcar system that will bond the Central Business District with the Uptown area, thereby connecting two of Cincinnati's most prolific economic generators. It will embolden economic development, urban revitalization and cultural revival in the OKI region.

Homeland Security: OKI is partnering with local emergency responders to develop a database of critical infrastructure. In the event of a disaster, this database can be used to create a common operating picture for emergency personnel throughout the region.

Geographic Information System (GIS): OKI's internationally recognized GIS department is leveraging new technologies to develop 3D visualizations, interactive mapping applications and traffic simulations. These allow elected officials, staff and the public-at-large to fully analyze proposed projects and their impacts prior to deciding upon a preferred alternative.

Policy of Inclusion and Participation: OKI's Title VI and Environmental Justice programs ensure the inclusion of minority, low income, disabled, elderly and zero-car households in its transportation planning process.

FINANCIAL HIGHLIGHTS

During fiscal year 2012:

- OKI continued executing partnership agreements with advertising outlets to provide value added services as match for the Clean Air and RideShare programs. The value of these services was used as match for the Kentucky share of these programs. OKI plans to further develop these partnerships in anticipation of the additional match that will be needed in the future when toll revenue credits are exhausted. During fiscal year 2012 the RideShare Program received \$92,605 in contributed services and the Clean Air Program received \$183,187 in contributed services.

- OKI began partnerships with 3 counties and organizations within the region to implement the recently developed Fiscal Impact Analysis Model (FIAM). These partnerships will continue into fiscal year 2013, providing \$7,875 in local match for fiscal year 2013 model activities. FIAM activities will continue over the next year and OKI will continue to follow up with communities that have expressed an interest in becoming new partners.
- OKI partnered with the Hamilton County Emergency Management Agency (HCEMA) to develop multi-purpose data sets and to further the RAVEN911 project. HCEMA contracted \$50,000 in local funds towards development costs; paying 50% of development costs for data sets used by both organizations and 100% of development costs for data sets for the sole use of HCEMA. These activities will carry into FY2013.
- OKI renewed the operating lease agreement for office facilities effective October 2011 through June 30, 2023. This renegotiation and renewal occurred just short of two years prior to the expiration of the original lease. The current base rent was negotiated from \$467,625 annually down to \$403,800 annually. The annual base rent amount will remain at \$403,800 through June 30, 2018. This is a savings in excess of \$400,000 through the first half of the lease. During the second half of the lease the base rent increases are based on the CPI, up to 3.5% per year.
- Total assets exceeded liabilities as of June 30, 2012 by \$1,166,112, an increase of \$4,548 from June 30, 2011.
- OKI had operating revenues of \$5,680,120 and operating expenses of \$5,675,572, resulting in an operating gain of \$4,548.
- Contributed services in excess of match required by programs and grants totaled \$232,790.

USING THIS ANNUAL REPORT

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

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

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

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

Our analysis of OKI as a whole begins here. One of the most important questions asked about OKI's finances is "Is OKI, as a whole, better off as a result of the year's activities?". Although net assets increased by just \$4,548, we feel that the financial position of OKI is more secure than it has been in a decade. Over the past few years, at the direction of the Board, OKI has increased its net assets to assist with day to day cash flow and in anticipation of future activities requiring local match. Now that net assets have reached the level desired by the Board, OKI is focusing on other long term savings strategies. To that end, OKI renegotiated and renewed the lease for office space during fiscal 2012. The base rent was reduced by 13.6%, from \$467,625 annually to \$403,800 annually. This reduction will save OKI over \$400,000 during the first half of the lease renewal, through June 30, 2018. Those savings will continue through the second half of the lease, through June 30, 2023, since increases will be calculated on a lower base rent amount.

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

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

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

Statement of Cash Flows

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

These financial statements can be found on pages 12 through 14 of this report.

Notes to the Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes can be found on pages 15 through 20 of this report.

FINANCIAL ANALYSIS OF OKI

STATEMENT OF NET ASSETS

The following table represents condensed statements of net assets.

Statement of Net Assets (\$ in Thousands)

	<u>FY2012</u>	<u>FY2011</u>	<u>FY2010</u>
Current assets	\$ 1,958	\$ 1,918	\$ 1,783
Capital assets, net	<u>67</u>	<u>78</u>	<u>99</u>
Total assets	<u>2,025</u>	<u>1,996</u>	<u>1,882</u>
Current liabilities	761	734	542
Non-current liabilities	<u>98</u>	<u>100</u>	<u>119</u>
Total liabilities	<u>859</u>	<u>834</u>	<u>661</u>
Net assets:			
Invested in capital assets, net of debt	58	62	73
Unrestricted	<u>1,108</u>	<u>1,100</u>	<u>1,148</u>
Total net assets	<u>\$ 1,166</u>	<u>\$ 1,162</u>	<u>\$ 1,221</u>

Current assets increased by \$40k, or 2.1%, in 2012 due to an increase in cash and investments and an increase in prepaid expenses related to first quarter fiscal 2013 travel, offset by a decrease in receivables related to completion of the Indiana Department of Environmental Management ARRA water project. In 2011 current assets increased by \$135k, or 7.6%, due to increased receivables associated with the Regional Freight Study, the Transit on Board Survey, and increased activities in the New Freedom pass through projects, offset by a decrease in cash and investments.

Capital assets decreased by \$11k, or 14.1%, in 2012 due to the donation of \$4k in obsolete computers and computer equipment with in-service dates between 2005 and 2006 and depreciation of existing equipment. In 2011 capital assets decreased by \$21k, or 21.2%, due to the donation of \$48k in obsolete computers and computer equipment with in-service dates between 1999 and 2003 offset by the purchase of network equipment.

Current liabilities increased by \$27k, or 3.7%, in 2012 due to an increase in open payables related to the RideShare and Clean Air marketing activities and increased activities in the New Freedom pass through projects, offset by a decrease in deferred revenues related to the timing of county funding payments. In 2011 current liabilities increased by \$192k, or 35.4%, due to an increase in open payables related to the Regional Freight Study and the Transit on Board Survey, increased activities in the New Freedom pass through projects, and an increase in deferred revenues related to the timing of county funding payments.

Non-current liabilities decreased by \$2k, or 2.0%, in 2012 due to an increased compensated absences liability associated with falling average leave usage combined with decreased capital lease balances due to payments made during the year. In 2011 non-current liabilities decreased by \$19k, or 16.0%, due to a decreased compensated absences liability associated with rising average leave usage combined with decreased capital lease balances due to payments made during the year.

Unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints or legal requirements – increased by \$8k, or 0.7%, in 2012 due to effective management of general and administrative activities combined with timing of current projects. In 2011 unrestricted net assets decreased by \$48k, or 4.2%, due to a local match associated with the Regional Freight Study and increased local water expenses.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

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

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

Operating revenues	<u>FY2012</u>	<u>FY2011</u>	<u>FY2010</u>
Federal and state	\$ 4,097	\$ 4,691	\$ 3,839
State, local and county matching	1,001	1,076	1,011
Other revenue	12	55	32
Contributed services	<u>570</u>	<u>605</u>	<u>135</u>
Total operating revenue	<u>5,680</u>	<u>6,427</u>	<u>5,017</u>
Operating expenses			
Salaries and wages	2,402	2,358	2,316
Fringe benefits	995	1,006	915
Travel, subsistence and professional development	99	121	116
Printing, marketing and contractual	894	1,637	707
Depreciation	42	37	33
Other expenses	674	722	708
Contributed services	<u>570</u>	<u>605</u>	<u>135</u>
Total operating expenses	<u>5,676</u>	<u>6,486</u>	<u>4,930</u>
Operating income	<u>4</u>	<u>(59)</u>	<u>87</u>
Non-operating revenues (expenses)			
Contributed services	233	404	492
Contributed marketing	<u>(233)</u>	<u>(404)</u>	<u>(492)</u>
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net assets	4	(59)	87
Net assets, beginning of year	<u>1,162</u>	<u>1,221</u>	<u>1,134</u>
Net assets, end of year	<u>\$ 1,166</u>	<u>\$ 1,162</u>	<u>\$ 1,221</u>

Operating revenues decreased by 11.6% from 2011 to 2012 due to completion of the Transit on Board study, Freight study, OEPA ARRA water project, and the Indiana Department of Environmental Management (IDEM) ARRA water project. In addition, Clean Air expenditures were lower due to not performing an advertising campaign early in the fiscal year because of KYTC delays in reviewing the marketing Request for Qualifications (RFQ). These were offset by higher activity levels in the JARC and New Freedom projects. Operating revenues increased by 28.1% from 2010 to 2011 due to an increase in activities associated with the New Freedom pass through funded projects, the Indiana Department of Environmental Management (IDEM) water project, and the Hamilton County Emergency Management Agency (HCEMA) data project plus the addition of the Freight and Transit on Board projects. Contributed services revenue increased due to increased New Freedom pass through funded activities offset by lower RideShare contributed services associated with a change in timing of this year's campaign to coordinate with the start of the Banks High Occupancy Vehicle (HOV) program.

Operating expenses decreased by 12.5% from 2011 to 2012. Travel, subsistence, and professional development decreased 18.2% due to decreased professional development costs and decreased board travel costs. Printing, marketing and contractual decreased 45.4% due to completion of the Transit on Board Survey and the Freight study. Depreciation increased by 13.5% due to network equipment

purchased late in fiscal year 2011 being depreciated for a full year in fiscal year 2012, offset by the copy machines and postage equipment being in their final year of depreciation and having a partial year of depreciation expense. Total contributed services decreased by 20.4% due to lower contributed services associated with the New Freedom pass through projects, combined with lower Clean Air contributed services due to not performing an advertising campaign early in the fiscal because of KYTC delays in reviewing the marketing RFQ. Operating expenses increased by 31.6% from 2010 to 2011. Printing, marketing and contractual increased 131.5% due to the addition of the Transit on Board Survey and Freight Study combined with an increase in activities in the New Freedom pass through funded projects. Depreciation increased by 12.1% due to network equipment purchased late in fiscal year 2010 being depreciated for a full year in fiscal year 2011 offset by one of OKI's staff vehicles being close to fully depreciated. Total contributed services increased by 60.9% due to increased New Freedom pass through funded activities offset by lower RideShare contributed services associated with a change in timing of this year's campaign to coordinate with the start of the Banks HOV program.

Contributed services in excess of required match decreased by 42.3% from 2011 to 2012 due to a decrease in Clean Air contributed services associated with KYTC delays in reviewing the marketing RFQ for the marketing campaign at the beginning of the fiscal year. Contributed services in excess of required match decreased by 17.9% from 2010 to 2011 due to a decrease in RideShare contributed services associated with a change in timing of this year's campaign to coordinate with the start of the Banks HOV program offset by an increase in contributed services received by the Clean Air program.

BUDGET VS ACTUAL INFORMATION

The following table reflects a budget to actual comparison.

BUDGET VS ACTUAL (\$ in Thousands)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Operating revenues			
Federal and state	\$ 4,097	\$ 4,351	\$ (254)
State, local and county matching	1,001	1,056	(55)
Other revenue	12	36	(24)
Contributed services	<u>570</u>	<u>240</u>	<u>330</u>
Total operating revenue	<u>5,680</u>	<u>5,683</u>	<u>(3)</u>
Operating expenses			
Salaries and wages	2,402	2,400	(2)
Fringe benefits	995	1,108	113
Travel, subsistence and professional development	99	147	48
Printing, marketing and contractual	894	1,036	142
Other expenses	716	765	49
Contributed services	<u>570</u>	<u>240</u>	<u>(330)</u>
Total operating expenses	<u>5,676</u>	<u>5,696</u>	<u>20</u>
Non-operating revenues (expenses)			
Contributed services	233	76	157
Contributed marketing	<u>(233)</u>	<u>(76)</u>	<u>(157)</u>
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net assets	4	(13)	17
Net assets, beginning of year	<u>1,162</u>	<u>1,162</u>	<u>-</u>
Net assets, end of year	<u>\$ 1,166</u>	<u>\$ 1,149</u>	<u>\$ 17</u>

Operating revenues were on budget. Federal and state revenues were lower than budgeted due to the Eastern Corridor, Planning, Fiscal Impact Analysis Model, and Banks High Occupancy Vehicle projects progressing slower than budgeted and lower than budgeted marketing expenditures in the Clean Air program, due to delays in coordinating the marketing RFQ at the beginning of the fiscal year with KYTC. Activities shifted to the end of fiscal year 2012. This was offset by New Freedom and OEPA water projects being ahead of budget due to the timing of contract execution. Other revenue was under budget due to the timing of the annual meeting. Contributed services revenues were higher than budgeted due to timing of the New Freedom pass through funded projects.

Operating expenses were on budget. Fringe benefits were lower than budgeted due to less than full participation in the voluntary 403b Plan and leave liability adjustments lower than budgeted, due to higher leave usage, a retirement and a resignation. Travel and professional development expenses were lower than budget due to several budgeted trips not taken and savings experienced on trips taken. Also, board member travel was under budget due to fewer board members traveling this year. Printing, marketing and contractual expenses were lower than budget due to the Banks High Occupancy Vehicle program progressing slower than budgeted and funds budgeted for a possible bus rapid transit study were not spent, offset by New Freedom pass through projects progressing quicker than budgeted. Contributed services expenses were higher than budgeted due to timing of the New Freedom pass through funded projects.

In fiscal year 2012, OKI was able to stay under budget. Careful management of general and administrative activities along with lower than budgeted board member travel offset by higher than budgeted local water expenses, due to unbudgeted legal expenses associated with a 208 Water Plan amendment, contributed to an increase in net assets of \$4k.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2012, 2011 and 2010, OKI's capital assets are reflected in the following schedule.

CAPITAL ASSETS (\$ in Thousands)

	<u>FY2012</u>	<u>FY2011</u>	<u>FY2010</u>
Office furniture and equipment	\$ 667	\$ 641	\$ 673
Accumulated depreciation	<u>(600)</u>	<u>(563)</u>	<u>(574)</u>
Total net	<u>\$ 67</u>	<u>\$ 78</u>	<u>\$ 99</u>

Total net capital assets declined during fiscal year 2012 primarily due to depreciation and donation of obsolete laptops and monitor with in-service dates between 2000 and 2003 offset by the purchase of network equipment. OKI donated \$4K in obsolete laptops and monitor to the Cincinnati Computer Cooperative. An additional server was purchased for the ESX virtualization farm to increase OKI's processing power and an Equilogic SAN array was purchased to increase the storage capacity of the OKI network.

Total net capital assets declined during fiscal year 2011 primarily due to the donation of obsolete computers and computer equipment with in-service dates between 1999 and 2003 offset by the purchase of network equipment. OKI donated \$48K in obsolete computers, monitors, and miscellaneous equipment to the Cincinnati Computer Cooperative. Switches, network cards and cables were purchased to update older equipment.

Additional information on OKI's capital assets can be found in Note 4.

Debt

OKI continues to maintain an \$850,000 bank line of credit if needed. The line of credit was not used during fiscal year 2012.

At the end of fiscal year 2012 OKI has a balance of \$8,625 on the capital lease agreement for furniture. The five year lease with 60 monthly payments of \$742 began in fiscal year 2009. The interest rate on the lease is 6.00%, and the final payment is due on June 1, 2013. Prior to July 1, 2008, the furniture had been part of the office building operating lease.

Additional information on OKI's debt can be found in Note 7.

ECONOMIC CONDITIONS

OKI considered many factors when setting the fiscal year 2012 budget, including funding from federal and state agencies, the eight counties supporting the council and program demands from the member agencies.

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

The region's population has remained steady in recent years, but there are many developments occurring throughout the counties. Additionally, the region is directly impacted by the Ohio River and the need for transportation services to link the region's counties and the nation. The focal point of that linkage is the Brent Spence Bridge Cooperative; OKI continues to work closely with the business community, the Kentucky Transportation Cabinet, and the Ohio Department of Transportation to develop strategies for the replacement of this vital river crossing.

The federal MAP-21 legislation was signed into law July 6, 2012. This legislation reauthorized the funding levels for Metropolitan Planning Organization's and other transportation related organizations at a slightly higher rate than previous bills. However, looking at the anticipated project trends, it is prudent for OKI to develop its operating plan based on level funding.

CONTACTING OKI

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

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF NET ASSETS
JUNE 30, 2012 AND 2011

ASSETS		
	2012	2011
CURRENT ASSETS:		
Cash and cash equivalents	\$ 970,570	\$ 925,458
Accounts receivable	967,619	981,883
Prepaid expenses	20,139	10,599
	TOTAL CURRENT ASSETS	1,917,940
NONCURRENT ASSETS:		
Capital assets, net	66,987	78,230
	TOTAL NONCURRENT ASSETS	78,230
	TOTAL ASSETS	1,996,170
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	338,940	250,527
Accrued expenses	46,484	36,533
Compensated absences	203,031	207,498
Capital lease obligations	8,625	8,124
Deferred revenue	164,210	231,737
	TOTAL CURRENT LIABILITIES	734,419
NONCURRENT LIABILITIES		
Compensated absences	97,913	91,562
Capital lease obligations	-	8,625
	TOTAL NONCURRENT LIABILITIES	100,187
	TOTAL LIABILITIES	834,606
NET ASSETS		
Invested in capital assets, net of related debt	58,362	61,481
Unrestricted	1,107,750	1,100,083
	TOTAL NET ASSETS	1,161,564
	\$ 1,166,112	\$ 1,161,564

See accompanying notes to the financial statements.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
OPERATING REVENUES:		
Federal and state grants	\$ 4,096,746	\$ 4,690,819
State, local and county matching funds	1,001,322	1,076,053
Other revenues	11,721	54,495
Contributed services	<u>570,331</u>	<u>604,977</u>
Total Operating Revenues	<u>5,680,120</u>	<u>6,426,344</u>
OPERATING EXPENSES:		
Direct expenses		
Personnel	1,436,510	1,441,755
Fringe benefits	986,968	996,123
Travel, subsistence and professional	76,780	81,549
Printing, marketing and contractual	844,377	1,589,218
Other direct expenses	77,963	68,590
Indirect costs	1,682,643	1,703,136
Contributed services	<u>570,331</u>	<u>604,977</u>
Total Operating Expenses	<u>5,675,572</u>	<u>6,485,348</u>
OPERATING INCOME	<u>4,548</u>	<u>(59,004)</u>
NON-OPERATING REVENUES (EXPENSES):		
Contributed services revenues	232,790	404,298
Contributed services expenses	<u>(232,790)</u>	<u>(404,298)</u>
Total Non-operating Revenues (Expenses)	<u>-</u>	<u>-</u>
CHANGE IN NET ASSETS	4,548	(59,004)
Net Assets Beginning of Year	<u>1,161,564</u>	<u>1,220,568</u>
Net Assets End of Year	<u><u>\$ 1,166,112</u></u>	<u><u>\$ 1,161,564</u></u>

See accompanying notes to the financial statements.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

	2012	2011
Cash flows from operating activities:		
Receipts from federal and state grants	\$ 4,022,757	\$ 4,582,182
Receipts from local grants and matching funds	1,035,253	1,111,131
Payments to employees	(3,386,277)	(3,351,171)
Payments to suppliers	(1,587,818)	(2,349,422)
Net cash provided by (used for) operating activities	83,915	(7,280)
Cash flows from capital related activities:		
Purchase of fixed assets	(30,679)	(16,122)
Capital lease retirements	(8,124)	(8,821)
Net cash provided by (used for) capital financing activities	(38,803)	(24,943)
Net increase (decrease) in cash and cash equivalents	45,112	(32,223)
Cash and cash equivalents at beginning of year	925,458	957,681
Cash and cash equivalents at end of year	\$ 970,570	\$ 925,458
Reconciliation of operating income to net cash used for operating activities:		
Operating income	\$ 4,548	\$ (59,004)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities		
Depreciation	41,922	36,582
Changes in assets and liabilities:		
Decrease (Increase) in:		
Accounts receivable	14,264	(171,533)
Prepaid expenses	(9,540)	4,644
Increase (Decrease) in:		
Accounts payable	88,413	125,617
Accrued expenses	7,437	8,109
Deferred revenue	(67,527)	43,532
Compensated absences	4,398	4,773
Net cash provided by (used for) operating activities	\$ 83,915	\$ (7,280)

See accompanying notes to the financial statements.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

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

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

Funds are provided primarily by federal, state, and local government agencies.

Basis of Accounting

OKI uses the accrual basis of accounting to prepare its financial statements and maintains subsidiary ledgers to identify revenues and expenses by detailed program. Activities not specifically related to a program are classified as general and administrative transactions. The statement of Revenues, Expenses and Changes in Net Assets reflects activities by major program category.

Enterprise Fund Activity Accounting and Financial Reporting

In accordance with GASB Statement No. 34, basic financial statements and Management's Discussion and Analysis for State and Local Government, OKI applies all GASB pronouncements and only FASB Statements and Interpretations, Accounting Principles Board of Opinions and Accounting Research Bulletins issued on or before November 30, 1989, unless they conflict with GASB pronouncements.

Revenue Recognition

Authorizations under U.S. Government and state and local agency grants or contracts are obtained by requisitioning such agencies for reimbursement of eligible costs incurred up to the maximum amounts specified under the grants or contract commitments. OKI recognizes program grant revenue at the time eligible costs are incurred.

Local matching funds, including member county supporting contributions and in-kind contributions from other agencies, are generally recognized as operating revenues to the extent required to fund eligible program costs and/or to meet program matching requirements.

Contributed services included in local matching funds are valued at the equivalent OKI hourly pay rate for such services for the amount of hours spent by individuals involved. In-kind contributions are valued at the fair market price on the date of receipt. Such contributed services are accounted for as revenue and as program expenses.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011
(continued)**

Indirect Costs

Indirect costs and fringe benefits are originally charged to individual programs based on provisional rates. Differences in amounts originally charged and actual costs incurred are adjusted to actual costs at year end. Indirect costs and fringe benefits in the Statement of Revenues, Expenses, and Changes in Net Assets represent the application of actual indirect and fringe benefit rates, plus any related indirect or fringe benefit costs charged directly to general and administrative activities.

Capital Assets

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

Income Taxes

OKI is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

2. DEPOSITS

Statutes authorize OKI to invest in obligations of the U.S. Treasury and U.S. agencies, the State Treasurer's (Ohio) investment pool, repurchase agreements, certificates of deposit, and other instruments authorized by Section 135 of the Ohio Revised Code.

Custodial credit risk is the risk that in the event of a bank failure OKI's deposits may not be returned. Protection of OKI's cash and deposits is provided by the Federal Deposit Insurance Corporation (FDIC) as well as qualified securities pledged by the institutions holding the assets. Ohio law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which OKI places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by FDIC. The securities pledged as collateral are pledged to a pool for each individual financial institution in amount equal to at least 105 percent of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligation of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions. At June 30, 2012, the carrying amount of OKI's deposits was \$970,570 and the bank balance was \$984,214. FDIC insurance covered \$250,000 of the bank balance. The remaining balance of \$734,214 was uninsured and collateralized with securities held by the pledging financial institution's trust department.

For purposes of the Statement of Cash Flows, OKI considers all highly liquid investments with a maturity of three months or less when purchased to be cash and cash equivalents.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011
(continued)**

3. ACCOUNTS RECEIVABLE

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

	<u>2012</u>	<u>2011</u>
Receivables Under Contracts and Grants		
Federal	\$ 150,587	\$ 80,231
Ohio	691,589	733,173
Kentucky	110,118	113,964
Indiana	6,616	25,080
Local and County	7,225	29,435
Receivables Other	1,484	-
Total Receivables	<u>\$ 967,619</u>	<u>\$ 981,883</u>

4. CAPITAL ASSETS

Changes in capital assets for the year that ended June 30, 2012 are summarized below:

<u>Description</u>	<u>Balance</u> <u>July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2012</u>
Office furniture and equipment	\$ 640,637	\$ 30,679	\$ (4,082)	\$ 667,234
Less: accumulated depreciation	<u>(562,407)</u>	<u>(41,922)*</u>	<u>4,082</u>	<u>(600,247)</u>
Furniture and Equipment net	<u>\$ 78,230</u>	<u>\$(11,243)</u>	<u>\$ -</u>	<u>\$ 66,987</u>

*Depreciation expense of \$40,316 was charged to the indirect cost pool and \$1,606 was charged directly to general and administrative activities, as directed by ODOT Office of Audits.

Changes in capital assets for the year that ended June 30, 2011 are summarized below:

<u>Description</u>	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>
Office furniture and equipment	\$ 672,579	\$ 16,122	\$(48,064)	\$ 640,637
Less: accumulated depreciation	<u>(573,889)</u>	<u>(36,582)**</u>	<u>48,064</u>	<u>(562,407)</u>
Furniture and Equipment net	<u>\$ 98,690</u>	<u>\$ 20,460</u>	<u>\$ -</u>	<u>\$ 78,230</u>

**Depreciation expense of \$36,582 was charged to the indirect cost pool.

5. BANK LINE OF CREDIT

OKI has a line of credit available of \$850,000. When used, the line of credit is collateralized by the working capital of OKI and bears interest at the prime rate less one-half percent. At June 30, 2012 and 2011, OKI had no borrowings against this line of credit.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011
(continued)**

6. COMPENSATED ABSENCES

Changes in compensated absences for the year that ended June 30, 2012 are summarized below:

Balance July 1, 2011	Entitlements	Usage	Balance June 30, 2012	Due Within One Year
<u>\$299,060</u>	<u>\$385,657</u>	<u>\$(383,773)</u>	<u>\$300,944</u>	<u>\$203,031</u>

Changes in compensated absences for the year that ended June 30, 2011 are summarized below:

Balance July 1, 2010	Entitlements	Usage	Balance June 30, 2011	Due Within One Year
<u>\$294,287</u>	<u>\$347,298</u>	<u>\$(342,525)</u>	<u>\$299,060</u>	<u>\$207,498</u>

7. LEASE COMMITMENTS

Capital Leases

OKI has an operating lease agreement for office facilities. A portion of the office facilities lease was for furniture, which under the terms of the lease would become the property of OKI after completion of the 5 year renewal option exercised July 1, 2008. This lease has since been extended, effective October 1, 2011 (see Operating Leases section below), which will not affect the furniture portion of the agreement.

The portion of the office building lease attributable to the value of the furniture is considered a capital lease. Furniture covered under the lease was valued at \$38,397 at July 1, 2008. Lease payments applicable to the furniture portion of the lease are \$742 per month for 60 months and include an interest rate factor of 6.00%. The final payment is due on June 1, 2013.

Future minimum lease payments are as follows:

Year Ending June 30,	Amount
2013	8,904
Net minimum lease payments	8,904
Less: amount representing interest	(279)
Present value of net minimum lease payments	\$8,625

Operating Leases

The operating lease agreement for office facilities, as stated above, was extended on October 1, 2011. Under the extended lease, the annual base lease amount is \$403,800. This base amount cannot be increased for the first seven years of the new term (through June 30, 2018). The base amount is subject to annual escalators based on landlord cost and occupancy formulas. These escalators are cumulative in nature.

Net rental expense applicable to the operating lease was \$449,037 and \$487,225, for the years ended June 30, 2012 and 2011, respectively.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011
(continued)**

8. EMPLOYEE RETIREMENT AND FRINGE BENEFIT PLANS

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

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

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

The OKI Employees Retirement Plan is a trusted, contributory, defined contribution retirement plan covering all permanent full-time employees. Through December 31, 2008, OKI’s Employees’ retirement plan consisted of a 401(a) plan. Merrill Lynch was the custodian and trustee of the 401(a) plan. Contributions to the plan included a contribution by OKI of 6.9% of the participant’s wages and a mandatory contribution by the participant of 5% of his or her wages. In June 2008 the Board approved changes to OKI’s Employees Retirement Plan. Effective January 1, 2009, the retirement plan has two components, a mandatory 401(a) and a voluntary 403(b). Eligible employees are required to contribute 6% to the 401(a) plan and OKI matches 10%. Eligible employees may contribute additional funds to the 403(b) plan. OKI matches up to 4% on the first 3% of employee contributions. The Executive Director is not eligible for benefits under the new plans, and contributions, both employee and employer, remain at prior rates. Employees are fully vested upon eligibility for the new plans. For the 401(a), OKI is the Plan Administrator. The corporate trustee is Central Bank & Trust. For the ERISA 403(b), CPI is the Plan Administrator and Matrix Capital Bank & Trust is the custodian. UBS serves as investment advisor and also provides employee education for both Plans. Pension expense was \$302,905 and \$327,209 for the years ended June 30, 2012 and 2011, respectively. Forfeitures reduce the current contributions of OKI to the plan.

Beginning January 1, 2009, both employee and employer contributions are 100 percent vested at the date of contribution. Prior to January 1, 2009, employer contributions vested as follows:

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011
(continued)**

<u>Years of Service</u>	<u>Percent Vested</u>
Less than 1	0%
1	20%
2	40%
3	60%
4	80%
5	100%

9. CONTINGENT LIABILITES

Project work performed under grants and contracts is subject to final acceptance by the grantor and contracting agencies. Costs claimed for work performed under grants and contracts which are not acceptable to the grantor or contracting agency may be subject to recovery by the grantor or contracting agency. The management of OKI believes that project work has been satisfactorily performed.

10. CONTRIBUTED SERVICES

OKI recognized contributed service revenues in 2012 and 2011. Revenue from services was measured based on the fair value of those services. The following projects received contributed services:

Clean Air (Ozone Awareness) and RideShare programs partner with local advertising outlets which provide value added services as match for the programs. Services can be air time, print ads, or promotional items to be given away at events. The amount of contributed services was \$275,792 (\$232,740 in excess of required match) and \$419,634 (\$397,916 in excess of required match) for the years ended June 30, 2012 and 2011, respectively.

Eastern Corridor Part B – Hamilton County TID provides the contributed services match for this program in the form of local funds paid directly to a consultant. There were no contributed services for the year ended June 30, 2012 and \$258 for the year ended June 30, 2011.

Job Access Reverse Commute and New Freedom programs received contributed services in the form of partner activities in support of the projects per the grant agreements. The amount of the contributed services was \$527,279 for the year ended June 30, 2012 and \$583,001 for the year ended June 30, 2011.

The Dearborn County Water Quality Management Plan Update program received contributed services in the form of partner activities in support of the projects per the grant agreements. The amount of contributed services was \$50 for the year ended June 30, 2012 and \$6,382 for the year ended June 30, 2011.

SUPPLEMENTARY INFORMATION

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF REVENUES AND EXPENSES BY ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2012
(with comparative summary total for 2011)

	General & Administrative Activities	Environmental Planning Activities	Regional Planning	Ridesharing Implementation	Transportation Planning Activities	Total 2012	Total 2011
Operating Revenues:							
Federal & state grants	\$ -	\$ 118,647	\$ -	\$ 233,316	\$ 3,744,783	\$ 4,096,746	\$ 4,690,819
State, local and county matching funds	45,471	91,738	88,116	-	775,997	1,001,322	1,076,053
Other revenue	11,421	-	-	-	300	11,721	54,495
Contributed services	-	-	-	12,121	558,210	570,331	604,977
Total Operating Revenues	56,892	210,385	88,116	245,437	5,079,290	5,680,120	6,426,344
Operating Expenses:							
Direct expenses							
Personnel	4,013	63,266	30,603	19,924	1,318,704	1,436,510	1,441,755
Fringe benefits	6,944	43,281	20,937	13,631	902,175	986,968	996,123
Travel, subsistence, and professional	24,943	3,682	44	-	48,111	76,780	81,549
Printing, marketing and contractual	3,425	-	-	175,659	665,293	844,377	1,589,218
Other direct expenses	8,318	26,052	685	765	42,143	77,963	68,590
Indirect costs	4,701	74,104	35,847	23,337	1,544,654	1,682,643	1,703,136
Contributed services	-	-	-	12,121	558,210	570,331	604,977
Total Operating Expenses	52,344	210,385	88,116	245,437	5,079,290	5,675,572	6,485,348
Non Operating Revenues (Expenses):							
Contributed services revenues	-	50	-	80,484	152,256	232,790	404,298
Contributed services expenses	-	(50)	-	(80,484)	(152,256)	(232,790)	(404,298)
Total Non Operating Revenues (Expenses)	-	-	-	-	-	-	-
Operating Income	\$ 4,548	\$ -	\$ -	\$ -	\$ -	\$ 4,548	\$ (59,004)

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF FRINGE BENEFIT COST RATES
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Budget</u>	<u>Actual</u>
Fringe benefit costs:		
Holidays	\$ 89,105	\$ 90,159
Sick leave	74,499	103,358
Vacation	176,991	190,256
Administrative	11,724	4,292
Performance contingency	22,000	-
Retirement	386,889	325,554
Group health	523,593	481,357
FICA	174,094	170,025
Workers compensation	7,300	5,271
Unemployment	1,200	-
Employee Incentives	8,232	4,480
	<u>1,475,627</u>	<u>1,374,752</u>
Total fringe benefit costs	<u>\$ 1,475,627</u>	<u>\$ 1,374,752</u>
Allocation base: Direct and indirect personnel	<u>\$ 2,011,073</u>	<u>\$ 2,009,471</u>
Fringe benefit cost rate	<u>73.38%</u>	<u>68.41%</u>

Notes:

1. Approval of the fringe benefit cost rate for the year ended June 30, 2012 was obtained from ODOT, OKI's cognizant agency. The authority for ODOT to be OKI's cognizant agency was granted from the FHWA.
2. A provisional fringe benefit rate of 73.38 percent was authorized by ODOT. The provisional rate is applied each month and adjusted to actual at the end of the year.
3. There were no questioned costs in the fringe benefit cost pool or the direct and indirect personnel allocation base.
4. The provisional rate was utilized during the fiscal year 2012 for grant application purposes. The final 2012 fringe benefit rate was applied for financial statement purposes and for determining the final grant amounts claimed.
5. Expenses in the Statement of Revenues, Expenditures and Change in Net Assets reflect the application of actual rates (see 6. below). Individual program costs presented on pages 24 through 46 reflect the application of provisional rates adjusted to actual, subject to grant/program limitations.
6. Fringe benefit expenditures in the amount of \$4,199 are not included on the schedule above, but are included as direct fringe benefit costs related to General and Administrative activities. These expenditures, related to a retirement, were not anticipated at the time the fiscal year 2012 fringe benefit cost plan was developed. Once approved the plan cannot be modified; therefore, these expenses were not reimbursable through the fringe cost plan.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF INDIRECT COST RATES
FOR THE YEAR ENDED JUNE 30, 2012**

	Budget	Actual
Indirect costs:		
Personnel	\$ 549,435	572,961
Fringe benefits	403,149	391,983
Auto allowance	6,300	7,900
Travel and professional development	22,973	7,293
Memberships	14,424	14,441
Printing	675	501
Repairs and maintenance	17,770	17,784
Office supplies	29,250	26,343
Postage	2,308	2,318
Rent	493,488	448,793
Telephone	10,645	8,097
Subscriptions	1,072	993
Legal and audit	57,800	49,294
Reproductions	3,182	3,294
Insurance	22,483	22,509
Professional services	53,400	42,471
Advertising	1,275	1,200
Depreciation	40,211	40,316
Payroll processing	5,850	6,260
Internet	11,060	11,054
Retirement plan admin & education fees	2,925	2,777
Other	1,649	3,277
Interest - capital lease	784	784
Total indirect costs	\$ 1,752,108	\$ 1,682,643
Allocation base: Direct personnel	\$ 1,461,638	\$ 1,436,510
Indirect cost rate applied	<u>119.87%</u>	<u>117.13%</u>

Notes:

1. Approval of the provisional indirect cost rate for the year ended June 30, 2012 was obtained from ODOT, OKI's cognizant agency. The authority for ODOT to be OKI's cognizant agency was granted from the FHWA.
2. A provisional indirect cost rate of 119.87 percent was authorized by ODOT. The provisional rate is applied each month and adjusted to actual at the end of the fiscal year.
3. There were no questioned costs in the indirect cost pool or the direct personnel allocation base.
4. The provisional rate was utilized during fiscal year 2012 for grant application purposes. The final 2012 indirect cost rate was applied for financial statement purposes and for determining the final grant amounts claimed.
5. Expenses in the Statement of Revenues, Expenditures and Changes in Net Assets reflect the application of actual rates. Individual program costs presented on pages 24 through 46 reflect the application of provisional rates adjusted to actual, subject to grant/program limitations.

SCHEDULES OF CUMULATIVE REVENUES AND EXPENDITURES

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OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC/INDOT
FY 2011 TRANSPORTATION PLANNING
JUNE 30, 2012

	Budget	Cumulative Revenues and Expenditures as of June 30, 2011	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2012
Operating Revenues:				
Federal and state grants				
Ohio: ODOT (MPO-PL Funds)	\$ 2,056,251	\$ 1,568,580	\$ 487,670	\$ 2,056,250
Kentucky: KYTC (HPR-PL Funds)	358,720	263,562	69,284	332,846
Kentucky: KYTC (FTA Funds)	108,641	79,822	20,984	100,806
Indiana: INDOT (Trans PL Funds)	40,869	37,347	3,520	40,867
State matching funds Ohio	257,031	196,073	60,959	257,032
State matching funds Kentucky	22,420	16,473	4,330	20,803
County matching funds	354,176	267,229	80,075	347,304
Local contracts	23,733	22,491	1,303	23,794
Total Operating Revenues	3,221,841	2,451,577	728,125	3,179,702
Operating Expenses:				
Direct expenses				
Personnel	1,077,238	815,847	240,132	1,055,979
Fringe benefits	725,089	568,174	176,209	744,383
Travel, subsistence & professional	49,670	27,490	4,472	31,962
Printing, marketing & contractual	51,757	47,008	-	47,008
Other direct expenses	47,054	28,952	19,466	48,418
Indirect costs	1,271,033	964,106	287,846	1,251,952
Total Operating Expenses	3,221,841	2,451,577	728,125	3,179,702
Tasks:				
Short range planning	375,000	286,610	90,177	376,787
Transportation improvement program	105,000	92,569	16,397	108,966
Surveillance	1,235,838	941,127	275,839	1,216,966
Homeland security data project (50/50)	32,480	29,874	2,605	32,479
Long range planning	922,000	687,301	251,367	938,668
UPWP administration	24,000	18,644	6,987	25,631
Public involvement	281,000	217,339	62,472	279,811
INDOT exclusive	51,086	46,684	4,401	51,085
KYTC exclusive safety and operating	61,580	22,583	-	22,583
KYTC share of the transit on board survey	46,857	43,718	-	43,718
Transportation annual summary	8,000	7,360	496	7,856
Air quality program	79,000	57,768	17,384	75,152
Total Tasks	\$ 3,221,841	\$ 2,451,577	\$ 728,125	\$ 3,179,702

NOTES:

1. The grant period for FY 2011 Transportation Planning is July 1, 2010 through December 31, 2011.
2. FHWA/ODOT/KYTC funds are received under agreements for continuation of a transportation planning process with ODOT and KYTC. Revenues were received and expenditures incurred in accordance with an overall work program approved each fiscal year. INDOT also participated with the funding being 80 percent Federal and 20 percent local match.
3. The Hamilton County Emergency Management Agency is partnering with OKI on data development. They are providing 50% funding on data sets that can be used by both OKI and HCEMA.
4. Due to timing differences between OH and KY funding contracts, KY revenues (PL, FTA, and state) from the beginning of the fiscal year were paired with OH carryover activities and appear on the FY2010 Transportation PL page. Total KY PL for FY2011 was \$69,583 + \$263,562 = \$333,145. Total KY FTA for FY2011 was \$21,073 + \$79,822 = \$100,895. Total KY State for FY2011 was \$4,349 + \$16,473 = \$20,822. All within budget.
5. As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC/INDOT
FY 2011 SURFACE TRANSPORTATION PROGRAM (STP)
JUNE 30, 2012

	Budget	Cumulative Revenues and Expenditures as of June 30, 2011	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2012
Operating Revenues:				
Federal and state grants				
Ohio: ODOT (STP)	\$ 502,514	\$ 414,961	\$ 73,989	\$ 488,950
Kentucky: KYTC (SNK)	56,000	41,834	13,787	55,621
County matching funds	71,200	58,954	12,152	71,106
Local contracts	68,429	55,245	10,412	65,657
	<u>698,143</u>	<u>570,994</u>	<u>110,340</u>	<u>681,334</u>
Operating Expenses:				
Direct expenses				
Personnel	149,025	113,618	37,973	151,591
Fringe benefits	100,309	78,730	27,003	105,733
Travel, subsistence & professional	9,961	7,995	78	8,073
Printing, marketing & contractual	260,644	236,188	-	236,188
Other direct expenses	2,369	228	243	471
Indirect costs	175,835	134,235	45,043	179,278
	<u>698,143</u>	<u>570,994</u>	<u>110,340</u>	<u>681,334</u>
Tasks:				
Long range planning land use	356,000	294,771	60,758	355,529
Long range planning FIAM implementation	89,000	40,035	49,582	89,617
ODOT share of transit on board survey	253,143	236,188	-	236,188
	<u>\$ 698,143</u>	<u>\$ 570,994</u>	<u>\$ 110,340</u>	<u>\$ 681,334</u>

NOTES:

1. The grant period for the Surface Transportation Program agreement is July 1, 2010 through June 30, 2012.
2. FHWA/ODOT STP/KYTC SNK funds were received under agreements for specified long range planning activities. Revenues were received and expenditures incurred in accordance with an overall work program approved each fiscal year.
3. All tasks were funded with 80 percent federal STP funds from ODOT and KYTC. The land use planning task was matched 20 percent from county funds. The FIAM and transit on board tasks were matched 20 percent from local funds.
4. The long range planning FIAM implementation task was overrun by \$617, which was paid with county funds.
5. As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC/INDOT
FY 2012 SURFACE TRANSPORTATION PROGRAM (STP)
JUNE 30, 2012

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:			
Federal and state grants			
Ohio: ODOT (STP)	\$ 370,068	\$ 244,200	\$ 244,200
Kentucky: KYTC (SNK)	68,500	45,201	45,201
County matching funds	84,865	72,350	72,350
Local contracts	24,777	-	-
	<u>548,210</u>	<u>361,751</u>	<u>361,751</u>
Operating Expenses:			
Direct expenses			
Personnel	179,785	123,857	123,857
Fringe benefits	131,926	83,711	83,711
Travel, subsistence & professional	11,941	8,553	8,553
Printing, marketing & contractual	7,000	-	-
Other direct expenses	2,050	1,116	1,116
Indirect costs	215,508	144,514	144,514
	<u>548,210</u>	<u>361,751</u>	<u>361,751</u>
Tasks:			
Long range planning land use	424,325	361,751	361,751
Long range planning FIAM implementation	123,885	-	-
	<u>\$ 548,210</u>	<u>\$ 361,751</u>	<u>\$ 361,751</u>

NOTES:

1. The grant period for the Surface Transportation Program agreement is July 1, 2011 through June 30, 2012.
2. FHWA/ODOT STP/KYTC SNK funds were received under agreements for specified long range planning activities. Revenues were received and expenditures incurred in accordance with an overall work program approved each fiscal year.
3. All tasks were funded with 80 percent federal STP funds from ODOT and KYTC. The land use planning task was matched 20 percent from county funds. The FIAM task was matched 20 percent from local funds.
4. As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC
FY 2011 RIDESHARE
JUNE 30, 2012

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:				
Federal and state grants				
Ohio: ODOT (CMAQ)	\$ 740,001	\$ 97,670	\$ 146,231	\$ 243,901
Kentucky: KYTC (SNK)	44,424	18,079	26,346	44,425
Contributed services	11,106	7,860	3,246	11,106
Total Operating Revenues	795,531	123,609	175,823	299,432
Operating Expenses:				
Direct expenses				
Personnel	39,942	7,569	17,655	25,224
Fringe benefits	26,979	5,598	12,955	18,553
Travel, subsistence & professional	100	-	-	-
Printing, marketing & contractual	669,810	93,581	120,108	213,689
Other direct expenses	1,950	31	697	728
Indirect costs	45,644	8,970	21,162	30,132
Contributed services	11,106	7,860	3,246	11,106
Total Operating Expenses	795,531	123,609	175,823	299,432
Non-operating Revenues (Expenses):				
Contributed services revenues	-	59,750	31,680	91,430
Contributed services expenses	-	(59,750)	(31,680)	(91,430)
Total Non-operating Revenues (Expenses)	-	-	-	-
Tasks:				
Marketing	295,531	183,359	203,603	386,962
Banks High Occupancy Vehicle Parking Program	500,000	-	3,900	3,900
Total Tasks	\$ 795,531	\$ 183,359	\$ 207,503	\$ 390,862

NOTES:

1. State grants and contracts consist of the following:
 - a. ODOT agreement for the period July 1, 2010 through June 30, 2013 for \$240,001 in ODOT/CMAQ, reimbursed to OKI at a participation rate of 100 percent for the RideShare program, and ODOT agreement for the period March 21, 2011 through March 20, 2014 for \$500,000 in ODOT/CMAQ, reimbursed to OKI at a participation rate of 100 percent for the Banks HOV Parking Program.
 - b. UPWP KYTC funding beginning July 1, 2010 for \$44,424 in KYTC/SNK, reimbursed to OKI at a participation rate of 15.6189 percent of RideShare program from FY11 and FY12 SNK funding agreements and matched with contributed services. A minimum 20% match was required and exceeded.
2. As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
OEPA
FY 2011-12 OEPA 604B WATER QUALITY PLANNING
JUNE 30, 2012

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:				
Federal and state grants				
Ohio: OEPA (EPA Funds)	\$ 77,267	\$ 9,772	\$ 67,494	\$ 77,266
County matching funds	-	-	1,139	1,139
	<u>77,267</u>	<u>9,772</u>	<u>68,633</u>	<u>78,405</u>
Operating Expenses:				
Direct expenses				
Personnel	26,318	3,345	23,389	26,734
Fringe benefits	18,680	2,311	16,001	18,312
Travel, subsistence & professional	255	160	601	761
Printing, marketing & contractual	100	-	-	-
Other direct expenses	563	5	1,246	1,251
Indirect costs	<u>31,351</u>	<u>3,951</u>	<u>27,396</u>	<u>31,347</u>
	<u>77,267</u>	<u>9,772</u>	<u>68,633</u>	<u>78,405</u>
Tasks:				
Program coordination	<u>77,267</u>	<u>9,772</u>	<u>68,633</u>	<u>78,405</u>
	<u>\$ 77,267</u>	<u>\$ 9,772</u>	<u>\$ 68,633</u>	<u>\$ 78,405</u>

NOTES:

1. The grant period under the OEPA FY2011 State 604B Water Quality Planning contract is March 16, 2011 through June 30, 2012.
2. As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
IDEM
DEARBORN COUNTY WATER QUALITY MANAGEMENT PLAN UPDATE
JUNE 30, 2012

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:				
Federal and state grants				
Indiana: IDEM (ARRA funds)	\$ 90,437	\$ 87,095	\$ 3,342	\$ 90,437
County matching funds	-	-	194	194
	<u>90,437</u>	<u>87,095</u>	<u>3,536</u>	<u>90,631</u>
Operating Expenses:				
Direct expenses				
Personnel	31,269	30,119	1,192	31,311
Fringe benefits	21,242	20,457	815	21,272
Travel, subsistence & professional	41	41	-	41
Printing, marketing & contractual	-	-	-	-
Other direct expenses	416	334	133	467
Indirect costs	<u>37,469</u>	<u>36,144</u>	<u>1,396</u>	<u>37,540</u>
	<u>90,437</u>	<u>87,095</u>	<u>3,536</u>	<u>90,631</u>
Non-operating Revenues (Expenses):				
Contributed services revenues	-	9,849	50	9,899
Contributed services expenses	-	(9,849)	(50)	(9,899)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Tasks:				
IDEM ARRA non-point source	22,250	22,665	-	22,665
IDEM ARRA point sources	17,044	17,958	-	17,958
IDEM ARRA land use population	16,484	21,968	-	21,968
IDEM ARRA advisory group and outreach	24,345	26,956	-	26,956
IDEM ARRA plan document	10,314	7,397	3,586	10,983
	<u>\$ 90,437</u>	<u>\$ 96,944</u>	<u>\$ 3,586</u>	<u>\$ 100,530</u>

NOTES:

1. The grant period under the IDEM FY2010 Dearborn County Water Quality Management Plan Update contract is February 3, 2010 through August 2, 2011.
2. During the application process Dearborn County GIS pledged \$3,000 in contributed services and Dearborn County Plan Commission pledged \$6,000 in contributed services. IDEM did not include these contributed services in the contract, but OKI records them to report support of the program.
3. As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
OKI
FY 2012 LOCAL WATER QUALITY PLANNING PROJECT
JUNE 30, 2012

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:			
County matching funds	\$ 55,787	\$ 90,146	\$ 90,146
Total Operating Revenues	<u>55,787</u>	<u>90,146</u>	<u>90,146</u>
Operating Expenses:			
Direct expenses			
Personnel	17,476	21,941	21,941
Fringe benefits	12,119	15,010	15,010
Travel, subsistence & professional	2,869	2,837	2,837
Printing, marketing & contractual	500	-	-
Other direct expenses	2,500	24,658	24,658
Indirect costs	<u>20,323</u>	<u>25,700</u>	<u>25,700</u>
Total Operating Expenses	<u>55,787</u>	<u>90,146</u>	<u>90,146</u>
Tasks:			
Local water quality planning	<u>55,787</u>	<u>90,146</u>	<u>90,146</u>
Total Tasks	<u>\$ 55,787</u>	<u>\$ 90,146</u>	<u>\$ 90,146</u>

NOTES:

1. The project period for Local Water Quality Planning was July 1, 2011 through June 30, 2012.
2. Budget amounts were derived from fiscal 2012 overall agency budget.
3. As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
OKI
FY 2012 LOCAL REGIONAL PLANNING
JUNE 30, 2012

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:			
County matching funds	\$ 89,907	\$ 88,116	\$ 88,116
Total Operating Revenues	<u>89,907</u>	<u>88,116</u>	<u>88,116</u>
Operating Expenses:			
Direct expenses			
Personnel	31,013	30,603	30,603
Fringe benefits	21,604	20,937	20,937
Travel, subsistence & professional	185	44	44
Other direct expenses	956	685	685
Indirect costs	<u>36,149</u>	<u>35,847</u>	<u>35,847</u>
Total Operating Expenses	<u>89,907</u>	<u>88,116</u>	<u>88,116</u>
Tasks:			
Local regional planning	<u>89,907</u>	<u>88,116</u>	<u>88,116</u>
Total Tasks	<u><u>\$ 89,907</u></u>	<u><u>\$ 88,116</u></u>	<u><u>\$ 88,116</u></u>

NOTES:

1. The project period for Local Regional Planning program July 1, 2011 through June 30, 2012.
2. Budget amounts were derived from fiscal 2012 overall agency budget.
3. As of June 30, 2012, no costs subject to audit have been questioned.

SCHEDULES OF CUMULATIVE REVENUES AND EXPENDITURES

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OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC/INDOT
FY 2010 TRANSPORTATION PLANNING
JUNE 30, 2012

	Budget	Cumulative Revenues and Expenditures as of June 30, 2011	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2012
Operating Revenues:				
Federal and state grants				
Ohio: ODOT (MPO-PL Funds)	\$ 2,212,979	\$ 2,212,977	\$ -	\$ 2,212,977
Kentucky: KYTC (HPR-PL Funds)	358,720	365,323	-	365,323
Kentucky: KYTC (FTA Funds)	108,641	110,640	-	110,640
Indiana: INDOT (Trans PL Funds)	5,157	5,136	-	5,136
State matching funds Ohio	276,622	276,622	-	276,622
State matching funds Kentucky	22,420	22,833	-	22,833
County matching funds	372,332	374,066	-	374,066
Local contracts	81,760	62,818	16,555	79,373
	<u>3,438,631</u>	<u>3,430,415</u>	<u>16,555</u>	<u>3,446,970</u>
Total Operating Revenues	3,438,631	3,430,415	16,555	3,446,970
Operating Expenses:				
Direct expenses				
Personnel	1,158,945	1,156,734	4,635	1,161,369
Fringe benefits	780,022	758,103	3,171	761,274
Travel, subsistence & professional	59,132	44,104	286	44,390
Printing, marketing & contractual	7,275	5,096	3,034	8,130
Other direct expenses	38,100	40,665	-	40,665
Indirect costs	1,395,157	1,425,713	5,429	1,431,142
	<u>3,438,631</u>	<u>3,430,415</u>	<u>16,555</u>	<u>3,446,970</u>
Total Operating Expenses	3,438,631	3,430,415	16,555	3,446,970
Tasks:				
Short range planning	350,500	354,202	-	354,202
Transportation improvement program	166,500	155,970	-	155,970
Surveillance	1,354,346	1,376,035	-	1,376,035
Homeland security data project (50/50)	55,508	55,508	-	55,508
Homeland security data project (100%)	54,006	35,065	16,555	51,620
Long range planning	933,300	899,953	-	899,953
UPWP administration	18,850	18,682	-	18,682
Public involvement	253,000	264,959	-	264,959
INDOT exclusive	6,446	6,419	-	6,419
KYTC exclusive safety and operating	72,175	82,929	-	82,929
Transportation annual summary	10,250	10,231	-	10,231
Air quality program	163,750	170,462	-	170,462
	<u>\$ 3,438,631</u>	<u>\$ 3,430,415</u>	<u>\$ 16,555</u>	<u>\$ 3,446,970</u>
Total Tasks	\$ 3,438,631	\$ 3,430,415	\$ 16,555	\$ 3,446,970

NOTES:

- The grant period for FY 2010 Transportation Planning is July 1, 2009 through December 31, 2010.
- The agreement period for Homeland Security data project (100%) is April 23, 2009 through June 30, 2013. An additional \$28,000 was added to the contract PO during FY2011; \$16,240 matched the FY2011 HCEMA 50/50 data project and the remaining \$11,760 was added to the HCEMA 100% data project. An additional \$50,000 was added to the contract PO during FY2012; \$30,000 matched the FY2012 HCEMA 50/50 data project and the remaining \$20,000 was added to the HCEMA 100% data project.
- FHWA/ODOT/KYTC funds are received under agreements for continuation of a transportation planning process with ODOT and KYTC. Revenues were received and expenditures incurred in accordance with an overall work program approved each fiscal year. INDOT also participated with the funding being 80 percent Federal and 20 percent local match.
- The Hamilton County Emergency Management Agency is partnering with OKI on data development. They are providing 50% funding on data sets that can be used by both OKI and HCEMA and funding 100% the development of data sets for the exclusive use of HCEMA.
- Due to timing differences between OH and KY funding contracts, current year KY revenues (PL, FTA, and state) were paired with OH carryover activities but billed against the current FY11 KYTC contracts. See FY2011 Transportation PL footnote for total FY2011 KYTC amounts. FY2010 KYTC contracts were within budget.
- As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC/INDOT
FY 2012 TRANSPORTATION PLANNING
JUNE 30, 2012

	Budget	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2012
Operating Revenues:			
Federal and state grants			
Ohio: ODOT (MPO-PL Funds)	\$ 2,203,609	\$ 1,585,221	\$ 1,585,221
Kentucky: KYTC (HPR-PL Funds)	380,960	230,188	230,188
Kentucky: KYTC (FTA Funds)	115,377	69,714	69,714
Indiana: INDOT (Trans PL Funds)	33,262	29,812	29,812
State matching funds Ohio	275,451	198,153	198,153
State matching funds Kentucky	23,810	14,387	14,387
County matching funds	384,042	265,119	265,119
Local contracts	30,000	27,205	27,205
Total Operating Revenues	3,446,511	2,419,799	2,419,799
Operating Expenses:			
Direct expenses			
Personnel	1,121,876	836,413	836,413
Fringe benefits	823,232	560,296	560,296
Travel, subsistence & professional	39,521	34,686	34,686
Printing, marketing & contractual	82,895	2,334	2,334
Other direct expenses	34,194	12,911	12,911
Indirect costs	1,344,793	973,159	973,159
Total Operating Expenses	3,446,511	2,419,799	2,419,799
Tasks:			
Short range planning	260,000	186,210	186,210
Transportation improvement program	128,000	96,606	96,606
Surveillance	1,203,077	886,699	886,699
Homeland security data project (50/50)	60,000	52,261	52,261
Long range planning	1,204,543	854,295	854,295
UPWP administration	13,000	9,542	9,542
Public involvement	332,000	223,206	223,206
INDOT exclusive	41,578	37,265	37,265
KYTC exclusive safety and operating	32,468	8,099	8,099
KYTC bus rapid transit	78,095	-	-
Transportation annual summary	3,750	2,399	2,399
Air quality program	90,000	63,217	63,217
Total Tasks	\$ 3,446,511	\$ 2,419,799	\$ 2,419,799

NOTES:

- The grant period for FY 2012 Transportation Planning is July 1, 2011 through December 31, 2012.
- FHWA/ODOT/KYTC funds are received under agreements for continuation of a transportation planning process with ODOT and KYTC. Revenues were received and expenditures incurred in accordance with an overall work program approved each fiscal year. INDOT also participated with the funding being 80 percent Federal and 20 percent local match.
- The Hamilton County Emergency Management Agency is partnering with OKI on data development. They are providing 50% funding on data sets that can be used by both OKI and HCEMA.
- Due to timing differences between OH and KY funding contracts, KY revenues (PL, FTA, and state) from the beginning of the fiscal year were paired with OH carryover activities and appear on the FY2011 Transportation PL page. Total KY PL for FY2012 was \$69,284 + \$230,188 = \$299,472. Total KY FTA for FY2012 was \$20,984 + \$69,714 = \$90,698. Total KY State for FY2012 was \$4,330 + \$14,387 = \$18,717. All within budget.
- As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC/INDOT
FY 2010 SURFACE TRANSPORTATION PROGRAM (STP)
JUNE 30, 2012

	Budget	Cumulative Revenues and Expenditures as of June 30, 2011	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2012
Operating Revenues:				
Federal and state grants				
Ohio: ODOT (STP)	\$ 800,000	\$ 596,942	\$ 18,049	\$ 614,991
Kentucky: KYTC (SNK)	110,246	101,609	3,341	104,950
Indiana: INDOT (STP)	20,000	20,000	-	20,000
County matching funds	154,520	103,176	5,347	108,523
Local contracts	63,041	37,053	7,650	44,703
Other revenue - MVRPC	25,000	24,700	300	25,000
Total Operating Revenues	1,172,807	883,480	34,687	918,167
Operating Expenses:				
Direct expenses				
Personnel	130,813	133,557	-	133,557
Fringe benefits	88,024	86,959	-	86,959
Travel, subsistence & professional	12,060	4,629	-	4,629
Printing, marketing & contractual	780,095	490,602	34,687	525,289
Other direct expenses	4,278	1,648	-	1,648
Indirect costs	157,537	166,085	-	166,085
Total Operating Expenses	1,172,807	883,480	34,687	918,167
Tasks:				
Long range planning land use	285,830	284,423	-	284,423
Long range planning FIAM implementation	88,882	88,876	-	88,876
FIAM maintenance & startups	45,000	19,014	7,650	26,664
INDOT	25,000	26,579	-	26,579
Regional freight study	728,095	464,588	27,037	491,625
Total Tasks	\$ 1,172,807	\$ 883,480	\$ 34,687	\$ 918,167

NOTES:

1. The grant period for the Surface Transportation Program agreement is July 1, 2009 through December 31, 2010. The project period for the Freight Study is July 1, 2010 through December 31, 2011. The contract period for the FIAM maintenance and startups is February 12, 2010 through June 12, 2013.
2. FHWA/ODOT STP/KYTC SNK funds were received under agreements for specified long range planning activities. Revenues were received and expenditures incurred in accordance with an overall work program approved each fiscal year.
3. These tasks are funded with Ohio STP funds - land use at a rate of 100 percent and FIAM and Freight Study at a rate of 80 percent. Kentucky SNK funds for all tasks are 80 percent Federal and 20 percent local match. INDOT also participated with the funding being 80 percent Federal and 20 percent local match. FIAM maintenance and startups is 100% locally funded.
4. As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC
FY 2010-12 CLEAN AIR (OZONE AWARENESS)
JUNE 30, 2012

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:				
Federal and state grants				
Ohio: ODOT (CMAQ)	\$ 800,648	\$ 381,134	\$ 286,493	\$ 667,627
Kentucky: KYTC (CMAQ)	97,052	49,549	37,261	86,810
Kentucky: KYTC (SNK)	51,147	20,684	15,769	36,453
County matching funds	-	315	-	315
Contributed services	37,050	18,388	30,931	49,319
Total Operating Revenues	<u>985,897</u>	<u>470,070</u>	<u>370,454</u>	<u>840,524</u>
Operating Expenses:				
Direct expenses				
Personnel	86,000	46,108	35,356	81,464
Fringe benefits	53,756	31,857	24,189	56,046
Travel, subsistence & professional	3,000	-	24	24
Printing, marketing & contractual	699,000	311,661	231,806	543,467
Other direct expenses	12,845	7,589	6,734	14,323
Indirect costs	94,246	54,467	41,414	95,881
Contributed services	37,050	18,388	30,931	49,319
Total Operating Expenses	<u>985,897</u>	<u>470,070</u>	<u>370,454</u>	<u>840,524</u>
Non-operating Revenues (Expenses):				
Contributed services revenues	-	345,542	152,256	497,798
Contributed services expenses	-	(345,542)	(152,256)	(497,798)
Total Non-operating Revenues (Expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Tasks:				
Ozone awareness program	985,897	815,612	522,710	1,338,322
Total Tasks	<u>\$ 985,897</u>	<u>\$ 815,612</u>	<u>\$ 522,710</u>	<u>\$ 1,338,322</u>

NOTES:

1. State grants and contracts consist of the following:
 - a. ODOT agreement for July 1, 2009 through September 30, 2012 for \$800,648 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent.
 - b. UPWP KYTC funding beginning July 1, 2009 for multiple years of CMAQ and SNK funds. Expenses reimbursed to OKI at a participation rate of 15.6189 percent of program from FY09 and FY10 CMAQ and FY10, FY11, and FY12 SNK funding contracts, matched with contributed services. A minimum 20% match was required and exceeded.
2. As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC
FY 2012 RIDESHARE
JUNE 30, 2012

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:			
Federal and state grants			
Ohio: ODOT (CMAQ)	\$ 191,790	\$ 51,252	\$ 51,252
Kentucky: KYTC (SNK)	35,500	9,487	9,487
Contributed services	<u>8,875</u>	<u>8,875</u>	<u>8,875</u>
Total Operating Revenues	<u>236,165</u>	<u>69,614</u>	<u>69,614</u>
Operating Expenses:			
Direct expenses			
Personnel	21,206	2,269	2,269
Fringe benefits	15,561	676	676
Travel, subsistence & professional	99	-	-
Printing, marketing & contractual	164,000	55,551	55,551
Other direct expenses	1,005	68	68
Indirect costs	25,419	2,175	2,175
Contributed services	<u>8,875</u>	<u>8,875</u>	<u>8,875</u>
Total Operating Expenses	<u>236,165</u>	<u>69,614</u>	<u>69,614</u>
Non-operating Revenues (Expenses):			
Contributed services revenues	-	48,804	48,804
Contributed services expenses	<u>-</u>	<u>(48,804)</u>	<u>(48,804)</u>
Total Non-operating Revenues (Expenses)	<u>-</u>	<u>-</u>	<u>-</u>
Tasks:			
Marketing	<u>236,165</u>	<u>118,418</u>	<u>118,418</u>
Total Tasks	<u>\$ 236,165</u>	<u>\$ 118,418</u>	<u>\$ 118,418</u>

NOTES:

1. State grants and contracts consist of the following:
 - a. ODOT agreement for the period July 1, 2011 through June 30, 2014 for \$191,790 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent for the RideShare program.
 - b. UPWP KYTC funding beginning July 1, 2011 for \$35,500 in KYTC/SNK, reimbursed to OKI at a participation rate of 15.6189 percent of RideShare program from FY11 and FY12 SNK funding agreements and matched with contributed services. A minimum 20% match was required and exceeded.
2. As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
HAMILTON COUNTY TID-PART B
JUNE 30, 2012

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:				
Federal and state grants				
Ohio: ODOT (STP)	\$ 308,796	\$ 181,350	\$ -	\$ 181,350
Contributed services	<u>77,199</u>	<u>45,337</u>	<u>-</u>	<u>45,337</u>
Total Operating Revenues	<u>385,995</u>	<u>226,687</u>	<u>-</u>	<u>226,687</u>
Operating Expenses:				
Direct expenses				
Printing, marketing & contractual	308,796	181,350	-	181,350
Contributed services	<u>77,199</u>	<u>45,337</u>	<u>-</u>	<u>45,337</u>
Total Operating Expenses	<u>385,995</u>	<u>226,687</u>	<u>-</u>	<u>226,687</u>
Tasks:				
Hamilton County TID Part B	<u>385,995</u>	<u>226,687</u>	<u>-</u>	<u>226,687</u>
Total Tasks	<u>\$ 385,995</u>	<u>\$ 226,687</u>	<u>\$ -</u>	<u>\$ 226,687</u>

NOTES:

1. The grant for the Hamilton County TID began July 1, 2002.
2. STP/ODOT funds are received under an agreement with ODOT at a participation rate of 80 percent. Revenues were received and expenditures incurred in accordance with a UPWP approved each fiscal year.
3. Hamilton County TID provides the 20 percent match from non-Federal funds through their participation in the project.
4. Although this contract remains active, there were no costs claimed during FY12 because the Hamilton County TID had another federal funding source they were billing against.
5. As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FTA
FY 2007 JOB ACCESS REVERSE COMMUTE ADMINISTRATION PROGRAM
JUNE 30, 2012

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:				
Federal and state grants				
Federal FTA	\$ 118,969	\$ 62,320	\$ 55,215	\$ 117,535
Total Operating Revenues	<u>118,969</u>	<u>62,320</u>	<u>55,215</u>	<u>117,535</u>
Operating Expenses:				
Direct expenses				
Personnel	43,097	21,021	19,141	40,162
Fringe benefits	25,400	12,904	13,095	25,999
Travel, subsistence & professional	275	13	-	13
Other direct expenses	3,725	2,467	558	3,025
Indirect costs	<u>46,472</u>	<u>25,915</u>	<u>22,421</u>	<u>48,336</u>
Total Operating Expenses	<u>118,969</u>	<u>62,320</u>	<u>55,215</u>	<u>117,535</u>
Tasks:				
Job Access Reverse Commute	<u>118,969</u>	<u>62,320</u>	<u>55,215</u>	<u>117,535</u>
Total Tasks	<u>\$ 118,969</u>	<u>\$ 62,320</u>	<u>\$ 55,215</u>	<u>\$ 117,535</u>

NOTES:

1. The Job Access Reverse Commute administration grant began July 5, 2007.
2. The Job Access Reverse Commute grant is 100% federally funded. Funds are used for administration of the Coordinated Public Transit Human Services Transportation Plan for the OKI region.
3. As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FTA
FY 2010 JOB ACCESS REVERSE COMMUTE ADMINISTRATION PROGRAM
JUNE 30, 2012

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:			
Federal and state grants			
Federal FTA	\$ 143,769	\$ 19,029	\$ 19,029
	<u>143,769</u>	<u>19,029</u>	<u>19,029</u>
Operating Expenses:			
Direct expenses			
Personnel	48,966	6,465	6,465
Fringe benefits	35,931	4,423	4,423
Travel, subsistence & professional	-	12	12
Other direct expenses	176	557	557
Indirect costs	<u>58,696</u>	<u>7,572</u>	<u>7,572</u>
	<u>143,769</u>	<u>19,029</u>	<u>19,029</u>
Tasks:			
Job Access Reverse Commute	<u>143,769</u>	<u>19,029</u>	<u>19,029</u>
	<u>\$ 143,769</u>	<u>\$ 19,029</u>	<u>\$ 19,029</u>

NOTES:

1. The Job Access Reverse Commute administration grant began October 28, 2009.
2. The Job Access Reverse Commute grant is 100% federally funded. Funds are used for administration of the Coordinated Public Transit Human Services Transportation Plan for the OKI region.
3. As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FTA
FY 2007 NEW FREEDOM ADMINISTRATION PROGRAM
JUNE 30, 2012

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:				
Federal and state grants				
Federal FTA	\$ 76,309	\$ 75,929	\$ 124	\$ 76,053
Total Operating Revenues	<u>76,309</u>	<u>75,929</u>	<u>124</u>	<u>76,053</u>
Operating Expenses:				
Direct expenses				
Personnel	26,361	26,142	-	26,142
Fringe benefits	16,200	16,196	115	16,311
Travel, subsistence & professional	25	13	-	13
Other direct expenses	1,455	1,322	-	1,322
Indirect costs	32,268	32,256	9	32,265
Total Operating Expenses	<u>76,309</u>	<u>75,929</u>	<u>124</u>	<u>76,053</u>
Tasks:				
New Freedom	76,309	75,929	124	76,053
Total Tasks	<u>\$ 76,309</u>	<u>\$ 75,929</u>	<u>\$ 124</u>	<u>\$ 76,053</u>

NOTES:

1. The New Freedom administration grant began July 5, 2007.
2. The New Freedom grant is 100% Federally funded. Funds are used for administration of the Coordinated Public Transit Human Services Transportation Plan for the OKI region.
3. As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FTA
FY 2008 NEW FREEDOM PASS-THROUGH PROGRAMS
JUNE 30, 2012

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:				
Federal and state grants				
Federal FTA	\$ 431,787	\$ 221,051	\$ 153,185	\$ 374,236
Contributed services	<u>739,314</u>	<u>479,872</u>	<u>153,185</u>	<u>633,057</u>
Total Operating Revenues	<u>1,171,101</u>	<u>700,923</u>	<u>306,370</u>	<u>1,007,293</u>
Operating Expenses:				
Direct expenses				
Printing, marketing & contractual	431,787	221,051	153,185	374,236
Contributed services	<u>739,314</u>	<u>479,872</u>	<u>153,185</u>	<u>633,057</u>
Total Operating Expenses	<u>1,171,101</u>	<u>700,923</u>	<u>306,370</u>	<u>1,007,293</u>
Tasks:				
Wesley Community Services	376,721	287,292	-	287,292
Community Cab	<u>794,380</u>	<u>413,631</u>	<u>306,370</u>	<u>720,001</u>
Total Tasks	<u>\$ 1,171,101</u>	<u>\$ 700,923</u>	<u>\$ 306,370</u>	<u>\$ 1,007,293</u>

NOTES:

1. The Job Access Reverse Commute and New Freedom grants began July 1, 2008.
2. The New Freedom grants are funded at 50% for operating programs and passed through to other agencies for delivery of transportation services related to the Public Transit Human Services Transportation Plan for the OKI region.
3. The recipient agency provides the required 50% match.
4. The Wesley Community Services portion of the pass through was completed June 30, 2009. The budget was for \$34,597 in federal funds and \$342,124 in match. The final program was \$34,597 in federal funds and \$252,694 in match. Although the match is not in the amount budgeted it is in excess of the 50% requirement and was accepted by FTA.
5. As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FTA
FY 2010 NEW FREEDOM ADMINISTRATION PROGRAM
JUNE 30, 2012

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:				
Federal and state grants				
Federal FTA	\$ 93,632	\$ 15,091	\$ 41,681	\$ 56,772
Total Operating Revenues	<u>93,632</u>	<u>15,091</u>	<u>41,681</u>	<u>56,772</u>
Operating Expenses:				
Direct expenses				
Personnel	32,272	5,205	14,445	19,650
Fringe benefits	19,722	3,706	9,767	13,473
Travel, subsistence & professional	200	-	-	-
Other direct expenses	1,360	12	558	570
Indirect costs	<u>40,078</u>	<u>6,168</u>	<u>16,911</u>	<u>23,079</u>
Total Operating Expenses	<u>93,632</u>	<u>15,091</u>	<u>41,681</u>	<u>56,772</u>
Tasks:				
New Freedom Administration	<u>93,632</u>	<u>15,091</u>	<u>41,681</u>	<u>56,772</u>
Total Tasks	<u>\$ 93,632</u>	<u>\$ 15,091</u>	<u>\$ 41,681</u>	<u>\$ 56,772</u>

NOTES:

1. The Job Access Reverse Commute and New Freedom grants began October 8, 2009.
2. The New Freedom grant is 100% Federally funded. Funds are used for administration of the Coordinated Public Transit Human Services Transportation Plan for the OKI region.
3. As of June 30, 2012 no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FTA
FY 2010 NEW FREEDOM PASS-THROUGH PROGRAMS
JUNE 30, 2012

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:				
Federal and state grants				
Federal FTA	\$ 395,494	\$ 234,637	\$ 160,856	\$ 395,493
Contributed services	<u>500,614</u>	<u>447,002</u>	<u>294,703</u>	<u>741,705</u>
Total Operating Revenues	<u>896,108</u>	<u>681,639</u>	<u>455,559</u>	<u>1,137,198</u>
Operating Expenses:				
Direct expenses				
Printing, marketing & contractual	395,494	234,637	160,856	395,493
Contributed services	<u>500,614</u>	<u>447,002</u>	<u>294,703</u>	<u>741,705</u>
Total Operating Expenses	<u>896,108</u>	<u>681,639</u>	<u>455,559</u>	<u>1,137,198</u>
Tasks:				
Wesley Community Services	696,108	602,123	335,075	937,198
Senior Services of Northern Kentucky	<u>200,000</u>	<u>79,516</u>	<u>120,484</u>	<u>200,000</u>
Total Tasks	<u>\$ 896,108</u>	<u>\$ 681,639</u>	<u>\$ 455,559</u>	<u>\$ 1,137,198</u>

NOTES:

1. The Job Access Reverse Commute and New Freedom grants began January 1, 2010.
2. The New Freedom grants are funded at 50% for operating programs and passed through to other agencies for delivery of transportation services related to the Public Transit Human Services Transportation Plan for the OKI region.
3. The recipient agency provides the required 50% match.
4. As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FTA
FY 2012 NEW FREEDOM ADMINISTRATION PROGRAM
JUNE 30, 2012

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:			
Federal and state grants			
Federal FTA	\$ 98,666	\$ 819	\$ 819
Total Operating Revenues	<u>98,666</u>	<u>819</u>	<u>819</u>
Operating Expenses:			
Direct expenses			
Personnel	33,083	287	287
Fringe benefits	24,276	196	196
Travel, subsistence & professional	150	-	-
Other direct expenses	1,500	-	-
Indirect costs	<u>39,657</u>	<u>336</u>	<u>336</u>
Total Operating Expenses	<u>98,666</u>	<u>819</u>	<u>819</u>
Tasks:			
New Freedom Administration	<u>98,666</u>	<u>819</u>	<u>819</u>
Total Tasks	<u><u>\$ 98,666</u></u>	<u><u>\$ 819</u></u>	<u><u>\$ 819</u></u>

NOTES:

1. The New Freedom administration grant began January 12, 2012.
2. The New Freedom grant is 100% Federally funded. Funds are used for administration of the Coordinated Public Transit Human Services Transportation Plan for the OKI region.
3. As of June 30, 2012 no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
FTA
FY 2012 NEW FREEDOM PASS-THROUGH PROGRAMS
JUNE 30, 2012

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:			
Federal and state grants			
Federal FTA	\$ 600,901	\$ 79,391	\$ 79,391
Contributed services	600,901	79,391	79,391
	<u>1,201,802</u>	<u>158,782</u>	<u>158,782</u>
Operating Expenses:			
Direct expenses			
Printing, marketing & contractual	600,901	79,391	79,391
Contributed services	600,901	79,391	79,391
	<u>1,201,802</u>	<u>158,782</u>	<u>158,782</u>
Tasks:			
Towne Taxi	225,890	147,172	147,172
Senior Services of Northern Kentucky	536,100	11,610	
Wesley Community Services	345,618	-	
Clovernook	94,194	-	-
	<u>\$ 1,201,802</u>	<u>\$ 158,782</u>	<u>\$ 147,172</u>

NOTES:

1. The Job Access Reverse Commute and New Freedom grants began January 12, 2012.
2. The New Freedom grants are funded at 50% for operating programs and passed through to other agencies for delivery of transportation services related to the Public Transit Human Services Transportation Plan for the OKI region.
3. The recipient agency provides the required 50% match.
4. As of June 30, 2012, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES
OEPA
FY 2012 OEPA STATE BIENNIUM WATER
JUNE 30, 2012

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:			
Federal and state grants			
Ohio: OEPA (EPA Funds)	\$ 75,000	\$ 47,811	\$ 47,811
County matching funds	470	259	259
	<u>75,470</u>	<u>48,070</u>	<u>48,070</u>
Operating Expenses:			
Direct expenses			
Personnel	25,576	16,744	16,744
Fringe benefits	18,767	11,455	11,455
Travel, subsistence & professional	400	244	244
Other direct expenses	70	15	15
Indirect costs	<u>30,657</u>	<u>19,612</u>	<u>19,612</u>
	<u>75,470</u>	<u>48,070</u>	<u>48,070</u>
Tasks:			
General assembly	<u>75,470</u>	<u>48,070</u>	<u>48,070</u>
	<u>\$ 75,470</u>	<u>\$ 48,070</u>	<u>\$ 48,070</u>

NOTES:

1. The grant period under the OEPA FY2012 State Biennium Water contract is November 9, 2011 through September 30, 2012 (State of Ohio grant).
2. The OEPA FY2012 State Biennium Water contract covered personnel, fringe and indirect costs. Direct costs were budgeted and paid with county funds.
3. As of June 30, 2012, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012**

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	Federal Award Amount	Total Project Budget	Total Federal Expenditures for the year ended June 30, 2012	Cumulative Federal Expenditures as of June 30, 2012
U. S. Department of Transportation					
<i>Direct Programs - Federal Transit Administration</i>					
<i>Transit Services Programs Cluster</i>					
FY 2007 FTA - Job Access Reverse Commute Administration Program	20.516	\$ 118,969	\$ 118,969	\$ 55,215	\$ 117,535
FY 2010 FTA - Job Access Reverse Commute Administration Program	20.516	143,769	143,769	19,029	19,029
FY 2007 FTA - New Freedom Administration Program	20.521	76,309	76,309	124	76,053
FY 2008 FTA - New Freedom Pass-Through Programs	20.521	431,787	1,171,101	153,185	374,236
FY 2010 FTA - New Freedom Administration Program	20.521	93,632	93,632	41,681	56,772
FY 2010 FTA - New Freedom Pass-Through Programs	20.521	395,494	896,108	160,856	395,493
FY 2012 FTA - New Freedom Administration Program	20.521	98,666	98,666	819	819
FY 2012 FTA - New Freedom Pass-Through Programs	20.521	600,901	1,201,802	79,391	79,391
Total Direct Programs		<u>1,959,527</u>	<u>3,800,356</u>	<u>510,300</u>	<u>1,119,328</u>
<i>Programs Passed Through State Department of Transportation (Ohio, Kentucky & Indiana) - Federal Highway Administration</i>					
FY 2011 Transportation Planning	20.205	2,564,481	3,221,841	581,458	2,530,769
FY 2012 Transportation Planning	20.205	2,733,208	3,446,511	1,914,935	1,914,935
FY 2010 Surface Transportation Program	20.205	930,246	1,172,807	21,390	739,941
FY 2011 Surface Transportation Program	20.205	558,514	698,143	87,776	544,571
FY 2012 Surface Transportation Program	20.205	438,568	548,210	289,401	289,401
FY 2010-12 Clean Air (Ozone Awareness) Program	20.205	948,847	985,897	339,523	790,890
FY 2011 Project RideShare	20.205	784,425	795,531	172,577	288,326
FY 2012 Project RideShare	20.205	227,290	236,165	60,739	60,739
Total Passed Through Programs		<u>9,185,579</u>	<u>11,105,105</u>	<u>3,467,799</u>	<u>7,159,572</u>
Total U. S. Department of Transportation		<u>11,145,106</u>	<u>14,905,461</u>	<u>3,978,099</u>	<u>8,278,900</u>
U.S. Environmental Protection Agency					
<i>Programs Passed through State Environmental Protection Agency</i>					
FY 2011-12 OEPA 604B Water Quality Planning	66.454	77,267	77,267	67,494	77,266
Dearborn County Water Quality Management Plan Update ARRA	66.460	90,437	90,437	3,342	90,437
Total U.S. Environmental Protection Agency		<u>167,704</u>	<u>167,704</u>	<u>70,836</u>	<u>167,703</u>
Total		<u>\$ 11,312,810</u>	<u>\$ 15,073,165</u>	<u>\$ 4,048,935</u>	<u>\$ 8,446,603</u>

See accompanying notes to schedule.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012**

1. The supplementary Schedule of Expenditures of Federal Awards was prepared using the accrual basis of accounting.
2. Expenditures for fringe benefits and indirect costs included in the Schedule of Expenditures of Federal Awards reflect the application of provisional rates adjusted to actual, subject to grant or program limitations.

Bastin & Company, LLC

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited the financial statements of the Ohio-Kentucky-Indiana Regional Council of Governments (OKI), as of and for the year ended June 30, 2012, which collectively comprise OKI's basic financial statements, and have issued our report thereon dated November 14, 2012. 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.

Internal Control Over Financial Reporting

Management of OKI is responsible for establishing and maintaining effective internal controls over financial reporting. In planning and performing our audit, we considered OKI's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of OKI's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of OKI's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

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

This report is intended solely for the information and use of management, the Executive Committee, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Bastin & Company, LLC

Cincinnati, Ohio
November 14, 2012

Bastin & Company, LLC

Certified Public Accountants

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

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

Compliance

We have audited the Ohio-Kentucky-Indiana Regional Council of Governments (OKI) compliance with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of OKI's major federal programs for the year ended June 30, 2012. OKI's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of OKI's management. Our responsibility is to express an opinion on OKI's compliance based on our audit.

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

In our opinion, OKI complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

Management of OKI is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered OKI's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of OKI's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a

reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis.

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

This report is intended solely for the information and use of management, the Executive Committee, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Bastin & Company, LLC". The signature is written in black ink on a light-colored background.

Cincinnati, Ohio
November 14, 2012

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 § .505
FOR THE YEAR ENDED JUNE 30, 2012**

SUMMARY OF AUDITORS' RESULTS

Type of financial statement opinion	Unqualified
Were there any material control weaknesses reported at the financial statement level?	No
Were there any other significant deficiencies in internal control reported at the financial statement level?	No
Was there any reported material noncompliance reported at the financial statement level?	No
Were there any material internal control weaknesses reported for major federal programs?	No
Were there any other significant deficiencies in internal control reported for major federal programs?	No
Type of major programs' compliance opinion	Unqualified
Are there any reportable findings?	No
Major programs:	CFDA 20.205 Federal Highway Administration CFDA 66.454 U.S. Environmental Protection Agency
Dollar threshold to distinguish between Type A/B programs	Type A: >\$300,000 Type B: all others
Low risk auditee?	Yes

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

None

FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
AS OF JUNE 30, 2012**

There were no findings or questioned costs reported in the prior audit report.

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Dave Yost • Auditor of State

OHIO KENTUCKY INDIANA REGIONAL COUNCIL OF GOVERNMENTS

HAMILTON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
FEBRUARY 19, 2013