

Regional Income Tax Agency

**Comprehensive Annual Financial Report
For the Years Ended December 31, 2008 and 2007**

Issued by the Finance Department
Christy J. Price,
Deputy Executive Director, Chief Financial Officer



Mary Taylor, CPA
Auditor of State

Board of Trustees
Regional Income Tax Agency
10107 Brecksville Road
Brecksville, Ohio 44141

We have reviewed the *Independent Auditors' Report* of the Regional Income Tax Agency, Cuyahoga County, prepared by Ciuni & Panichi, Inc., for the audit period January 1, 2008 through December 31, 2008. 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 Regional Income Tax Agency is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

June 29, 2009

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PREPARED BY THE FINANCE DEPARTMENT

Christy J. Price – Chief Financial Officer
Lori A. Starcher – Assistant Director of Finance
Patricia A. Johnson - Accountant
Sandra M. Majkrzak – Accounting Clerk

Regional Income Tax Agency

Comprehensive Annual Financial Report
For the Years Ended December 31, 2008 and 2007

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Introductory Section



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June 17, 2009

The Board of Trustees
of the Regional Income Tax Agency
and Member Municipalities

The Regional Income Tax Agency (R.I.T.A. or the Agency) issues a Comprehensive Annual Financial Report (CAFR) in response to Ohio law (Ohio Administrative Code Section 117-2-03(B)). This regulation requires the Agency's audited financial reports, prepared on a GAAP (Generally Accepted Accounting Principles) basis, to be filed with the Auditor of State within six months of the close of each fiscal year. This report was published to fulfill that requirement for the fiscal year ended December 31, 2008.

R.I.T.A.'s management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that is maintained for this purpose. As the cost of internal control should not exceed the benefit, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the Agency. All disclosures necessary to enable the reader to gain an understanding of the Agency's financial activities have been included.

Ciuni & Panichi, Inc. (Certified Public Accountants and Business Advisors), have issued an unqualified opinion on the Regional Income Tax Agency's financial statements for the year ended December 31, 2008. The Independent Auditors' Report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. The information contained in the MD&A complements this letter of transmittal and should be read in conjunction with the transmittal for a complete comprehension of the results of the 2008 operations.

Profile of the Government

The Regional Income Tax Agency was established in 1971 to collect and distribute municipal income taxes. The Agency, created by the members of a Regional Council of Governments (RCOG) under Section 167 of the Ohio Revised Code, is subject to Ohio law in areas that include investments, purchasing and employee benefits. The Membership has grown from 38 municipalities at inception to 160 members as of July 1, 2009. R.I.T.A. is guided by a nine member Board of Trustees, elected by the members of the RCOG for three year terms. The Trustees appoint an Executive Director who is responsible for the operations of the Agency.

For financial reporting purposes, the Regional Income Tax Agency's basic financial statements include the two funds for which the Agency is financially responsible. Following the GASB (Governmental Accounting Standards Board) definition of financial accountability there are no other entities that required incorporation into the financial statements.

Budgetary Process

Although not required under the Ohio Revised Code, an annual operating budget is adopted for management purposes. R.I.T.A.'s budget is prepared on the accrual basis, by department, for personal services and other expenses; the debt service is budgeted for the Agency as a whole. The Board of Trustees approves the budget and authorizes the Executive Director to expend the funds per purchasing restrictions.

Prior to January 7, 2008, the Executive Director had the authority to approve most expenses for goods and services with costs less than \$7,500. The Board's Finance Committee approved all purchases \$7,500 to \$14,999 and all legal costs, regardless of amount. Finally, expenditures of \$15,000 and greater were authorized by the Board of Trustees. These limits were revised effective January 7, 2008 whereas the Executive Director now has the authority to approve most expenses for goods and services up to \$10,000. The Board's Finance Committee approves all purchases from \$10,000 to \$24,999 with any expenditure of \$25,000 and greater needing full Board approval. The Trustees must also authorize any budget reallocation between departments or expense types, or for an increase in the total budget. There were no budget amendments in 2008.

Factors Affecting Financial Condition

Local Economies

Despite the nation's economic downturn, R.I.T.A.'s membership on the whole appears to be experiencing better financial results as compared to the country's average. Individually, the municipalities' local economies range from situations of growth to one of unfavorable impact from business closings and job loss. Notwithstanding the economic circumstance, the Agency remains committed to its mission of providing high quality, cost effective, municipal tax collection

R.I.T.A.'s total collections have grown substantially over the past few years. As of July 1st the Agency's membership will extend across 50 counties in the State of Ohio with a membership of 160 communities. This expansion has resulted in a jump in collections from \$622 million in 2006 to about \$774 in 2008. Current projections show that R.I.T.A.'s 2009 collections will exceed the 2008 results. During this time of growth, however, the Agency's average net cost of collections has remained in the low-to-mid 1.8% range. This means that on average during the 2006 through 2008 period, R.I.T.A.'s cost to the members was less than 2 cents per dollar collected. Such low costs help keep the Regional Income Tax Agency's services attractive to its members which in turn maintains the Agency's solid economic footing.

Relevant Financial Policies

Internal Control

As briefly discussed above, the Agency's management is responsible for establishing and maintaining an internal control structure designed to ensure that R.I.T.A.'s assets are protected from loss, theft or misuse. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and

judgments by management. All Agency internal controls are designed within the above framework. Accordingly, it is believed that the system of internal controls is adequate to safeguard assets and provide reasonable assurance of proper recording of transactions.

Basis of Accounting

The Regional Income Tax Agency implemented GASB Statement 34, “Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments” in 2004. GASB 34 creates basic financial statements for reporting the Agency’s financial activities. As such, the financial statements present one proprietary fund and one fiduciary fund.

Debt Administration

The Agency is restricted in its ability to issue debt and consequently, has entered into such agreements sparingly. However, R.I.T.A. did assume debt several years ago and the funds were used to advance the Agency’s effort to update its technology (see Footnote Number Seven for further information). The assets obtained with the proceeds of the debt are depreciated over the useful lives of the items and the related expense is recognized in the proper accounting periods. Furthermore, the debt repayment schedules were structured in a manner to best match the depreciation with the principal payments. In March 2009, the Agency elected to exercise an early redemption option for the Series 2000B Project bonds. The retired debt carried a 6% per annum interest rate along with an annual administrative fee of .03% the total of which is substantially higher than the investment rates available in the current market. See Footnote Number Seven for additional information. Future debt issuances are not expected to be needed as continuous updating of the Agency’s technology is a part of R.I.T.A.’s strategic planning.

Cash Management

Prior to distribution all Agency cash is pooled for investment purposes to provide a maximum yield while protecting principal through conservative investment choices. The Agency’s investment policy designates the type of investments that can be made and only permits investments which are in compliance with the Ohio Revised Code. Protection of the Agency’s deposits is provided by the Federal Deposit Insurance Corporation (FDIC), eligible instruments pledged by the financial institution as security for repayment or single collateral pools established by the financial institutions to secure the repayment of all public monies deposited with the institutions. The Agency primarily invests in short-term, liquid instruments; there is also a core of funds available for investments with terms not to exceed two years.

Risk Management

R.I.T.A. is exposed to various risks of loss including theft, damage to or destruction of assets, errors and omissions, torts and legal judgments and employee injuries. The Regional Income Tax Agency mitigates these risks by maintaining comprehensive general liability insurance, an overall umbrella policy as well as coverage for business interruption and property losses. The Agency provides health, dental and vision insurance to its employees through two standard premium-based plans and obtains coverage through the State of Ohio Worker’s Compensation program.

Major Initiatives

During the year, several major projects were completed and the use of the eBusiness system continued to grow. One substantial initiative was the server consolidation project which improved server management and disaster recovery; it also reduced power consumption, and eliminated database performance and storage issues. Another important development was the telecommunications upgrade where the phone system and the

Interactive Voice Response software were improved. Included among the benefits of the communications upgrade are the enhanced call center functionality and reporting, Internet bandwidth that can be adjusted to meet demand and a fully featured voicemail system.

The 2008 eBusiness results greatly exceeded 2007 as 24% more tax dollars were collected and 32% additional tax forms were filed. In addition, the eRegistration system experienced remarkable growth with over 1,000 companies signing up in 2008 versus 400 in 2007. Furthermore, individual taxpayers new to R.I.T.A. are making excellent use of the online capabilities with over 6,300 self service registrations during the year. Development of the new tax system (RITAX) is also progressing with the current work focused on the editing functionality. The rollout of the RITAX system will continue in stages as this method has proven to be the most efficient and effective for the Agency. Key Agency goals are to increase productivity, decrease operating costs and maintain excellent service through the use of technology. The improvement of R.I.T.A.'s systems is an important component to achieving these goals.

After several years of efforts, R.I.T.A. was successful in obtaining a change to Federal Law authorizing the Internal Revenue Service (IRS) to release taxpayer information to Regional Councils of Governments. During the year the IRS approved the information sharing agreements, the Safeguard Procedures Report and other required applications. The Agency also procured the software program needed for the data extracts. Thus far in 2009 the IRS has released Schedule C and individual taxpayer information. This data has been used to identify a sample of potential non-filing businesses and individuals. Data verification steps are completed and the first wave of correspondence has just been mailed.

Awards and Acknowledgements

GFOA Certificate of Achievement

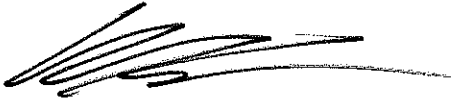
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Regional Income Tax Agency for its comprehensive annual financial report for the fiscal year ended December 31, 2007. This was the twenty-third year that the Agency has achieved this prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a one year period. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

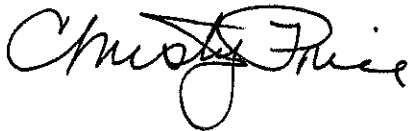
Acknowledgments

The 2008 Comprehensive Annual Financial Report was prepared with substantial assistance from Patricia Johnson and Sandy Majkrzak of the Finance Department. We wish to thank them for all of their efforts. We also thank the Board of Trustees for their interest and support of this endeavor and for the manner in which they have directed the financial operations of the Regional Income Tax Agency.

Respectfully submitted,



Rick Carbone
Executive Director



Christy Price
Deputy Director/Chief Financial Officer



Lori Starcher
Assistant Finance Director

Regional Income Tax Agency

Officers And Board Members

December 31, 2008

COUNCIL OF GOVERNMENTS

OFFICERS

- | | | |
|-----------|---|---|
| President | - | Mayor Beryl Rothschild – City of University Heights, Ohio |
| Secretary | - | Mayor Kathy Mulcahy – Village of Orange, Ohio |
| Treasurer | - | Mayor Susan C. Renda – Village of Moreland Hills, Ohio |

BOARD OF TRUSTEES

OFFICERS

- | | | |
|---------------|---|---|
| Chairman | - | Timothy Pope, Finance Director/Tax Administrator –
City of Middleburg Heights, Ohio |
| Vice Chairman | - | Prashant Shah, Finance Director/Tax Administrator –
City of Pepper Pike, Ohio, Treasurer – Village of Moreland Hills, Ohio |
| Secretary | - | Steven Presley Finance Director/Tax Administrator –
City of Bay Village, Ohio |
| Treasurer | - | Karen Fegan, Finance Director/Tax Administrator –
City of North Royalton, Ohio |

OTHER BOARD MEMBERS

- | | | |
|-----------------------|---|--|
| Brenda G. Browning | - | Tax Administrator, City of Reynoldsburg, Ohio |
| Anne Fritz | - | Finance Director/Tax Administrator, City of Westlake, Ohio |
| Mayor Gary Gottschalk | - | Mayor, Village of Oakwood, Ohio |
| Jeff Knoblauch | - | Finance Director/Tax Administrator, City of Hudson, Ohio |
| James M. Nicholson | - | Finance Director/Tax Administrator, City of New Albany, Ohio |

Regional Income Tax Agency

Management Officials

December 31, 2008

Executive Director	Mr. Rick Carbone
Deputy Director/Chief Financial Officer	Mrs. Christy Price
Assistant Director of Finance	Mrs. Lori Starcher
Chief Operating Officer	Mr. Richard Barille
Executive Assistant/Board Clerk	Mrs. Lynn Recko
Municipal Services Manager	Mr. Ralph Glatzhofer

Operations:

Accelerated Collections Director	Mr. Joe Zamiska
Assistant Director of Administrative Services	Ms. Mariann Buemi
Business Compliance Director	Mr. Mark Taranto
Chief Tax Officer	Mr. Gary Chips
Director of Central/Southern Ohio Region	Ms. Lori Gischel
Manager, Youngstown Office	Mr. Michael Sommer

Information Services:

Chief Information Officer	Mr. Tom Wojnarowski
IS Development Manager	Mr. Mike Kobe
Operations Manager	Mr. Robert Kelley

Regional Income Tax Agency

GFOA Certificate

December 31, 2008

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Regional Income Tax
Agency, Ohio

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

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



A handwritten signature in black ink, appearing to read "M. L. Post".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

Financial Section

Independent Auditors' Report

Board of Trustees
Regional Income Tax Agency
Brecksville, Ohio

We have audited the accompanying financial statements of the business-type activities and the aggregate remaining fund information of the Regional Income Tax Agency (the "Agency") as of and for the years ended December 31, 2008 and 2007, which collectively comprise the Agency's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Agency'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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate remaining fund information of the Agency, as of December 31, 2008 and 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 14, during the year ended December 31, 2008, the Agency implemented GASB Statement No. 50, *Pension Disclosures* and SFAS 157 *Fair Value Measurements*.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2009 on our consideration of the Agency'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 audits.

Board of Trustees
Regional Income Tax Agency

The Management's Discussion and Analysis on pages 3 through 11 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The introductory section, budgetary comparison information, statement of changes in assets and liabilities – agency fund, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The statement of changes in assets and liabilities – agency fund and budgetary comparison information have been subjected to the auditing procedures applied in the audits of the basic financials and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audits of the basic financial statement and, accordingly, we express no opinion on them.

Cini & Parichi, Inc.

Cleveland, Ohio
June 17, 2009

REGIONAL INCOME TAX AGENCY

Management's Discussion and Analysis (Unaudited)

The purpose of the discussion and analysis is to provide a general review of the Regional Income Tax Agency's financial activities for the year ended December 31, 2008. The reader should consider this analysis in conjunction with the Transmittal Letter, the basic financial statements and the Statistical Section to gain a further understanding of the Agency's operations and financial performance.

Financial Highlights

- The Agency's collections are continuing to grow as indicated by the 2006, 2007 and 2008 distributions of \$622 million, \$686 million and \$774 million, respectively. Cash and Cash Equivalents increased primarily due to this growth in collections and the related fees retained from members.
- The average percent net cost of collections is comparable to prior years. The average percent was 1.84% in 2006, 1.82% in 2007, and 1.83% in 2008. From 2007 to 2008 the total amount of retainer to be refunded to the municipalities increased by almost \$1 million to \$8 million.
- As of December 31, 2008 assets exceeded liabilities by \$ 77,291 versus the 2007 balance of \$16,092. The change in net assets is due to a gain from the Municipal Services activities. The services are offered to our members on a cost basis. After the annual review the fees are adjusted if necessary to maintain adequate working capital without reserving excess funds.
- The repayment of debt during 2008 and 2007 resulted in the reduction of the Capital Lease Obligations.
- Depreciable Capital Assets, Net increased due to the transfer from Project In Process, assets that relate to the RITAX development project.

Overview of the Financial Statements

A fund is a grouping of related accounts utilized to maintain control over the resources used to perform specific activities. R.I.T.A. has two funds; one is proprietary (business-type activity) and the other fund is a fiduciary fund.

The proprietary fund is an enterprise fund that primarily accounts for the Agency's tax collection services. R.I.T.A. provides these services to its members on a cost reimbursement basis with no margin or profit. During the year the operations are funded with advance fees from the municipalities. At year-end, costs are allocated to members based on transactions and amounts collected; the municipalities' individual fee refunds or fee payables are then computed. After settlement of the amounts owed/due, the net asset balance for the tax collections activity is brought to zero. The proprietary fund is also used to record the Municipal Services Department financial software support activities.

The fiduciary fund accounts for the members' tax receipts held by R.I.T.A. prior to distribution to the municipalities. The funds are invested in short-term instruments and all interest income is used to offset the members' costs of the tax collection services.

REGIONAL INCOME TAX AGENCY

Management's Discussion and Analysis (Unaudited)

The Regional Income Tax Agency's basic financial statements have three components: 1) Proprietary Fund statements, 2) Fiduciary Fund statements, and 3) Notes to the financial statements. The proprietary fund statements consist of the Statement of Net Assets, the Statement of Revenues, Expenses and Changes in Net Assets and the Statement of Cash Flows. The fiduciary fund statement is the Statement of Changes in Assets and Liabilities – Agency Fund. The CAFR also includes other supplementary information in the Statistical Section.

Financial Analysis of the Agency's Financial Position and Results of Operations

The following tables present summaries of the Agency's financial position and operations for 2008 as well as the 2007 and 2006 results. The Regional Income Tax Agency implemented Governmental Accounting Standards Board Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* in 2004.

The first table is a summary of the Agency's net assets, which condenses information on all of R.I.T.A.'s assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating. However, take note that the primary purpose of the Agency is to provide tax collection services and, as previously noted, for these services R.I.T.A. operates on a cost basis only, with no margin or profit and no related net assets. Consequently, any change in the net asset amount is solely due to the fluctuations in the retained earnings from the Municipal Services software support activities. This department provides low cost, financial system support to member municipalities.

The second table is the Statement of Revenues, Expenses and Changes in Net Assets, which presents a summary of the change in the Agency's net assets. Appropriately, revenue is reported when earned and expense is reported when incurred.

REGIONAL INCOME TAX AGENCY

Management's Discussion and Analysis (Unaudited)

Table 1
Net Assets
Proprietary Fund

	2008	2007	2006
Assets:			
Current Assets	\$ 18,836,772	\$ 17,287,847	\$ 15,111,391
Capital Assets, Net	13,764,389	14,720,582	16,161,178
Other Noncurrent Assets	<u>6,682,539</u>	<u>6,777,055</u>	<u>7,303,543</u>
Total Assets	<u>39,283,700</u>	<u>38,785,484</u>	<u>38,576,112</u>
Liabilities:			
Current Liabilities	19,719,934	17,655,244	16,119,961
Long-term Liabilities	<u>19,486,475</u>	<u>21,114,148</u>	<u>22,405,070</u>
Total Liabilities	<u>39,206,409</u>	<u>38,769,392</u>	<u>38,525,031</u>
Net Assets:			
Invested in Capital Assets, Net of Related Debt	845,411	214,859	(61,107)
Restricted for:			
Debt Service	2,580,809	2,681,626	2,697,059
Capital Improvements	3,324,527	3,248,595	3,695,868
Unrestricted (Deficit)	<u>(6,673,456)</u>	<u>(6,128,988)</u>	<u>(6,280,739)</u>
Total Net Assets	\$ <u>77,291</u>	\$ <u>16,092</u>	\$ <u>51,081</u>

Overall, there are two significant offsetting factors that resulted in the fluctuation in Current Assets.

Substantial growth in tax collections provided additional retainers which contributed to the increase in Cash and Cash Equivalents. An offsetting factor is the reduced interest income that resulted from the sharp decline in market investment rates.

The change in liabilities is substantially due to the larger amount owed to members for retainer refunds in June 2009. Note that during the year retainers are allocated from tax collections to the proprietary fund for use in operations. After the year-end, each member's expenses are computed and any excess retainers are refunded.

The Statement of Revenue, Expense and Changes in Net Assets reports the proprietary fund operating income and costs, non-operating income and costs, and the change in net assets. This statement, shown in Table 2, reflects the results for 2008, 2007, and 2006.

REGIONAL INCOME TAX AGENCY

Management's Discussion and Analysis (Unaudited)

Table 2
Statement of Revenue, Expenses, and Changes in Net Assets

	2008	2007	2006
Operating Revenues:			
Tax Collection Fees	\$ 14,194,871	\$ 12,469,945	\$ 11,462,953
Charges for Services and Other Revenues	<u>1,150,867</u>	<u>1,116,104</u>	<u>1,119,612</u>
Total Operating Revenues	<u>15,345,738</u>	<u>13,586,049</u>	<u>12,582,565</u>
Operating Expenses:			
Personal Services	9,571,278	9,110,476	8,627,597
Travel and Transportation	146,517	96,603	115,773
Office Rent and Maintenance	177,911	136,779	98,901
Equipment and Software Maintenance	626,042	522,178	640,165
Cost of Equipment Purchased For Members	48,190	178,886	150,146
Professional and Processing	2,086,816	2,227,898	1,799,750
Telephone and Utilities	270,164	189,233	165,493
Forms and Envelopes	328,118	343,119	312,327
Insurance	33,152	35,768	50,944
Miscellaneous Expenses	18,583	15,838	18,211
Material and Supplies	840,033	785,500	706,357
Depreciation and Amortization	<u>1,615,859</u>	<u>1,582,404</u>	<u>1,267,507</u>
Total Operating Expenses	<u>15,762,663</u>	<u>15,224,682</u>	<u>13,953,171</u>
Operating Loss	<u>(416,925)</u>	<u>(1,638,633)</u>	<u>(1,370,606)</u>
Non - Operating Revenues (Expenses):			
Interest Income	1,489,327	2,503,203	2,226,645
Interest Expense	(949,069)	(847,142)	(929,298)
Loss on Disposal of Capital Assets	<u>(62,134)</u>	<u>(52,417)</u>	<u>(26,734)</u>
Total Non - Operating Revenues	<u>478,124</u>	<u>1,603,644</u>	<u>1,270,613</u>
Change in Net Assets	61,199	(34,989)	(99,993)
Net Assets, Beginning of Year	<u>16,092</u>	<u>51,081</u>	<u>151,074</u>
Net Assets, End of Year	\$ <u><u>77,291</u></u>	\$ <u><u>16,092</u></u>	\$ <u><u>51,081</u></u>
Total Revenues			
Operating Revenues	\$ 15,345,738	\$ 13,586,049	\$ 12,582,565
Non-Operating Revenues	<u>1,489,327</u>	<u>2,503,203</u>	<u>2,226,645</u>
Total Revenues	\$ <u><u>16,835,065</u></u>	\$ <u><u>16,089,252</u></u>	\$ <u><u>14,809,210</u></u>
Total Expenses			
Operating Expenses	\$ 15,762,663	\$ 15,224,682	\$ 13,953,171
Non-Operating Expenses	<u>1,011,203</u>	<u>899,559</u>	<u>956,032</u>
Total Expenses	\$ <u><u>16,773,866</u></u>	\$ <u><u>16,124,241</u></u>	\$ <u><u>14,909,203</u></u>

REGIONAL INCOME TAX AGENCY

Management's Discussion and Analysis (Unaudited)

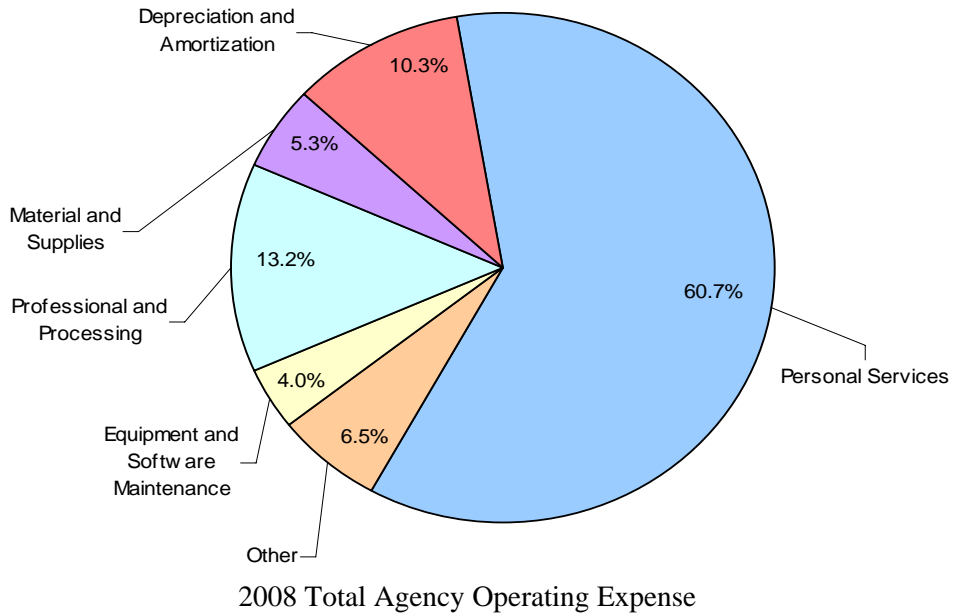
- The tax collection operating fees consist of amounts retained from the municipalities' tax distributions reduced by the net amount to be repaid to members. As the tax services are provided on a cost reimbursement basis, the fees in excess of the net cost are refunded back to the municipalities. The tax collection fees net of all other revenues are then reported as the actual revenues used for operations.
- The charges for services and other revenues include income from the following:
 - Subpoena programs – R.I.T.A. field auditors travel to local city halls to assist individuals who are delinquent in filing tax returns and to obtain the related tax payments.
 - Small claim lawsuits – R.I.T.A. paralegals represent the municipalities in court to obtain judgments against taxpayers for unpaid taxes.
 - Support of accounting software – the Municipal Services department provides software and support services.
 - Miscellaneous fees/reimbursements – includes amounts charged for copies of records, charges for extraordinary services and reimbursements for employee time spent on special projects.
- The change in interest income is substantially due to the decrease in interest rates in 2008.
- The Agency's substantial expenses are:
 - Personal Services – As R.I.T.A. is primarily a service-type organization, the bulk of the operating expenses are for personnel. The primary reason for the fluctuations in this expense is the staffing size which was 133 in 2006, 138 in 2007, and 141 in 2008. The increase in staff was made to meet the processing needs of R.I.T.A.'s growing membership.
 - Equipment Software and Maintenance – R.I.T.A. operates a mainframe computer, network servers, robot tape library, scanning and imaging system and interactive voice response unit along with standard office equipment. This expense, for the ongoing software licenses and hardware/equipment maintenance costs, is greater as vendors increased system maintenance pricing and additional software licensing was needed. Substantially all of the Cost of Equipment Purchased For Members is for the Municipal Service Department's acquisition of software licenses. This department provides low cost, financial software system support to member municipalities and in the course of business purchases the financial application software.
 - Professional and Processing – This line item includes of the cost of temporary help to meet peak processing needs, the expense for the two audits (financial and SAS70) that R.I.T.A. undergoes annually, the expense of lockbox services that are utilized to gain processing efficiencies and to maintain high security standards, the cost of Lobbyists to provide assistance in legislative matters at the State House and the cost of expert technical assistance. Expenses decreased due to a reduction in the use of temporary help.
 - Material and Supplies – The costs of operating materials and postage are reflected in this line item. The greater costs are another result of the growing membership.
 - Depreciation and Amortization – The Agency uses the accrual basis of accounting. As such, when assets are purchased the costs are recognized over the life of the resources. The useful lives are 3 to 20 years and depreciation is calculated using a mid-year conversion.

REGIONAL INCOME TAX AGENCY

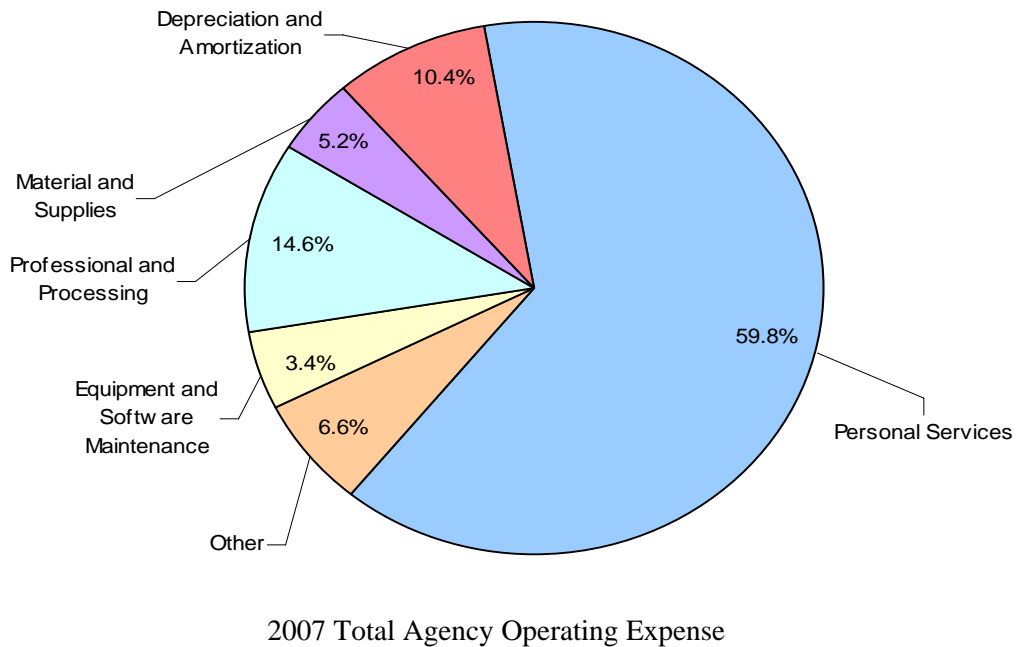
Management's Discussion and Analysis (Unaudited)

Graphic interpretations of the Agency operating expenses for 2008 and 2007 are presented as follows:

Graph 1



Graph 2



REGIONAL INCOME TAX AGENCY

Management's Discussion and Analysis (Unaudited)

Capital Assets

The following Table indicates the capital asset activity for the years ended December 31, 2008 and 2007.

Table 3
Capital Asset Activity

	<u>Balance</u> <u>12/31/2007</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance</u> <u>12/31/2008</u>
Nondepreciable Capital Assets:					
Land	\$ 103,660	\$ -	\$ -	\$ -	\$ 103,660
Projects in Process	<u>5,860,877</u>	<u>-</u>	<u>-</u>	<u>(971,020)</u>	<u>4,889,857</u>
Total Nondepreciable Capital Assets	<u>5,964,537</u>	<u>-</u>	<u>-</u>	<u>(971,020)</u>	<u>4,993,517</u>
Capital Assets being depreciated:					
Buildings and Improvements	3,405,681	-	-	-	3,405,681
Office Equipment	12,674,112	703,140	(308,429)	971,020	14,039,843
Vehicles	<u>40,021</u>	<u>20,261</u>	<u>(19,965)</u>	<u>-</u>	<u>40,317</u>
Total capital assets being depreciated	16,119,814	723,401	(328,394)	971,020	17,485,841
Less: accumulated depreciation and amortization	<u>(7,363,769)</u>	<u>(1,615,859)</u>	<u>264,659</u>	<u>-</u>	<u>(8,714,969)</u>
Net capital assets being depreciated	<u>8,756,045</u>	<u>(892,458)</u>	<u>(63,735)</u>	<u>971,020</u>	<u>8,770,872</u>
Total business-type activities capital assets, net	<u>\$ 14,720,582</u>	<u>\$ (892,458)</u>	<u>\$ (63,735)</u>	<u>\$ -</u>	<u>\$ 13,764,389</u>
	<u>Balance</u> <u>12/31/2006</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance</u> <u>12/31/2007</u>
Nondepreciable Capital Assets:					
Land	\$ 103,660	\$ -	\$ -	\$ -	\$ 103,660
Projects in Process	<u>5,860,877</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,860,877</u>
Total Nondepreciable Capital Assets	<u>5,964,537</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,964,537</u>
Capital Assets being depreciated:					
Buildings and Improvements	3,405,681	-	-	-	3,405,681
Office Equipment	12,921,219	194,225	(441,332)	-	12,674,112
Vehicles	<u>40,021</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,021</u>
Total capital assets being depreciated	16,366,921	194,225	(441,332)	-	16,119,814
Less: accumulated depreciation and amortization	<u>(6,170,280)</u>	<u>(1,582,404)</u>	<u>388,915</u>	<u>-</u>	<u>(7,363,769)</u>
Net capital assets being depreciated	<u>10,196,641</u>	<u>(1,388,179)</u>	<u>(52,417)</u>	<u>-</u>	<u>8,756,045</u>
Total business-type activities capital assets, net	<u>\$ 16,161,178</u>	<u>\$ (1,388,179)</u>	<u>\$ (52,417)</u>	<u>\$ -</u>	<u>\$ 14,720,582</u>

REGIONAL INCOME TAX AGENCY

Management's Discussion and Analysis (Unaudited)

The 2008 additions activity is substantially due to the purchase of the virtual servers used in the consolidation project and the equipment for the telecommunications upgrade. The transfer from Projects in Process to Capital Assets being depreciated is due to the new RITAX editing functionality implemented during the year.

Long -Term Obligations

Details of the changes in long-term obligations for the year ended December 31, 2008 is as follows:

Table 4

	<u>Balance</u> <u>12/31/2007</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>12/31/2008</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Cleveland-Cuyahoga County Port Authority Capital Lease	\$ 2,244,167	\$ -	\$ (563,333)	\$ 1,680,834	\$ 603,333
Cleveland-Cuyahoga County Port Authority Capital Lease	19,643,756	-	(976,249)	18,667,507	1,000,238
Unamortized Premium	517,147	-	(47,163)	469,984	44,990
Compensated Absences	<u>897,160</u>	<u>99,928</u>	<u>(11,634)</u>	<u>985,454</u>	<u>668,743</u>
Total Long-Term Obligations	\$ <u>23,302,230</u>	\$ <u>99,928</u>	\$ <u>(1,598,379)</u>	\$ <u>21,803,779</u>	\$ <u>2,317,304</u>

Details of the changes in long-term obligations for the year ended December 31, 2007 was as follows:

	<u>Balance</u> <u>12/31/2006</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>12/31/2007</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Cleveland-Cuyahoga County Port Authority Capital Lease	\$ 2,771,667	\$ -	\$ (527,500)	\$ 2,244,167	\$ 563,333
Cleveland-Cuyahoga County Port Authority Capital Lease	20,613,498	-	(969,742)	19,643,756	976,249
Unamortized Premium	566,588	-	(49,441)	517,147	47,163
Compensated Absences	<u>848,351</u>	<u>51,329</u>	<u>(2,520)</u>	<u>897,160</u>	<u>601,337</u>
Total Long-Term Obligations	\$ <u>24,800,104</u>	\$ <u>51,329</u>	\$ <u>(1,549,203)</u>	\$ <u>23,302,230</u>	\$ <u>2,188,082</u>

The activities in 2008 and 2007 reflect the repayment of the debt as scheduled. Further details on the capital balances and transactions can be found in Notes Five, Six, and Seven.

REGIONAL INCOME TAX AGENCY

Management's Discussion and Analysis (Unaudited)

The other significant proprietary financial report is the Statement of Cash Flows, which provides information about the Agency's cash receipts and disbursements during the year. It summarizes net changes in cash resulting from operating, investing and financing activities. The notes to the financial statements provide further information that is essential to a full understanding of the financial statements

Contacting the Agency's Financial Management

This financial report is designed to provide a general overview of the Agency's finances for all interested parties. Questions and requests for additional information regarding this report should be addressed to the Chief Financial Officer, Regional Income Tax Agency, 10107 Brecksville Road, Brecksville, Ohio 44141-3275 or by telephone at 440.526.0900.

Regional Income Tax Agency

Statements of Net Assets

December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Assets:		
Current Assets:		
Cash and Cash Equivalents	\$ 10,138,170	\$ 9,801,372
Other Assets	415,783	224,771
Receivables:		
Accounts	204,268	108,540
Due from Others	8,075,177	7,150,717
Interest	<u>3,374</u>	<u>2,447</u>
Total Current Assets	<u>18,836,772</u>	<u>17,287,847</u>
Noncurrent Assets:		
Nondepreciable Capital Assets	4,993,517	5,964,537
Depreciable Capital Assets, Net	8,770,872	8,756,045
Due From Trust	5,913,101	5,939,008
Deferred Loan Fees, Net	<u>769,438</u>	<u>838,047</u>
Total Noncurrent Assets	<u>20,446,928</u>	<u>21,497,637</u>
 Total Assets	 <u>39,283,700</u>	 <u>38,785,484</u>
Liabilities:		
Current Liabilities:		
Accounts Payable	679,128	572,555
Accrued Wages and Benefits	1,055,887	1,068,424
Current Portion of Capital Lease	1,648,561	1,586,745
Other Liabilities	104,669	93,531
Due to Other Governments	10,029,438	8,778,828
Unearned Revenue	<u>6,202,251</u>	<u>5,555,161</u>
Total Current Liabilities	19,719,934	17,655,244
Noncurrent Liabilities:		
Accrued Wages and Benefits	316,711	295,823
Capital Lease Obligation	<u>19,169,764</u>	<u>20,818,325</u>
Total Liabilities	<u>39,206,409</u>	<u>38,769,392</u>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	845,411	214,859
Restricted for:		
Debt Service	2,580,809	2,681,626
Capital Improvements	3,324,527	3,248,595
Unrestricted (Deficit)	<u>(6,673,456)</u>	<u>(6,128,988)</u>
Total Net Assets	\$ <u><u>77,291</u></u>	\$ <u><u>16,092</u></u>

See Accompanying Notes to the Basic Financial Statements

Regional Income Tax Agency

Statements of Revenue, Expenses and Changes in Net Assets

For The Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Operating Revenues:		
Tax Collection Fees	\$ 14,194,871	\$ 12,469,945
Charges for Services and Other Revenues	<u>1,150,867</u>	<u>1,116,104</u>
Total Operating Revenues	<u>15,345,738</u>	<u>13,586,049</u>
Operating Expenses:		
Personal Services	9,571,278	9,110,476
Travel and Transportation	146,517	96,603
Office Rent and Maintenance	177,911	136,779
Equipment and Software Maintenance	626,042	522,178
Cost of Equipment Purchased For Members	48,190	178,886
Professional and Processing	2,086,816	2,227,898
Telephone and Utilities	270,164	189,233
Forms and Envelopes	328,118	343,119
Insurance	33,152	35,768
Miscellaneous Expenses	18,583	15,838
Material and Supplies	840,033	785,500
Depreciation and Amortization	<u>1,615,859</u>	<u>1,582,404</u>
Total Operating Expenses	<u>15,762,663</u>	<u>15,224,682</u>
Operating Loss	<u>(416,925)</u>	<u>(1,638,633)</u>
Non - Operating Revenues (Expenses):		
Interest Income	1,489,327	2,503,203
Interest Expense	(949,069)	(847,142)
Loss on Disposal of Capital Assets	<u>(62,134)</u>	<u>(52,417)</u>
Total Non - Operating Revenues	<u>478,124</u>	<u>1,603,644</u>
Change in Net Assets	61,199	(34,989)
Net Assets, Beginning of Year	<u>16,092</u>	<u>51,081</u>
Net Assets, End of Year	\$ <u><u>77,291</u></u>	\$ <u><u>16,092</u></u>

See Accompanying Notes to the Basic Financial Statements

Regional Income Tax Agency

Statements Of Cash Flows

For The Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Cash Flows from Operating Activities:		
Cash Receipts from Municipalities	\$ 23,275,275	\$ 20,797,304
Cash Payments:		
To Suppliers for Goods and Services	(4,868,122)	(4,444,618)
To Employees for Services	(6,993,436)	(6,872,350)
For Employee Benefits	(2,350,197)	(2,312,609)
For Retainer Refund	<u>(7,051,350)</u>	<u>(6,371,040)</u>
Net Cash Provided by Operating Activities	<u>2,012,170</u>	<u>796,687</u>
Cash Flows from Non-Capital Financing Activities:		
Release from Trust for Development Purposes	<u>-</u>	<u>623,799</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition of Capital Assets	(723,400)	(194,225)
Release from Trust for Capital Purposes	971,020	-
Principal Payments on Capital Lease Obligations	(1,539,582)	(1,497,242)
Funding of Other Assets-Due From Trust	(945,114)	(169,880)
Interest Payments of Capital Lease Obligations	<u>(927,623)</u>	<u>(824,014)</u>
Net Cash Used by Capital and Related Financing Activities	<u>(3,164,699)</u>	<u>(2,685,361)</u>
Cash Flows from Investing Activities:		
Interest on Cash Equivalents	<u>1,489,327</u>	<u>2,503,203</u>
Net Increase in Cash and Cash Equivalents	336,798	1,238,328
Cash and Cash Equivalents, Beginning of Year	<u>9,801,372</u>	<u>8,563,044</u>
Cash and Cash Equivalents, End of Year	<u>\$ 10,138,170</u>	<u>\$ 9,801,372</u>

Continued

See Accompanying Notes to the Basic Financial Statements

Regional Income Tax Agency

Statements Of Cash Flows (Continued)

For The Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Reconciliation of Operating Loss to Net Cash from Operating Activities:		
Operating Loss	\$ (416,925)	\$ (1,638,633)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	1,615,859	1,582,404
Gain on Sale of Capital Asset	1,602	-
Changes in Assets and Liabilities:		
Trade Accounts Receivable	(95,728)	32,095
Interest Receivable	(927)	(1,165)
Due to/from Other Funds	(924,460)	(911,424)
Other Assets	(191,013)	(57,634)
Accounts Payable	106,573	140,598
Accrued Wages and Benefits	8,351	(74,484)
Other Liabilities	11,138	4,220
Due to Other Governments	1,250,610	1,063,242
Unearned Revenues	<u>647,090</u>	<u>657,468</u>
Net Cash Provided by Operating Activities	\$ <u>2,012,170</u>	\$ <u>796,687</u>
Supplemental Schedule of Non-Cash Investing, Capital and Related Financing Activities:		
Amortization on Deferred Loan Fees Classified as Interest Expense	\$ <u>68,609</u>	\$ <u>72,569</u>
Amortization of Premium on Capital Lease Classified as Interest Expense	\$ <u>47,163</u>	\$ <u>49,441</u>

See Accompanying Notes to the Basic Financial Statements

Regional Income Tax Agency

Statements of Fiduciary Net Assets

December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Assets:		
Cash and Cash Equivalents	\$ 57,753,354	\$ 48,227,875
Receivables:		
Interest	280,816	26,639
Income Taxes of Member Municipalities, Net	<u>208,661,753</u>	<u>187,648,954</u>
Total Assets	<u>\$ 266,695,923</u>	<u>\$ 235,903,468</u>
Liabilities:		
Refunds Payable	\$ 1,060,011	\$ 988,477
Due to Others	8,075,177	7,150,717
Due to Other Governments	<u>257,560,735</u>	<u>227,764,274</u>
Total Liabilities	<u>\$ 266,695,923</u>	<u>\$ 235,903,468</u>

See Accompanying Notes to the Basic Financial Statements

Regional Income Tax Agency

Notes to Financial Statements

December 31, 2008 and 2007

Note 1: Reporting Entity

The Regional Income Tax Agency (R.I.T.A. or the Agency) is an independent entity that provides efficient collections of municipal income taxes for the member municipalities (the Members) of a Regional Council of Governments formed under Section 167 of the Ohio Revised Code. The Members elect a nine position Board of Trustees to oversee the Agency operations. R.I.T.A. has a fiduciary responsibility to collect income taxes for its Members at the rates levied and then distribute the income taxes (less related net expenses and refunds) to its Members. Distributions of tax collections to Members are based upon information provided by taxpayers on tax returns and other supporting data.

For financial reporting purposes, R.I.T.A.'s financial statements include all funds for which R.I.T.A. is financially accountable. Financial accountability, as defined by the GASB, exists if R.I.T.A. appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is potential for the organization to provide specific financial benefits to, or impose specific burdens on, R.I.T.A. The Agency may also be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or a jointly appointed board that is fiscally dependent on R.I.T.A. Also taken into consideration are any other organizations for which the nature and significance of their relationship with R.I.T.A. are such that exclusion would cause the financial statements to be misleading or incomplete. Based on these criteria, there were no other organizations that require incorporation into the financial statements.

Note 2: Summary of Significant Accounting Policies

The following summarizes the significant accounting policies applied in the preparation of the accompanying combined financial statements.

The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. R.I.T.A. also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued after November 30, 1989, provided they do not conflict with or contradict GASB pronouncements. The more significant of the Agency's accounting policies are described below.

Regional Income Tax Agency

Notes to Financial Statements

December 31, 2008 and 2007

Note 2: Summary of Significant Accounting Policies (continued)

A. Basis of Presentation

R.I.T.A.'s basic financial statements consist of statements of net assets, statements of revenue, expenses and changes in net assets, statements of cash flows, and statements of fiduciary net assets.

R.I.T.A. uses a single enterprise fund and an agency fund to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

Enterprise fund reporting focuses on the determination of the change in net assets, financial position and cash flows. An enterprise fund may be used to account for any activity for which a fee is charged to external users.

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: Pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the entity under a trust agreement for individuals, private organizations, or other governments and are, therefore, not available to support the entity's own programs; the Agency has no trust funds. R.I.T.A.'s agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. R.I.T.A.'s only agency fund is used to account for tax collections held by the Agency as an agent for other governments.

B. Measurement Focus

The enterprise fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the statements of net assets. The statements of revenue, expenses and changes in net assets present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statements of cash flows provide information about how the Agency finances and meets the cash flows need of its enterprise activities.

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The Agency's enterprise fund financial statements as well as the fiduciary fund financial statement are prepared using the accrual basis of accounting.

Revenue is recorded on the accrual basis when the exchange takes place. Expenses are recognized at the time they are incurred. However, under GASB Statement No. 33, it is necessary to calculate unearned revenue when recording an estimated receivable that R.I.T.A. will withhold from its members when collecting the taxes on current year earnings. Unearned revenue in the amount of \$6,202,251 at December 31, 2008 and \$5,555,161 at December 31, 2007 has not been recorded as revenue for the following reasons (1) the transactions have not yet been processed, therefore, the money has not yet been earned; and (2) if it were to be recorded as revenue, it would be included in the retainer refund calculation and money that has not yet been collected by R.I.T.A. would be prematurely refunded to its members.

Regional Income Tax Agency

Notes to Financial Statements

December 31, 2008 and 2007

Note 2: Summary of Significant Accounting Policies (continued)

D. Cash and Cash Equivalents

During fiscal year 2008 and 2007, the Agency invested in the State Treasury Asset Reserve of Ohio (STAROhio), certificates of deposit, obligations of United States governmental agencies, and repurchase agreements.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts and nonnegotiable certificates of deposit are reported at cost.

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

For purposes of the combined statement of cash flows and for presentation on the statements of net assets, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the Agency are considered to be cash equivalents. Instruments with an initial maturity of more than three months are reported as investments.

E. Allowance for Doubtful Accounts

Income taxes of member municipalities receivable is shown net of a \$1,584,042 allowance for doubtful accounts at December 31, 2008 and \$1,302,095 at December 31, 2007. The allowance reflects management's best estimate of the amounts that will not be collected. This is based on an assessment of aged receivables and historical collection rates.

F. Capital Assets and Depreciation

All capital assets are recorded at historical cost. R.I.T.A. maintains a capitalization threshold of \$500. Depreciation is charged to operations over the assets' estimated useful lives using the straight-line method, with one half year's depreciation in the year of acquisition. Estimated useful lives are as follows:

Building	16 years
Equipment and Software	5 – 20 years
Equipment leased to Members	3 years
Vehicles	5 years

Regional Income Tax Agency

Notes to Financial Statements

December 31, 2008 and 2007

Note 2: Summary of Significant Accounting Policies (continued)

G. Deferred Loan Fees

R.I.T.A. has capitalized the cost of obtaining capital lease financing. Amortization is taken using the effective interest method over the term of the related capital lease obligation. Deferred loan fees of \$769,438 are shown net of \$429,060 of accumulated amortization at December 31, 2008. Deferred loan fees of \$838,047 are shown net of \$360,451 of accumulated amortization at December 31, 2007.

H. Allocation of Expenses to Members

R.I.T.A. allocates to Members net operating expenses in the enterprise fund, after reduction for interest income, charges for services and other revenues. The Members' allocation is based upon the average of the percentage of each Member's transactions to total transactions and the percentage of each Member's collections to total collections.

I. Compensated Absences

R.I.T.A.'s employees accumulate earned but unused vacation and sick pay benefits. Vacation and sick pay benefits are accrued when incurred in the enterprise fund and are reported using the termination method dictated by GASB Statement No. 47.

J. Claims

As described in Note 13, R.I.T.A. was self-insured within certain limits for employee health care benefits. R.I.T.A. recognizes a liability for health care claims if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of this loss can be reasonably estimated.

K. Unearned Revenue

Unearned revenue in the enterprise fund represents tax collection fees received that will be earned in subsequent periods as the tax receivables are collected.

L. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets (net of accumulated depreciation), reduced by the outstanding balances of any borrowings (net of unexpended proceeds) used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by R.I.T.A. or through external restrictions imposed by creditors, grantors, laws or regulations of other governments. The Agency's restricted net assets are comprised of assets due from trust. R.I.T.A. applies restricted resources when an expense is incurred for which both restricted and unrestricted net assets are available. As of December 31, 2008 and 2007, R.I.T.A had no net assets restricted by enabling legislation in the statements of net assets.

Regional Income Tax Agency

Notes to Financial Statements

December 31, 2008 and 2007

Note 2: Summary of Significant Accounting Policies (continued)

L. Net Assets (continued)

Invested in Capital Assets, Net of Related Debt:	<u>2008</u>	<u>2007</u>
Capital Assets	\$ <u>13,764,389</u>	\$ <u>14,720,582</u>
Capital Lease	20,818,325	22,405,070
Unspent proceeds	(5,913,101)	(5,939,008)
Proceeds spent on non-capital items	<u>(1,986,246)</u>	<u>(1,960,339)</u>
Net Capital Lease	<u>12,918,978</u>	<u>14,505,723</u>
Total Invested in Capital Assets, Net of Related Debt	\$ <u><u>845,411</u></u>	\$ <u><u>214,859</u></u>

M. Revenues and Expenses

Operating revenues and expenses result from providing tax collection services, extraordinary services and goods to the members. Operating expenses consist of the cost of these services, including administrative expenses and depreciation on capital assets. Non-operating revenues and expenses are all revenues and expenses not meeting the definition of operating revenues and expenses. Non-operating revenues and expenses include revenues and expenses from capital and related financing activities, and investing activities.

N. Use of Estimates

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

Note 3: Deposits and Investments

Per State of Ohio statutes the Agency classified funds held into three categories. The classifications are described as follows.

Active deposits are amounts necessary to meet current cash needs. Such monies are maintained either in commercial accounts payable or withdrawable on demand accounts, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

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

Regional Income Tax Agency

Notes to Financial Statements

December 31, 2008 and 2007

Note 3: Deposits and Investments (continued)

Interim monies are those funds that are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim monies may be deposited or invested in the following securities:

1. Bonds, notes or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest therein.
2. Bonds, notes, debentures or other obligations or securities issued by any federal government agency.
3. Deposits with financial institutions and savings and loan associations, collateralized, as required by law.
4. State Treasurer's investment pool (STAROhio).
5. Bonds and other obligations of the State of Ohio.
6. Repurchase agreements fully collateralized with securities listed under 1 and 2 above.

Investments in mortgage backed securities, principal only or interest only or strips, reverse repurchase agreements and derivatives are forbidden. The use of leverage and short selling are also prohibited. Repurchase agreements are limited to maximum maturities of thirty days. A maximum of 18 million dollars can be invested over a longer period not to exceed two years with the exception of the debt reserve funds established under the agreements with the Cleveland-Cuyahoga County Port Authority. The debt reserve funds may be invested for the maximum time allowed under the Ohio Revised Code. All other funds shall be invested for a period not to exceed 45 days.

Deposits

Custodial credit risk is the risk that, in the event of bank failure, the Agency's deposits may be lost. Protection of the Agency's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution, by surety company bonds or by a single collateral pool established by the financial institution.

Public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the FDIC or may pledge a pool of government securities that have a face value that is at least 110 percent of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within five years of the date of the related repurchase agreement. The market value of the securities subject to a repurchase agreement must exceed the value of the principal by two percent and be marked to market daily. State law does not require security for public deposits and investments to be maintained in R.I.T.A.'s name.

At December 31, 2008, the carrying amount of R.I.T.A.'s deposits was \$664,422 and the bank balance was \$2,628,836. Of the bank balance, \$788,003 was covered by FDIC insurance and \$1,840,833 was uninsured and collateralized with securities held by the pledging institution's trust department, not in the Agency's name. At year end, R.I.T.A. had \$400 of undeposited cash on hand.

Regional Income Tax Agency

Notes to Financial Statements

December 31, 2008 and 2007

Note 3: Deposits and Investments (continued)

At December 31, 2007, the carrying amount of R.I.T.A.'s deposits was \$1,650,773 and the bank balance was \$2,591,370. Of the bank balance, \$463,151 was covered by FDIC insurance and \$2,128,219 was uninsured and collateralized with securities held by the pledging institution's trust department, not in the Agency's name. At year end, R.I.T.A. had \$400 of undeposited cash on hand.

Investments

Investments are reported at fair value. As of December 31, 2008, the Agency had the following investments:

	<u>Fair Value</u>	<u>Weighted Average Maturity (days)</u>
Certificate of Deposits	\$ 15,000,000	308
Repurchase Agreements	40,976,614	1
StarOhio	<u>11,250,088</u>	1
Portfolio Total	<u>\$ 67,226,702</u>	

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

	<u>Fair Value</u>	<u>Weighted Average Maturity (days)</u>
Certificate of Deposits	\$ 12,000,000	35
Repurchase Agreements	33,409,942	1
StarOhio	<u>10,968,132</u>	1
Portfolio Total	<u>\$ 56,378,074</u>	

Safety of principal is an investment objective of the Regional Income Tax Agency. The Agency's policy states that each transaction shall seek to first ensure that capital losses are avoided, whether they are from securities, defaults or erosion of market value. The Agency seeks to attain market rates of return on its investments, consistent with constraints imposed by its safety objectives, cash flow considerations and state laws that restrict the placement of certain public funds.

Interest Rate Risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Agency mitigates risk by timing investment maturities to match operating cash requirements. In addition, due to the bi-monthly cash distribution schedule, investments must be of a relatively short duration.

Custodial Risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Agency will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. Investments may only be made through institutions that are members of the National Association of Securities Dealers. The Board of Trustees reviews and approves these institutions.

Regional Income Tax Agency

Notes to Financial Statements

December 31, 2008 and 2007

Note 3: Deposits and Investments (continued)

Credit Risk is addressed by the Agency's investment policy by the requirements that all investments are authorized by Ohio Revised Code and that the portfolio be diversified by issuer. All investments by the Agency are registered and carry a AAA rating by Standard & Poor's.

Concentration of Credit Risk is defined by the Governmental Accounting Standards Board as five percent or more in the securities of a single issuer. The Agency's investment policy requires that the repurchase agreements cannot exceed ten percent (10%) of the capital of the issuing institution or seventy-five percent (75%) of the Agency investment portfolio with the exception that the Agency is authorized to invest one-hundred percent (100%) of its portfolio in repurchase agreements or other investment vehicles with the State Treasurer's investment pool (Star Ohio).

The following is the Agency's allocation as of December 31, 2008:

<u>Investment Issue</u>	<u>Percentage of Investments</u>
Key Bank	66.71%
STAROhio	16.73
Charter One Bank	15.93
The Huntington National Bank	0.63

The following is the Agency's allocation as of December 31, 2007:

<u>Investment Issue</u>	<u>Percentage of Investments</u>
The Huntington National Bank	43.12%
Charter One Bank	27.38
STAROhio	19.45
Fifth Third Bank	10.05

Note 4: Receivables

Accounts receivable included on the statements of net assets at December 31, 2008 and 2007 consists primarily of subpoena fees receivable and miscellaneous service receivables due from member municipalities. Management considers all receivables fully collectible.

Regional Income Tax Agency

Notes to Financial Statements

December 31, 2008 and 2007

Note 5: Capital Assets

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

	Balance 12/31/2007	Additions	Retirements	Transfers	Balance 12/31/2008
Nondepreciable Capital Assets:					
Land	\$ 103,660	\$ -	\$ -	\$ -	\$ 103,660
Projects in Process	<u>5,860,877</u>	<u>-</u>	<u>-</u>	<u>(971,020)</u>	<u>4,889,857</u>
Total Nondepreciable Capital Assets	<u>5,964,537</u>	<u>-</u>	<u>-</u>	<u>(971,020)</u>	<u>4,993,517</u>
Capital Assets being depreciated:					
Buildings and Improvements	3,405,681	-	-	-	3,405,681
Office Equipment	12,674,112	703,140	(308,429)	971,020	14,039,843
Vehicles	<u>40,021</u>	<u>20,261</u>	<u>(19,965)</u>	<u>-</u>	<u>40,317</u>
Total capital assets being depreciated	16,119,814	723,401	(328,394)	971,020	17,485,841
Less: accumulated depreciation and amortization for:					
Building and Improvements	(1,828,333)	(226,183)	-	-	(2,054,516)
Office Equipment	(5,495,415)	(1,387,679)	244,694	-	(6,638,400)
Vehicles	<u>(40,021)</u>	<u>(1,997)</u>	<u>19,965</u>	<u>-</u>	<u>(22,053)</u>
	<u>(7,363,769)</u>	<u>(1,615,859)</u>	<u>264,659</u>	<u>-</u>	<u>(8,714,969)</u>
Net capital assets being depreciated	<u>8,756,045</u>	<u>(892,458)</u>	<u>(63,735)</u>	<u>971,020</u>	<u>8,770,872</u>
Total business-type activities capital assets, net	\$ <u>14,720,582</u>	\$ <u>(892,458)</u>	\$ <u>(63,735)</u>	\$ <u>-</u>	\$ <u>13,764,389</u>

Capital asset activity for the year ended December 31, 2007, was as follows:

	Balance 12/31/2006	Additions	Retirements	Transfers	Balance 12/31/2007
Nondepreciable Capital Assets:					
Land	\$ 103,660	\$ -	\$ -	\$ -	\$ 103,660
Projects in Process	<u>5,860,877</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,860,877</u>
Total Nondepreciable Capital Assets	<u>5,964,537</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,964,537</u>
Capital Assets being depreciated:					
Buildings and Improvements	3,405,681	-	-	-	3,405,681
Office Equipment	12,921,219	194,225	(441,332)	-	12,674,112
Vehicles	<u>40,021</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,021</u>
Total capital assets being depreciated	16,366,921	194,225	(441,332)	-	16,119,814
Less: accumulated depreciation and amortization for:					
Building and Improvements	(1,602,150)	(226,183)	-	-	(1,828,333)
Office Equipment	(4,528,109)	(1,356,221)	388,915	-	(5,495,415)
Vehicles	<u>(40,021)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(40,021)</u>
	<u>(6,170,280)</u>	<u>(1,582,404)</u>	<u>388,915</u>	<u>-</u>	<u>(7,363,769)</u>
Net capital assets being depreciated	<u>10,196,641</u>	<u>(1,388,179)</u>	<u>(52,417)</u>	<u>-</u>	<u>8,756,045</u>
Total business-type activities capital assets, net	\$ <u>16,161,178</u>	\$ <u>(1,388,179)</u>	\$ <u>(52,417)</u>	\$ <u>-</u>	\$ <u>14,720,582</u>

Regional Income Tax Agency

Notes to Financial Statements

December 31, 2008 and 2007

Note 6: Long -Term Obligations

Details of the changes in long-term obligations for the year ended December 31, 2008 was as follows:

	Balance <u>12/31/2007</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>12/31/2008</u>	Amounts Due Within <u>One Year</u>
Cleveland-Cuyahoga County Port Authority Capital Lease	\$ 2,244,167	\$ -	\$ (563,333)	\$ 1,680,834	\$ 603,333
Cleveland-Cuyahoga County Port Authority Capital Lease	19,643,756	-	(976,249)	18,667,507	1,000,238
Unamortized Premium	517,147	-	(47,163)	469,984	44,990
Compensated Absences	<u>897,160</u>	<u>99,928</u>	<u>(11,634)</u>	<u>985,454</u>	<u>668,743</u>
Total Long-Term Obligations	\$ <u>23,302,230</u>	\$ <u>99,928</u>	\$ <u>(1,598,379)</u>	\$ <u>21,803,779</u>	\$ <u>2,317,304</u>

Details of the changes in long-term obligations for the year ended December 31, 2007 was as follows:

	Balance <u>12/31/2006</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>12/31/2007</u>	Amounts Due Within <u>One Year</u>
Cleveland-Cuyahoga County Port Authority Capital Lease	\$ 2,771,667	\$ -	\$ (527,500)	\$ 2,244,167	\$ 563,333
Cleveland-Cuyahoga County Port Authority Capital Lease	20,613,498	-	(969,742)	19,643,756	976,249
Unamortized Premium	566,588	-	(49,441)	517,147	47,163
Compensated Absences	<u>848,351</u>	<u>51,329</u>	<u>(2,520)</u>	<u>897,160</u>	<u>601,337</u>
Total Long-Term Obligations	\$ <u>24,800,104</u>	\$ <u>51,329</u>	\$ <u>(1,549,203)</u>	\$ <u>23,302,230</u>	\$ <u>2,188,082</u>

Note 7: Capital Lease Commitments

Effective December 19, 2000, the Members entered into a capital lease agreement with the Cleveland-Cuyahoga County Port Authority ("Authority"). The Members are leasing the "Series 2000B Project" from the Authority. The "Series 2000B Project" provides funds for the acquisition and installation of personal property consisting of an HVAC system, computer equipment, computer software and certain other furnishings and equipment to be located and used at the Agency.

The initial term of the lease agreement ended on December 31, 2001, and is renewable for successive one-year terms upon appropriation of funds by R.I.T.A.'s Board of Trustees to pay the rental payments. The final renewal term ends on November 15, 2010 when the remaining balance under the lease is due. At the end of the lease term, the Members have the option to purchase the "Series 2000B Project" for \$1. Interest on the obligation is at 6% per annum. An administrative and trustee fee of 0.3% is also incurred on an annual basis.

Regional Income Tax Agency

Notes to Financial Statements

December 31, 2008 and 2007

Note 7: Capital Lease Commitments (continued)

Future minimum lease payments under the "Series 2000B Project" lease agreement are as follows:

2009	\$ 700,115
2010	<u>1,133,313</u>
Future minimum lease payments	1,833,428
Less amount representing interest	<u>152,594</u>
Present value of future minimum lease payments	\$ <u>1,680,834</u>

The amount due for this obligation is partially offset by debt reserve funds included in the Due From Trust balance. In March 2009 the Agency elected to exercise an early redemption option for the Series 200B Project bonds. R.I.T.A. ultimately reduced expense as the carrying cost of the debt was substantially higher than the investment rates available in the current market. The total payoff amount of \$939,521 consisted of a redemption premium in the amount of \$34,600, accrued interest of \$35,465 and principal of \$869,456.

On December 1, 2001, the Members entered into a lease agreement with National City Leasing Corporation ("NCLC") to provide funds for the acquisition and installation of personal property consisting of computer equipment, computer software and certain other furnishings and equipment to be located and used at the Agency. The NCLC lease agreement was refinanced on January 31, 2003 and 2004. The refinancing on January 31, 2004, in the amount of \$18,580,000, had a maturity of December 31, 2004, however the Agency exercised its option to extend the maturity date to January 28, 2005. Interest on this obligation was 2.38% per annum. On December 30, 2004, the Agency obtained "Series 2004" permanent bond financing for this obligation with the Authority.

The new capital lease agreement signed by the Agency generated proceeds of \$21,662,747. This exceeded the par amount of \$20,990,000, resulting in a premium of \$672,747. From the proceeds, \$20,724,937 was placed in trust to refinance the NCLC capital lease in January 2005 and to establish new bond reserve and retirement funds, while \$937,810 was capitalized as deferred loan fees. The leased personal property includes the HVAC system, other improvements and furnishings of the project site, and the development, furnishing, and installing of certain computer hardware and software. The initial lease term was December 30, 2004 to December 31, 2005; however, the Agency exercised its options and extended the maturity date to December 31, 2008. The lessee can renew the lease for consecutive one-year periods, except that the final renewal term will mature on November 15, 2022. The Agency intends to renew the lease through the maturity date and this is stated in the lease. The lease includes a \$10 bargain purchase option; therefore, management has recorded the obligation as a capital lease. The lease has an imputed interest rate of 4.726%.

Future minimum lease payments under the "Series 2004" lease agreement are as follows:

2009	\$ 1,861,037
2010	1,938,204
2011	2,161,333
2012	1,945,244
2013	2,064,804
Thereafter	<u>15,215,496</u>
Future minimum lease payments	25,186,118
Less amount representing interest	<u>6,518,611</u>
Present value of future minimum lease payments	\$ <u>18,667,507</u>

Regional Income Tax Agency

Notes to Financial Statements

December 31, 2008 and 2007

Note 7: Capital Lease Commitments (continued)

The new capital lease agreement contains various covenants, including a minimum amount of annual income tax collections. If the minimum collection amount is not met, the lease could be subject to a special mandatory redemption.

Proceeds in the amount of \$5,913,101 and \$5,939,008 from capital lease arrangements are held in trust at December 31, 2008 and 2007, respectively. The funds consist of bond reserve and project funds. Project funds are distributed as project costs are incurred. Project costs in the amount of \$17,486,718 have been capitalized to date as of December 31, 2008. Of this amount, capital assets of \$11,625,841 and \$10,654,821 have been placed into service as of December 31, 2008 and 2007, respectively. Accumulated depreciation of \$3,273,612 at December 31, 2008 and \$2,687,093 at December 31, 2007 has been recorded for the assets placed in service.

The Agency has utilized capital lease proceeds to implement a new, multi-dimensional tax information system. To date, operational systems include an Imaging and Document Workflow system, a Telephone Interactive Voice Recognition Unit, a Customer Relationship Management system, a Virtual Private Network, a Right Fax system, an eProcess system an eBusiness system and a Data Entry system.

Nondepreciable Capital Assets, excluding land, on the statements of net assets consists of costs incurred prior to December 31, 2008 and 2007 for new systems, which have not yet been put into operation. The amount represents a new core tax system.

The tax system is being introduced by phase. Management believes that the functionality rollout plan has proven to be the most efficient and effective method of implementation.

In 2004, the Agency early adopted GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and For Insurance Recoveries*. This standard establishes accounting and financial reporting standards for impairment of capital assets. The Agency has performed an evaluation of construction costs to date to determine if impairment exists. To date, project costs of \$54,067 were identified as impairment expense and were written off.

Regional Income Tax Agency

Notes to Financial Statements

December 31, 2008 and 2007

Note 8: Tax Collection Fees

During each year, R.I.T.A. withholds, as its tax collection fee, a portion of the taxes, penalties and interest collected. At year end, the amount withheld in excess of operating expenses less other revenues is determined and recorded as amounts Due to Other Governments. In the subsequent year, this excess is distributed to the Members. At December 31, 2008 and 2007, the amount due to other governments is calculated as follows:

	<u>2008</u>	<u>2007</u>
Amounts withheld for tax collection fees	\$ 24,224,310	\$ 21,247,270
Charges for services and other revenues (expense)	600,406	571,885
Net interest income	<u>1,487,788</u>	<u>2,500,499</u>
Subtotal	26,312,504	24,319,654
Operating expenses and interest expense	<u>16,283,066</u>	<u>15,540,826</u>
Excess of amounts withheld (due to other governments)	\$ <u>10,029,438</u>	\$ <u>8,778,828</u>

Note 9: Compensated Absences

R.I.T.A. employees accumulate vacation leave and unlimited sick leave based upon hours worked and years of service. Upon retirement or death, employees are paid 25 percent of accumulated sick leave, not to exceed 250 hours. Sick leave in excess of the 250 hour maximum is not paid upon retirement or death, but will be paid only upon illness while in the employment of R.I.T.A.

During the first seven years of employment, employees can earn 10 days of vacation leave per year. During the next seven years of employment, employees can earn 15 days per year. After 14 years of employment, an employee can earn 20 days and after 22 years of service, employees can earn 25 days per year. Employees may accrue, and be paid upon termination of employment with R.I.T.A., up to a maximum of 20 days in the first seven years of employment, 30 days during the next seven years of employment, 40 days in the subsequent eight years and 50 days thereafter.

As of December 31, 2008, the liability accrued for vacation and sick leave is \$ 985,454 compared to \$897,162 at December 31, 2007. The liability is included in accrued wages and benefits on the statements of net assets.

Note 10: Operating Lease Commitments

R.I.T.A. as Lessor

R.I.T.A. continues to support accounting software for Members. The total income recognized by the enterprise fund for R.I.T.A.'s software support during 2008 and 2007 was \$354,740 and \$300,139, respectively.

R.I.T.A. as Lessee

The Regional Income Tax Agency leases office space and computer equipment under long-term operating leases. Rent expense related to the leases in 2008 and 2007 totaled \$73,343 and \$58,925, respectively.

Regional Income Tax Agency

Notes to Financial Statements

December 31, 2008 and 2007

Note 10: Operating Lease Commitments (continued)

Future minimum rental commitments for the organization's non-cancelable operating leases are as follows:

2009	\$ 36,871
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Note 11: Defined Benefit Pension Plans – Ohio Public Employees Retirement System

R.I.T.A. participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the combined plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

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

For the year ended December 31, 2008, the members of all three plans were required to contribute 10 percent of their annual covered salary to fund pension obligations. R.I.T.A. contributed 14 percent of covered payroll, of which 7 percent was used to fund health care coverage for retirees. For the year ended December 31, 2007, the members of all three plans were required to contribute 9.50 percent of their annual covered salary to fund pension obligations. R.I.T.A. contributed 13.85 percent of covered payroll, of which 5.00 percent was used to fund health care coverage for the period of January 1, 2007 through June 30, 2007 and 6.00 percent was used to fund health care coverage for the period of July 1, 2007 through December 31, 2007 for retirees. The contribution rate is determined actuarially. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Agency's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2008, 2007, and 2006 were \$1,040,276, \$933,576, and \$802,391, respectively, equal to the required contributions for each year. The full amount has been contributed for all three years.

Regional Income Tax Agency

Notes to Financial Statements

December 31, 2008 and 2007

Note 12: Postemployment Benefits – Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the Traditional Pension Plan – a cost-sharing multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost-sharing multiple-employer defined benefit pension plan.

OPERS provides retirement, disability, survivor and post-retirement health care benefits to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-retirement health care coverage, age and service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and qualified survivor recipients is available. The health care coverage provided by the Retirement System is considered an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 45.

A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care. The Ohio Revised Code provides statutory authority requiring employers to fund post-retirement health care through their contributions to OPERS. The 2008 employer contribution rate was 14 percent of covered payroll. The portion of employer contributions for all employers allocated to health care was 7 percent from January 1, 2008 through December 31, 2008.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2007, include a rate of return on investments of 6.5 percent. An annual increase of 4.0 percent, compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.0 percent base increase, were assumed to range from 0.50 percent to 6.3 percent. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 0.5 percent to 4 percent for the next seven years. In subsequent years (eight and beyond) health care costs were assumed to increase at 4 percent (the projected wage inflation rate).

All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12 percent corridor.

At December 31, 2008, the number of active contributing participants in the Traditional and Combined Plans totaled 364,076. The Agency's actual contributions for 2008, which were used to fund postemployment benefits, were \$520,138. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2007, (the latest information available) were \$12.8 billion. The actuarially accrued liability and the unfounded actuarially accrued liability for OPEB, based on the actuarial cost method used, were \$29.8 billion and \$17.0 billion, respectively.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. In addition to the HCPP, OPERS has taken additional action to improve the solvency of the Health Care Fund in 2005 by creating a separate investment pool for health care assets.

Regional Income Tax Agency

Notes to Financial Statements

December 31, 2008 and 2007

Note 12: Postemployment Benefits – Ohio Public Employees Retirement System (continued)

Member and employer contribution rates increased as of January 1, 2007 and January 1, 2008, which will allow additional funds to be allocated to the health care plan.

Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retirement Medical Account that can be used to fund future health care expenses.

Note 13: Risk Management

R.I.T.A. is exposed to various risks of loss including employee health care costs, errors and omissions, torts and legal judgments, and damage and destruction of assets.

R.I.T.A. carries \$1,000,000 of comprehensive general liability insurance coverage, a \$2,000,000 umbrella policy, as well as insurance coverage for R.I.T.A. business interruption and property losses. R.I.T.A. is insured through the State of Ohio for workers' compensation. Prior to January 2006, R.I.T.A. offered health care through a self-insurance policy and a standard premium-based plan; however, effective January 1, 2006, the self-insured health care plan was replaced by a second standard premium-based insurance plan. The Agency has chosen to reflect a minimal amount for any lingering self-insured health claims. This liability is included in accrued wages and benefits on the statements of net assets and represents claims that have been incurred but not reported. Effective January 1, 2009, the Agency now offers a single healthcare program.

Changes in R.I.T.A.'s health care claims liability were as follows:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2007	\$ 160,000	\$ (135,000)	\$ -	\$ 25,000
2008	25,000	-	-	25,000

Regional Income Tax Agency

Notes to Financial Statements

December 31, 2008 and 2007

Note 14: Change in Accounting Principles

For fiscal year 2008, the Agency implemented GASB Statement No. 50, *Pension Disclosures* an amendment of GASB Statements No. 25 and No 27". GASB Statement No. 50 revises the financial reporting requirements for pension plans and employers that provide pension plans. The required disclosures are included in Note 11 to the financial statements.

Effective January 1, 2008, the Agency implemented FASB Statement No. 157 "Fair Value Measurements". The required disclosures are included in Note 15 to the financial statements.

The implementation of GASB Statement No. 50 and SFAS 157 did not affect the presentation of the financial statements of the Agency.

Note 15: Fair Value Measurements

SFAS 157 defines fair value as the exit price received to transfer an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. SFAS 157 establishes a framework for measuring fair value by creating a hierarchy of valuation inputs used to measure fair value. This hierarchy prioritizes the inputs into three broad levels as follows: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly; and Level 3 inputs are unobservable inputs in which little or no market data exists, therefore, requiring an entity to develop its own valuation assumptions. These inputs reflect management's judgment about the assumptions that a market participant would use in pricing the asset and are based on the best available information, which has been internally developed.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Agency believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

In accordance with FASB Staff Position (FSP) 157-2 the Agency has elected to not apply the provisions of SFAS 157 to non-financial assets and liabilities, except for those items that are recognized or disclosed at fair value in an entity's financial statements on a recurring basis.

Financial assets consisted of the following:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>12/31/2008</u>
Certificates of deposit	\$ 15,000,000	\$ -	\$ -	\$ 15,000,000
Savings Account (Star Ohio)	11,250,088	-	-	11,250,088
Sweep/Money Market Accounts	<u>40,976,614</u>	<u>-</u>	<u>-</u>	<u>40,976,614</u>
	\$ <u>67,226,702</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>67,226,702</u>

Regional Income Tax Agency

Combining Statement of Changes in Assets and Liabilities – Agency Fund

For the Year Ended December 31, 2008

	Balance at January 1, <u>2008</u>	<u>Additions</u>	<u>Deductions</u>	Balance at December 31, <u>2008</u>
Assets:				
Cash and Cash Equivalents	\$ 48,227,875	\$ 777,659,076	\$ (768,133,597)	\$ 57,753,354
Receivables:				
Interest	26,639	280,816	(26,639)	280,816
Income Taxes of Member Municipalities, Net	<u>187,648,954</u>	<u>208,661,753</u>	<u>(187,648,954)</u>	<u>208,661,753</u>
Total Assets	\$ <u>235,903,468</u>	\$ <u>986,601,645</u>	\$ <u>(955,809,190)</u>	\$ <u>266,695,923</u>
Liabilities:				
Refunds Payable	\$ 988,477	\$ 17,313,328	\$ (17,241,794)	\$ 1,060,011
Due to Other Funds	7,150,717	23,083,065	(22,158,605)	8,075,177
Due to Other Governments	<u>227,764,274</u>	<u>782,874,162</u>	<u>(753,077,701)</u>	<u>257,560,735</u>
Total Liabilities	\$ <u>235,903,468</u>	\$ <u>823,270,555</u>	\$ <u>(792,478,100)</u>	\$ <u>266,695,923</u>

Regional Income Tax Agency

Schedule of Revenues and Expenses – Budget and Actual (GAAP Basis)

For the Year Ended December 31, 2008

	<u>Original Budget</u>	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 19,864,390	\$ 19,864,390	\$ 15,345,738	\$ (4,518,652)
Interest Income	<u>1,700,000</u>	<u>1,700,000</u>	<u>1,489,327</u>	<u>(210,673)</u>
Total Revenues	<u>21,564,390</u>	<u>21,564,390</u>	<u>16,835,065</u>	<u>(4,729,325)</u>
Expenses:				
Personal Services	10,672,230	10,672,230	9,571,278	1,100,952
Other	<u>10,874,990</u>	<u>10,874,990</u>	<u>7,202,588</u>	<u>3,672,402</u>
Total Expenses	<u>21,547,220</u>	<u>21,547,220</u>	<u>16,773,866</u>	<u>4,773,354</u>
Net Income (Loss)	\$ <u>17,170</u>	\$ <u>17,170</u>	\$ <u>61,199</u>	\$ <u>44,029</u>

Note: Although not required by law, an annual operating budget is adopted for management purposes.

The accompanying notes are an integral part of this Schedule

Regional Income Tax Agency

Notes to Supplementary Information

December 31, 2008

Note 1. Budgetary Process

Although not required under the Ohio Revised Code, an annual operating budget, which lapses as of the end of the year, is adopted for management purposes. The budget is adopted for the enterprise fund on the same accounting basis used to reflect actual revenues and expenses. The Executive Director is authorized to expend the budget amounts; however, any change between the departments, line items or in the total amount budgeted for a particular fund requires the approval of the Board of Trustees of R.I.T.A.

Statistical Section

(Unaudited)

Statistical Section

This portion of the Agency's comprehensive annual financial report presents detailed information in a context for further understanding of the information in the financial statements, note disclosures and required supplementary information.

Financial Trends – This schedule contains trend information to assist the reader in understanding how the Agency has performed financially over time.

Revenues – These schedules contain information on the Agency's revenues.

Operating Information – These schedules contain information on Agency operations.

Debt Capacity – This schedule shows the Agency's Ratio of Debt.

Economic and Demographic Information – These schedules offer economic and demographic indicators for each municipality.

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

Regional Income Tax Agency

Changes in Net Assets – Last Five Years

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Operating Revenues:					
Tax Collection Fees	\$ 14,194,871	\$ 12,469,945	\$ 11,462,953	\$ 11,645,263	\$ 12,249,244
Charges for Services and Other Revenues	<u>1,150,867</u>	<u>1,116,104</u>	<u>1,119,612</u>	<u>999,360</u>	<u>805,442</u>
Total Operating Revenues	<u>15,345,738</u>	<u>13,586,049</u>	<u>12,582,565</u>	<u>12,644,623</u>	<u>13,054,686</u>
Operating Expenses:					
Personal Services	9,571,278	9,110,476	8,627,597	8,208,534	8,729,464
Travel and Transportation	146,517	96,603	115,773	85,355	118,154
Office Rent and Maintenance	177,911	136,779	98,901	94,366	94,040
Equipment and Software Maintenance	626,042	522,178	640,165	616,605	653,344
Cost of Equipment Purchased For Members	48,190	178,886	150,146	86,498	368
Professional and Processing	2,086,816	2,227,898	1,799,750	1,488,940	1,441,458
Telephone and Utilities	270,164	189,233	165,493	190,713	215,945
Forms and Envelopes	328,118	343,119	312,327	306,546	173,307
Insurance	33,152	35,768	50,944	48,391	49,094
Miscellaneous Expenses	18,583	15,838	18,211	18,576	20,265
Material and Supplies	840,033	785,500	706,357	636,192	683,129
Depreciation and Amortization	<u>1,615,859</u>	<u>1,582,404</u>	<u>1,267,507</u>	<u>1,098,343</u>	<u>913,650</u>
Total Operating Expenses	<u>15,762,663</u>	<u>15,224,682</u>	<u>13,953,171</u>	<u>12,879,059</u>	<u>13,092,218</u>
Operating Income (Loss)	<u>(416,925)</u>	<u>(1,638,633)</u>	<u>(1,370,606)</u>	<u>(234,436)</u>	<u>(37,532)</u>
Non - Operating Revenues (Expenses):					
Interest Income	1,489,327	2,503,203	2,226,645	1,247,878	418,272
Interest Expense	(949,069)	(847,142)	(929,298)	(1,084,795)	(405,076)
Loss on Disposal of Capital Assets	<u>(62,134)</u>	<u>(52,417)</u>	<u>(26,734)</u>	<u>(16)</u>	<u>(712)</u>
Total Non – Operating Revenues (Expenses)	<u>478,124</u>	<u>1,603,644</u>	<u>1,270,613</u>	<u>163,067</u>	<u>12,484</u>
Change in Net Assets	61,199	(34,989)	(99,993)	(71,369)	(25,048)
Net Assets, Beginning of Year	<u>16,092</u>	<u>51,081</u>	<u>151,074</u>	<u>222,443</u>	<u>247,491</u>
Net Assets, End of Year	\$ <u><u>77,291</u></u>	\$ <u><u>16,092</u></u>	\$ <u><u>51,081</u></u>	\$ <u><u>151,074</u></u>	\$ <u><u>222,443</u></u>
Net Assets, End of Year:					
Invested in Capital Assets, net of Related Debt	\$ 845,411	\$ 214,859	\$ (61,107)	\$ 1,066,783	\$ 733,515
Restricted for:					
Debt Service	2,580,809	2,681,626	2,697,059	2,663,419	-
Capital Improvements	3,324,527	3,248,595	3,695,868	4,326,565	-
Unrestricted (Deficit)	<u>(6,673,456)</u>	<u>(6,128,988)</u>	<u>(6,280,739)</u>	<u>(7,905,693)</u>	<u>(511,072)</u>
Total Nets Assets	\$ <u><u>77,291</u></u>	\$ <u><u>16,092</u></u>	\$ <u><u>51,081</u></u>	\$ <u><u>151,074</u></u>	\$ <u><u>222,443</u></u>

Regional Income Tax Agency

Revenue by Type – Last Ten Fiscal Years

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Tax Operating Revenues:										
Tax Collection Fees	\$ 14,194,871	\$ 12,469,945	\$ 11,462,953	\$ 11,645,263	\$ 12,249,244	\$ 11,884,291	\$ 10,481,831	\$ 7,074,998	\$ 4,612,317	\$ 3,799,159
Charges for Services and Other Services	<u>1,150,867</u>	<u>1,116,104</u>	<u>1,119,612</u>	<u>999,360</u>	<u>805,442</u>	<u>811,393</u>	<u>703,136</u>	<u>719,818</u>	<u>511,301</u>	<u>528,439</u>
Total Operating Revenues	15,345,738	13,586,049	12,582,565	12,644,623	13,054,686	12,695,684	11,184,967	7,794,816	5,123,618	4,327,598
Non-Operating Revenues:										
Interest Income	<u>1,489,327</u>	<u>2,503,203</u>	<u>2,226,645</u>	<u>1,247,878</u>	<u>418,272</u>	<u>403,644</u>	<u>694,655</u>	<u>1,644,822</u>	<u>2,584,782</u>	<u>1,878,970</u>
Total Revenues	\$ <u>16,835,065</u>	\$ <u>16,089,252</u>	\$ <u>14,809,210</u>	\$ <u>13,892,501</u>	\$ <u>13,472,958</u>	\$ <u>13,099,328</u>	\$ <u>11,879,622</u>	\$ <u>9,439,638</u>	\$ <u>7,708,400</u>	\$ <u>6,206,568</u>

SOURCE: R.I.T.A. accounting records

Regional Income Tax Agency

Table of Municipal Income Tax Receipts – Last Ten Fiscal Years

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Addyston (A)	\$ 432,052	\$ 122,581	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Arlington Heights (A)	476,168	454,743	487,004	409,986	412,481	318,448	-	-	-	-
Ashville	674,674	457,929	422,599	364,087	367,236	293,038	284,838	285,831	214,315	121,748
Aurora	10,831,922	10,264,417	9,438,468	8,492,888	8,835,008	8,061,004	5,464,240	5,588,485	5,482,449	4,903,958
Avon	9,329,718	7,632,446	7,839,956	6,920,540	6,233,184	6,003,837	4,341,119	2,676,128	2,302,999	1,898,535
Avon Lake	8,671,502	9,925,389	9,098,148	6,951,301	7,244,001	6,731,715	6,703,170	6,615,760	6,801,989	5,972,032
Bay Village	5,024,372	4,676,236	4,697,748	4,394,909	4,189,782	4,305,547	4,062,576	4,097,083	3,958,331	3,679,207
Beachwood	20,676,640	19,992,495	18,854,122	16,777,363	16,105,554	15,614,794	15,446,406	15,616,185	15,309,941	13,686,500
Beachwood East Jedd (A)	511,890	548,916	405,221	315,570	224,704	250,560	237,421	487,332	74,760	-
Beachwood West Jedd (A) (C)	2,974	-	(708)	(3)	(305)	993	1,609	2,702	4,287	-
Bedford Heights	9,505,694	8,860,566	8,765,894	8,943,539	8,365,435	8,317,810	8,134,753	9,256,246	8,648,407	8,552,301
Bellevue (A)	3,575,243	113,494	-	-	-	-	-	-	-	-
Bentleyville	1,200,083	908,066	927,298	772,729	812,263	961,017	784,618	832,449	754,140	639,770
Berea	10,826,647	10,132,497	10,134,502	9,068,671	9,141,736	8,577,174	8,674,811	8,709,248	8,715,217	7,832,988
Bettsville (A)	68,221	37,341	-	-	-	-	-	-	-	-
Bexley	5,937,904	5,583,104	5,872,359	5,220,226	5,164,869	5,191,839	5,100,245	5,367,039	4,570,838	4,447,977
Boston Heights	601,868	589,454	561,237	472,769	402,130	376,473	352,660	356,147	325,043	232,605
Brady Lake (B)	-	-	-	72	10,452	13,257	13,602	16,226	13,024	11,201
Brecksville	14,195,670	13,924,442	13,767,440	12,790,541	12,521,243	11,521,261	11,484,762	12,388,352	11,156,555	10,825,306
Broadview Heights	9,483,237	9,200,076	8,915,482	8,740,669	8,110,581	7,500,457	7,063,144	7,129,747	6,518,634	6,484,289
Brooklyn Heights	4,871,741	4,653,485	4,485,212	4,564,081	4,079,522	3,960,316	3,731,396	3,830,887	3,839,697	4,019,780
Campbell (A)	1,751,056	1,776,015	1,794,249	1,808,582	-	-	-	-	-	-
Cardington (A)	613,911	811,666	630,548	-	-	-	-	-	-	-
Cecil (A)	18,478	18,636	20,357	17,441	9,925	-	-	-	-	-
Cedarville (A)	514,659	455,212	432,185	442,950	388,123	368,248	-	-	-	-
Centerburg (A)	311,493	310,065	308,119	291,932	275,002	285,221	-	-	-	-
Chagrin Falls	2,640,942	2,815,866	2,695,863	2,541,099	2,394,881	2,371,750	2,328,445	2,461,744	2,330,019	2,342,701
Circleville	4,511,637	4,127,640	3,990,345	3,981,679	4,214,050	2,162,291	-	-	-	-
Clayton (A)	1,959,960	1,979,391	2,069,313	1,871,855	-	-	-	-	-	-
Clayton Jedd (A)	60,572	-	-	-	-	-	-	-	-	-
Corwin (A)	24,311	49,411	-	-	-	-	-	-	-	-
Cuyahoga Heights	8,498,242	7,702,160	7,811,398	7,703,930	7,645,256	7,297,331	5,222,740	6,144,117	6,807,796	6,459,124
East Cleveland	6,024,807	5,760,403	6,630,915	6,522,439	6,626,103	7,651,447	6,781,992	7,105,718	6,852,297	4,816,657
East Palestine (A)	859,912	966,785	284,237	-	-	-	-	-	-	-
Elyria	21,399,712	21,079,521	22,110,092	20,360,722	20,479,169	19,086,332	18,403,641	20,300,452	18,904,282	18,277,567
Elyria Jedd (A)	425,628	430,641	399,754	428,760	458,426	95,304	-	-	-	-
Fairborn (A)	11,115,903	3,326,768	-	-	-	-	-	-	-	-
Fairport Harbor (A)	701,480	650,875	687,089	679,233	582,802	555,214	-	-	-	-
Fairview Park	7,964,566	7,709,250	7,194,218	5,356,976	4,700,560	4,580,937	4,447,363	4,472,064	4,155,487	4,165,793
Fort Jennings (A)	85,680	77,558	75,931	74,437	74,464	76,279	39,528	-	-	-
Fredricktown (A)	194,244	-	-	-	-	-	-	-	-	-
Fremont (A)	7,363,124	7,622,709	7,702,960	7,791,146	-	-	-	-	-	-
Galena	262,056	196,849	147,786	119,145	100,404	143,312	104,979	108,153	98,262	76,982

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Receipts – Last Ten Fiscal Years (Continued)

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Galion (A)	\$ 4,239,250	\$ 4,099,739	\$ 3,275,523	\$ 1,260,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Garfield Heights	10,803,430	10,330,255	10,117,919	9,265,224	8,935,455	8,905,885	8,734,770	8,785,379	8,480,102	8,526,090
Girard (A)	3,179,457	3,661,633	3,506,729	3,586,521	-	-	-	-	-	-
Glenwillow	1,709,052	1,487,678	1,319,673	1,444,332	1,171,614	1,267,408	1,144,899	922,770	1,004,948	680,271
Grafton (A)	1,322,121	1,380,268	69,938	-	-	-	-	-	-	-
Grandview Heights	5,874,678	5,401,497	4,652,001	3,140,619	2,739,117	3,342,406	3,232,081	3,593,972	3,792,821	3,538,895
Grove City (A)	16,768,701	17,175,520	16,790,862	15,257,975	5,629,606	-	-	-	-	-
Haskins (A)	178,024	162,852	173,998	142,756	122,570	-	-	-	-	-
Highland Heights	10,000,497	9,572,984	6,298,831	5,742,843	6,122,085	6,329,961	6,219,328	6,200,741	6,248,852	6,220,961
Hilliard (A)	16,430,602	7,205,662	-	-	-	-	-	-	-	-
Hudson	17,967,916	17,769,151	16,945,942	13,233,521	8,342,563	7,253,524	6,917,993	7,137,023	6,888,064	6,751,185
Hunting Valley (D)	(4)	(1,728)	(657)	(7,406)	(49,504)	3,914	417,013	383,540	615,552	599,331
Independence	22,857,680	22,481,358	20,735,779	18,799,401	19,462,008	18,104,154	17,149,369	18,364,277	18,140,108	17,400,456
Jackson Center (A)	86,087	-	-	-	-	-	-	-	-	-
Jewett (A)	52,487	51,609	48,957	58,085	-	-	-	-	-	-
Kirtland	3,062,235	2,933,794	2,862,367	2,793,146	2,544,784	2,386,087	2,622,354	2,033,147	1,916,331	1,864,880
LaGrange	779,859	770,532	626,433	675,677	554,952	605,677	587,792	751,022	626,357	548,006
Lakemore	733,312	809,186	787,664	836,136	785,565	738,092	697,626	701,644	685,874	694,300
Lakewood (B)	-	-	530,933	15,110,209	15,841,273	15,816,234	17,253,672	16,093,018	14,624,618	12,923,110
Lithopolis (A)	234,949	226,401	-	-	-	-	-	-	-	-
Lockland	2,217,651	2,052,008	1,959,199	1,579,100	1,622,558	1,752,266	1,822,553	1,780,473	1,812,351	1,897,163
Lyndhurst	5,968,276	5,926,812	5,714,252	5,891,114	5,506,114	7,386,453	5,341,645	5,564,293	5,273,029	5,025,716
Macedonia (A)	6,969,021	7,083,979	7,049,982	6,386,466	1,402,742	-	-	-	-	-
Macedonia Northfield Jedd(A)	319,963	491,953	158,519	144,576	20,495	-	-	-	-	-
Maineville (A)	225,750	237,789	263,414	212,019	163,204	75,990	7,492	-	-	-
Maple Heights	7,163,314	6,798,097	6,171,024	6,078,964	6,263,009	6,184,532	6,095,770	6,536,726	6,140,657	5,879,303
Martins Ferry (A)	1,249,129	1,197,181	1,103,246	1,052,582	1,028,954	1,027,803	643,079	-	-	-
Marysville (B)	-	-	-	582,523	6,215,610	5,981,792	5,770,975	-	-	-
Mayfield Heights	11,748,347	11,820,973	11,376,971	9,986,391	10,312,568	9,298,122	8,598,234	8,677,150	8,852,255	8,198,951
Mayfield Village	9,646,213	9,845,110	10,166,314	9,682,595	8,727,426	7,670,679	7,600,490	6,902,239	5,934,746	6,179,650
Mechanicsburg (A)	343,898	336,237	355,881	359,151	-	-	-	-	-	-
Mentor (A)	29,328,829	-	-	-	-	-	-	-	-	-
Middleburg Heights	15,998,886	15,020,232	13,700,623	12,498,286	12,768,169	12,741,649	12,167,139	12,514,175	12,569,270	11,843,642
Middleport (A)	86,130	-	-	-	-	-	-	-	-	-
Milan	233,111	270,211	265,326	225,314	286,280	316,439	279,882	238,728	219,323	237,827
Milford (A)	2,482,244	2,597,157	-	-	-	-	-	-	-	-
Milford Jedd (A)	415,764	146,644	-	-	-	-	-	-	-	-
Milford Center	139,002	113,118	109,812	120,968	100,288	107,194	92,210	123,857	101,066	93,254
Minerva Park (A)	274,093	235,128	260,183	142,535	-	-	-	-	-	-
Mogadore	2,081,971	2,029,202	2,090,342	1,785,055	1,911,413	1,857,573	1,821,524	1,881,797	1,503,705	1,343,437
Moreland Hills	2,931,837	2,950,455	2,725,730	2,838,502	3,138,603	2,583,252	2,325,553	2,405,163	2,210,277	2,521,189
Mount Gilead (B)	-	-	-	118,768	730,270	735,100	762,999	848,532	346,824	-
Mount Sterling	534,311	549,172	567,711	550,859	518,129	605,070	640,415	660,489	682,820	615,627

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Receipts – Last Ten Fiscal Years (Continued)

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
New Albany	\$ 20,776,732	\$ 19,056,403	\$ 14,831,154	\$ 14,938,168	\$ 11,406,094	\$ 8,491,611	\$ 6,326,466	\$ 4,496,119	\$ 3,022,408	\$ 2,562,427
New Bloomington (A)	28,376	20,236	22,468	24,076	19,315	15,207	3,493	-	-	-
New Franklin (A)	879,926	-	-	-	-	-	-	-	-	-
New Waterford (A)	120,446	153,079	24,962	-	-	-	-	-	-	-
Newburgh Heights	677,733	711,465	697,347	731,964	726,495	729,274	747,376	824,891	714,556	690,282
Newtown	1,230,699	1,066,115	1,066,024	908,331	891,131	1,011,215	860,111	1,081,732	1,011,380	974,675
North Olmsted	217,038	194,077	188,909	196,673	196,699	190,163	189,864	193,246	184,973	181,975
North Olmsted	13,059,364	13,483,243	13,527,882	12,219,160	12,393,465	11,218,337	11,250,620	11,581,380	10,384,159	10,165,050
North Royalton (A)	13,021,456	11,458,970	8,400,349	7,969,666	7,810,621	7,626,388	7,276,995	7,611,612	6,495,643	-
Oakwood Village	4,392,892	3,705,536	3,591,212	3,391,487	3,391,704	3,164,863	3,085,394	3,126,813	3,058,141	3,072,958
Oberlin (A)	4,553,411	5,250,292	4,856,333	4,527,435	4,953,423	4,548,877	3,401,503	-	-	-
Olmsted Falls	2,740,865	2,628,150	2,516,094	2,548,446	2,422,215	2,422,673	2,401,890	2,266,339	2,071,072	1,989,119
Orange	3,096,321	2,786,627	2,617,842	2,546,028	2,483,888	2,362,669	2,151,335	2,211,599	1,941,690	2,035,859
Orange Chagrin Highland										
Jedd (A)	286,441	308,168	238,534	172,155	184,863	135,343	151,687	48,608	49,073	-
Ottawa	1,245,918	1,241,076	1,143,938	1,128,203	1,116,901	1,454,384	1,604,995	1,544,661	1,775,889	1,705,193
Oxford (A)	7,343,931	2,244,687	-	-	-	-	-	-	-	-
Pepper Pike	4,193,726	4,011,870	4,018,878	4,000,337	3,825,487	3,660,415	3,402,408	3,712,518	3,616,223	3,391,847
Piketon (A)	466,621	422,074	341,988	35,521	-	-	-	-	-	-
Plain City	1,056,733	970,646	878,815	874,202	860,028	831,993	762,515	601,232	567,304	544,133
Plymouth (A) (B)	-	153,530	170,352	145,029	128,992	127,921	133,322	29,733	-	-
Powell	4,004,900	3,659,781	3,656,776	3,101,343	2,838,732	2,470,689	2,572,880	2,279,293	1,993,122	1,866,089
Powhatan Point (A)	177,021	184,979	214,469	-	-	-	-	-	-	-
Reminderville	1,250,840	1,127,030	1,106,036	1,005,113	953,890	900,024	764,907	670,310	623,810	579,310
Reminderville Twins Jedd (A)	2,959,841	3,063,510	2,742,410	2,814,108	2,752,743	1,562,914	-	-	-	-
Reynoldsburg	10,662,237	10,048,191	9,353,718	8,626,186	8,727,145	9,748,253	7,616,845	9,289,276	9,481,422	8,413,084
Reynoldsburg Entp Zone (A)	232	1,839	-	-	-	-	-	-	-	-
Richmond Heights	4,681,673	4,598,337	4,521,017	4,325,010	3,995,697	4,403,427	4,036,489	4,178,336	3,901,797	3,519,985
Richwood	482,298	453,724	436,738	385,138	312,812	195,136	173,120	163,110	163,836	166,252
Ridgeway (A)	29,702	31,911	30,762	24,753	25,433	14,498	40	-	-	-
Ripley (A)	48,049	-	-	-	-	-	-	-	-	-
Riverside	4,297,693	5,098,281	4,394,371	4,481,199	4,221,231	4,195,122	4,108,880	4,114,665	2,929,139	2,548,948
Sabina (A)	320,525	361,728	356,839	341,217	62,167	71,353	370,841	94,135	-	-
Saint Paris	263,265	264,625	250,423	236,637	236,891	228,372	224,699	228,198	252,788	241,663
Salineville	140,723	207,346	172,276	175,890	159,495	181,021	186,969	172,899	167,933	176,716
Sandusky (A)	7,456,699	7,160,947	7,169,082	7,058,309	6,857,865	7,224,771	-	-	-	-
Seven Hills	5,100,866	4,676,467	4,391,546	4,157,764	4,353,566	4,358,167	4,164,748	4,274,161	4,449,611	4,180,028
Shaker Heights	21,116,021	19,374,591	19,910,669	19,808,975	17,303,875	24,202,995	18,775,824	18,979,360	17,066,236	17,493,945
Shawnee Hills	355,647	271,509	275,789	215,783	236,838	194,600	191,689	173,700	156,452	142,284
Sheffield Lake (A)	1,994,536	1,873,097	1,467,844	1,424,791	1,629,567	257,996	-	-	-	-
Sheffield Village	2,398,249	2,480,794	2,440,675	2,256,659	2,191,320	2,423,324	1,564,814	1,268,642	1,309,299	1,224,643
Sherwood (A)	71,368	76,328	85,544	60,932	20,156	-	-	-	-	-
Silver Lake	509,761	521,923	457,833	431,161	432,554	417,259	357,302	414,610	385,577	394,968

Regional Income Tax Agency

Table of Municipal Income Tax Receipts – Last Ten Fiscal Years (Continued)

	Continued									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Silverton (A)	\$ 693,440	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
South Charleston (A)	4,278	-	-	-	-	-	-	-	-	-
South Euclid	8,382,216	8,615,603	6,782,298	5,561,115	5,333,268	5,730,073	5,718,510	5,736,905	5,336,643	5,350,100
South Solon	33,031	30,831	29,817	34,335	28,563	23,817	18,947	26,878	42,002	21,694
Steubenville	8,716,248	9,014,749	8,615,422	8,166,069	8,011,866	8,605,455	8,376,878	7,695,389	8,366,631	4,758,637
Stratton (A)	516,590	-	-	-	-	-	-	-	-	-
Streetsboro	7,016,932	6,413,736	6,348,250	5,795,963	5,156,778	5,037,955	4,573,064	4,610,661	4,400,940	4,220,617
Strongsville	27,989,714	27,562,820	27,338,412	24,575,686	21,118,155	18,631,219	17,934,416	18,670,908	17,464,177	16,252,376
Sunbury (A)	1,717,226	1,712,343	1,703,603	1,516,496	1,496,267	1,418,580	1,153,249	1,017,569	881,688	937,443
Tontogany (A)	61,428	66,505	15,710	-	-	-	-	-	-	-
Toronto	2,823,108	3,433,724	2,330,542	1,254,023	1,207,811	1,169,159	1,188,147	1,158,804	1,075,264	1,167,268
Twinsburg (A)	17,981,283	19,253,605	-	-	-	-	-	-	-	-
Uhrichsville (A)	1,314,634	1,336,742	330,682	-	-	-	-	-	-	-
University Heights	8,075,554	7,651,185	6,210,713	5,574,742	4,895,792	4,970,319	4,963,337	4,782,707	4,300,538	4,292,619
Upper Arlington	13,059,698	13,543,951	12,662,119	13,539,189	11,845,486	12,264,988	12,397,663	13,717,001	11,464,385	11,951,158
Urbancrest (A)	541,974	568,692	463,860	419,054	308,373	167,350	-	-	-	-
Valley View	8,276,309	8,104,406	7,859,314	8,369,946	8,059,175	8,265,868	7,814,541	8,155,098	6,956,588	7,376,813
Vermilion (A)	1,298,281	1,141,889	1,199,940	1,194,264	1,163,213	1,152,282	1,211,700	1,143,966	1,165,393	216,033
Wakeman	144,092	133,741	136,052	125,533	140,268	118,592	114,497	132,938	129,744	109,982
Walton Hills	-	-	4,348,534	4,082,194	4,411,056	4,445,129	3,299,858	2,285,189	2,530,522	2,542,781
Wellston (A)	1,159,056	1,199,514	994,647	764,180	735,874	762,909	651,175	239,894	-	-
Wellsville (A)	375,245	461,429	474,371	365,549	400,070	-	-	-	-	-
West Elkton (A)	28,215	24,879	16,805	-	-	-	-	-	-	-
Westlake	19,376,043	19,975,268	17,808,494	16,314,506	15,507,647	14,927,199	15,005,585	14,879,861	13,979,628	13,321,028
Weston (A)	255,213	258,752	-	-	-	-	-	-	-	-
Willoughby (A)	14,408,678	-	-	-	-	-	-	-	-	-
Willowick	2,346,671	2,342,022	2,290,847	2,292,818	2,119,653	2,212,622	2,133,356	2,166,869	2,083,067	2,085,456
Willshire (A)	57,654	21,614	-	-	-	-	-	-	-	-
Wintersville	840,576	853,200	784,297	707,250	708,392	693,369	665,614	609,902	598,457	544,027
Woodmere	1,797,157	1,633,843	1,658,698	1,607,405	1,642,328	1,464,661	1,313,201	1,511,487	1,406,439	1,491,122
Woodstock (A)	32,545	20,007	5,411	-	-	-	-	-	-	-
Worthington (A)	15,965,395	15,091,650	15,076,007	13,915,446	13,473,720	11,477,756	4,362,377	-	-	-
Yellow Springs (A)	1,429,126	1,364,192	1,264,926	1,262,798	1,433,848	1,340,900	-	-	-	-
Youngstown (A)	48,715,322	47,380,683	50,269,440	-	-	-	-	-	-	-
Totals	\$ <u>773,982,373</u>	\$ <u>685,779,704</u>	\$ <u>622,025,867</u>	\$ <u>541,375,463</u>	\$ <u>492,978,422</u>	\$ <u>471,667,088</u>	\$ <u>419,885,152</u>	\$ <u>411,035,925</u>	\$ <u>386,966,066</u>	\$ <u>358,277,676</u>

Note: Above amounts are the net collections for the period January 1 to December 31 of the respective years.

(A) Municipality joined the Regional Council of Governments during the year in which tax collections began. All years prior to joining are accordingly left blank.

(B) Municipality left the Regional Council of Governments during the year in which tax collections ended. All years subsequent are accordingly left blank.

(C) Taxable activity in area is under development.

(D) Municipality has eliminated income tax. The Agency has continued to administer prior period taxes as necessary.

Regional Income Tax Agency

Operating Expenses by Type – Last Ten Fiscal Years

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Tax Operating Expenses:										
Personal Services	\$ 9,571,278	\$ 9,110,476	\$ 8,627,597	\$ 8,208,534	\$ 8,729,464	\$ 8,023,512	\$ 7,234,950	\$ 5,708,292	\$ 4,374,676	\$ 3,863,162
Travel and Transportation	146,517	96,603	115,773	85,355	118,154	121,042	203,099	97,350	58,898	64,553
Office Rent and Maintenance	177,911	136,779	98,901	94,366	94,040	183,426	180,878	177,478	246,740	114,173
Equipment and Software Maintenance	626,042	522,178	640,165	616,605	653,344	452,651	519,390	284,099	202,333	197,776
Cost of Equipment Purchased For Members	48,190	178,886	150,146	86,498	368	5,139	9,957	9,384	5,013	15,834
Professional and Processing	2,086,816	2,227,898	1,799,750	1,488,940	1,441,458	1,599,172	1,097,635	1,190,505	1,289,330	587,828
Telephone and Utilities	270,164	189,233	165,493	190,713	215,945	225,034	202,227	207,163	187,893	176,685
Forms & Envelopes	328,118	343,119	312,327	306,546	173,307	323,914	429,642	467,687	292,481	261,950
Insurance	33,152	35,768	50,944	48,391	49,094	45,766	43,365	40,616	33,062	38,435
Miscellaneous Expenses	18,583	15,838	18,211	18,576	20,265	37,328	29,197	41,081	43,247	20,981
Material and Supplies	840,033	785,500	706,357	636,192	683,129	715,158	675,394	620,923	563,337	486,255
Depreciation and Amortization	<u>1,615,859</u>	<u>1,582,404</u>	<u>1,267,507</u>	<u>1,098,343</u>	<u>913,650</u>	<u>936,347</u>	<u>768,132</u>	<u>486,038</u>	<u>346,568</u>	<u>315,039</u>
Total Operating Expenses	15,762,663	15,224,682	13,953,171	12,879,059	13,092,218	12,668,489	11,393,866	9,330,616	7,643,578	6,142,671
Non-Operating Expense:										
Net Interest Expense	<u>949,069</u>	<u>847,142</u>	<u>929,298</u>	<u>1,084,795</u>	<u>405,076</u>	<u>428,755</u>	<u>486,366</u>	<u>134,840</u>	<u>-</u>	<u>-</u>
Total Expenses	\$ <u>16,711,732</u>	\$ <u>16,071,824</u>	\$ <u>14,882,469</u>	\$ <u>13,963,854</u>	\$ <u>13,497,294</u>	\$ <u>13,097,244</u>	\$ <u>11,880,232</u>	\$ <u>9,465,456</u>	\$ <u>7,643,578</u>	\$ <u>6,142,671</u>

SOURCE: R.I.T.A. accounting records

Regional Income Tax Agency

Operating Indicators – Last Ten Fiscal Years

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Number of cities	156	138	128	118	110	104	97	89	86	85
Average Net Cost of Collections Percentage	1.83%	1.82%	1.84%	2.16%	2.49%	2.52%	2.50%	1.72%	1.19%	1.06%
Net distributions (A)	\$ <u>773,982,377</u>	\$ <u>638,401,681</u>	\$ <u>583,585,191</u>	\$ <u>521,470,923</u>	\$ <u>465,097,577</u>	\$ <u>453,876,568</u>	\$ <u>410,411,220</u>	\$ <u>403,337,929</u>	\$ <u>381,077,887</u>	\$ <u>358,277,676</u>
Number of employees (B)	142	131	128	129	136	132	130	116	100	95

Notes:

(A) Represents the distributions to the cities during the respective years on a cash basis; net of retainer.

(B) Represents the number of full-time employees at December 31st.

Regional Income Tax Agency

Membership as of December 31, 2008 Table of Census Data

	<u>2000 Population</u>	<u>Calendar Year 2000 Per capita Income</u>
<u>Belmont County</u>		
Martins Ferry	7,226	\$ 16,672
Powhatan Point	1,744	14,570
<u>Brown County</u>		
Ripley	1,745	15,268
<u>Butler County</u>		
Oxford	21,943	12,165
<u>Champaign County</u>		
Mechanicsburg	1,744	16,685
North Lewisburg	1,588	18,461
St. Paris	1,998	16,811
Woodstock	317	24,633
<u>Clark County</u>		
South Charleston	1,809	16,940
<u>Clermont County</u>		
Milford	6,284	22,529
<u>Clinton County</u>		
Sabina	2,780	16,481
<u>Columbiana County</u>		
East Palestine	4,917	16,243
New Waterford	1,391	16,239
Salineville	1,397	13,895
Wellsville	4,133	14,335
<u>Crawford County</u>		
Galion	11,341	16,113
<u>Cuyahoga County</u>		
Bay Village	16,087	35,318
Beachwood	12,186	40,509
Bedford Heights	11,375	21,791
Bentleyville	947	72,392
Berea	18,970	21,647
Brecksville	13,382	37,838
Broadview Heights	15,967	29,440
Brooklyn Heights	1,558	27,012
Chagrin Falls	4,024	42,885
Cuyahoga Heights	599	21,446
East Cleveland	27,217	12,602
Fairview Park	17,572	27,662
Garfield Heights	30,734	18,988

Continued

Regional Income Tax Agency

Membership as of December 31, 2008 Table of Census Data (continued)

	<u>2000 Population</u>	<u>Calendar Year 2000 Per capita Income</u>
<u>Cuyahoga County (continued)</u>		
Glenwillow	449	\$ 19,942
Highland Heights	8,082	31,184
Hunting Valley	735	144,281
Independence	7,109	26,447
Lyndhurst	15,279	28,206
Maple Heights	26,156	18,676
Mayfield Heights	19,386	24,392
Mayfield Village	3,435	36,360
Middleburg Heights	15,542	25,201
Moreland Hills	3,298	72,001
Newburgh Heights	2,389	18,636
North Olmsted	34,113	24,329
North Royalton	28,648	26,610
Oakwood Village	3,667	15,273
Olmsted Falls	7,962	25,716
Orange	3,236	46,296
Pepper Pike	6,040	71,255
Richmond Heights	10,944	25,738
Seven Hills	12,080	25,014
Shaker Heights	29,405	41,354
South Euclid	23,537	22,383
Strongsville	43,858	29,722
University Heights	14,146	26,949
Valley View	2,179	26,560
Westlake	31,719	37,142
Woodmere	828	22,703
<u>Defiance County</u>		
Sherwood	801	16,212
<u>Delaware County</u>		
Galena	305	20,163
Powell	6,247	46,257
Shawnee Hills	419	25,266
Sunbury	2,630	18,861
<u>Erie County</u>		
Milan	1,445	23,143
Sandusky	27,844	18,111
Vermilion	10,927	23,635
<u>Fairfield County</u>		
Lithopolis	600	19,442
<u>Franklin County</u>		
Bexley	13,203	37,375
Grandview Heights	6,695	27,495

Continued

Regional Income Tax Agency

Membership as of December 31, 2008 Table of Census Data (continued)

	2000 <u>Population</u>	Calendar Year 2000 Per capita <u>Income</u>
<u>Franklin County (continued)</u>		
Grove City	27,075	\$ 22,305
Hilliard	24,230	28,496
Minerva Park	1,288	29,629
New Albany	3,711	62,131
Reynoldsburg	32,069	23,388
Upper Arlington	33,686	42,025
Urbancrest	868	10,003
Worthington	14,125	34,495
<u>Greene County</u>		
Cedarville	3,828	9,499
Fairborn	32,052	18,662
Yellow Springs	3,761	27,062
<u>Hamilton County</u>		
Addyston	1,010	13,266
Arlington Heights	899	17,683
Lockland	3,707	15,661
Newtown	2,420	32,590
Silverton	5,216	18,971
<u>Hardin County</u>		
Ridgeway	354	18,537
<u>Harrison County</u>		
Jewett	784	12,158
<u>Huron County</u>		
Plymouth	1,852	15,474
Wakeman	951	18,559
<u>Jackson County</u>		
Wellston	6,078	13,476
<u>Jefferson County</u>		
Steubenville	19,015	17,830
Stratton	277	
Toronto	5,676	15,761
Wintersville	4,067	18,941
<u>Knox County</u>		
Centerburg	1,432	16,764
<u>Lake County</u>		
Fairport Harbor	3,180	20,722
Kirtland	6,670	32,148
Mentor	50,278	24,592

Continued

Regional Income Tax Agency

Membership as of December 31, 2008 Table of Census Data (continued)

	2000 <u>Population</u>	Calendar Year 2000 Per capita <u>Income</u>
<u>Lake County (continued)</u>		
Willoughby	22,586	\$ 23,653
Willowick	14,361	22,053
<u>Lorain County</u>		
Avon	11,446	28,334
Avon Lake	18,145	32,336
Elyria	55,953	19,344
Grafton	2,302	19,584
LaGrange	1,815	19,465
Oberlin	8,195	20,704
Sheffield Lake	9,371	20,219
Sheffield Village	2,949	25,218
<u>Marion County</u>		
New Bloomington	548	13,707
<u>Madison County</u>		
Mount Sterling	1,865	16,138
Plain City	2,832	20,815
South Solon	405	15,152
<u>Mahoning County</u>		
Campbell	9,460	17,981
Youngstown	82,026	13,293
<u>Meigs County</u>		
Middleport	2,525	13,138
<u>Montgomery County</u>		
Clayton	13,347	26,569
Riverside	23,545	18,702
<u>Morrow County</u>		
Cardington	80,806	14,057
Mount Gilead	3,290	19,064
<u>Paulding County</u>		
Cecil	216	12,687
<u>Pickaway County</u>		
Ashville	3,174	16,645
Circleville	13,485	17,220
<u>Pike County</u>		
Piketon	1,907	11,599

Continued

Regional Income Tax Agency

Membership as of December 31, 2008 Table of Census Data (continued)

	2000 Population	Calendar Year 2000 Per capita Income
<u>Portage County</u>		
Aurora	13,556	\$ 35,537
Brady Lake	513	19,357
Streetsboro	12,311	21,764
<u>Preble County</u>		
West Elkton	194	16,676
<u>Putnam County</u>		
Fort Jennings	432	20,169
Ottawa	4,367	22,476
<u>Seneca County</u>		
Bettsville	784	15,933
<u>Sandusky County</u>		
Bellevue	8,193	18,932
Fremont	17,375	16,014
<u>Shelby County</u>		
Jackson Center	1,352	17,755
<u>Summit County</u>		
Boston Heights	1,186	36,960
Hudson	22,439	40,915
Lakemore	2,561	14,837
New Franklin	2,113	23,231
Macedonia	9,224	27,739
Mogadore	3,893	20,965
Reminderville	2,347	24,477
Silver Lake	3,019	35,614
Twinsburg	17,006	27,708
<u>Trumbull County</u>		
Girard	10,900	17,077
<u>Tuscarawas County</u>		
Uhrichsville	5,662	13,144
<u>Union County</u>		
Marysville	15,942	19,127
Milford Center	626	18,346
Richwood	2,156	16,799
<u>Van Wert County</u>		
Willshire	463	18,425

Continued

Regional Income Tax Agency

Membership as of December 31, 2008 Table of Census Data (continued)

	<u>2000 Population</u>	<u>Calendar Year 2000 Per capita Income</u>
<u>Warren County</u>		
Corwin	256	\$ 18,414
Maineville	885	24,054
<u>Wood County</u>		
Haskins	638	17,696
Tontogany	364	17,578
Weston	1,659	16,260

Source: Per Capita Income
Bureau of the Census; Census 2000 Social, Economic and Housing Profiles, Table DP-3 Profile of Selected Economic Characteristics

Population
U.S. Census Bureau, Census 2000 Summary File 3

Regional Income Tax Agency

Table of Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years

		<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Addyston	Tax Rate	1.00%	1.00%	-	-	-	-	-	-	-	-
	Tax Credit	100	100	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	-	-	-	-	-	-	-	-
Arlington Heights	Tax Rate	2.10	2.10	2.10%	2.10%	2.10%	2.10%	-	-	-	-
	Tax Credit	100	100	100	100	100	100	-	-	-	-
	Credit Limit	2.10	2.10	2.10	2.10	2.10	2.10	-	-	-	-
Ashville	Tax Rate	1.00	0.50	0.50	0.50	0.50	0.50	0.50%	0.50%	0.50%	0.29%
	Tax Credit	0	0	0	0	0	0	0	0	0	0
	Credit Limit	1.00	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.29
Aurora	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00
	Tax Credit	100	100	100	100	100	100	25	50	50	50
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00
Avon	Tax Rate	1.75	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.00	1.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.50	1.25	1.25	1.25	1.25	1.25	1.25	1.00	1.00	1.00
Avon Lake	Tax Rate	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Bay Village	Tax Rate	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Beachwood	Tax Rate	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Beachwood East Jedd	Tax Rate	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	-
Beachwood West Jedd	Tax Rate	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	-
Bedford Heights	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Bellevue	Tax Rate	1.50	1.50	-	-	-	-	-	-	-	-
	Tax Credit	100	100	-	-	-	-	-	-	-	-
	Credit Limit	1.50	1.50	-	-	-	-	-	-	-	-
Bentleyville	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	25	25	25	25	25	25	25	25	25	25
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

		2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Berea	Tax Rate	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Bettsville	Tax Rate	1.00	1.00	-	-	-	-	-	-	-	-
	Tax Credit	-	100	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	-	-	-	-	-	-	-	-
Bexley	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	80	80	80	80	80	80	80	80	80	80
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Boston Heights	Tax Rate	2.00	2.00	2.00	2.00	1.50	1.50	1.50	1.50	1.50	1.25
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	1.50	1.50	1.50	1.50	1.50	1.25
Brady Lake	Tax Rate	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	-	-	100	100	100	100	100	100	100	100
	Credit Limit	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Brecksville	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Broadview Heights	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	75	75	75	75	75	75	75	75	75	75
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Brooklyn Heights	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Campbell	Tax Rate	2.50	2.50	2.50	2.50	-	-	-	-	-	-
	Tax Credit	100	100	100	100	-	-	-	-	-	-
	Credit Limit	2.50	2.50	2.50	2.50	-	-	-	-	-	-
Cardington	Tax Rate	1.00	1.00	1.00	-	-	-	-	-	-	-
	Tax Credit	100	100	100	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	-	-	-	-	-	-	-
Cecil	Tax Rate	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
	Tax Credit	50	50	50	50	100	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

		<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Cedarville	Tax Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	-	-	-	-
	Tax Credit	100	100	100	100	100	100	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-	-
Centerburg	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-	-
	Tax Credit	50	50	50	50	50	50	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-	-
Chagrin Falls	Tax Rate	1.50	1.50	1.50	1.50	1.50	1.50	1.50%	1.50%	1.50%	1.50%
	Tax Credit	75	75	75	75	75	75	75	75	75	75
	Credit Limit	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Circleville	Tax Rate	1.50	1.50	1.50	1.50	1.50	1.50	-	-	-	-
	Tax Credit	50	75	100	100	100	100	-	-	-	-
	Credit Limit	1.50	1.50	1.50	1.50	1.50	1.50	-	-	-	-
Clayton	Tax Rate	1.50	1.50	1.50	1.50	1.50	-	-	-	-	-
	Tax Credit	100	100	100	100	100	-	-	-	-	-
	Credit Limit	1.50	1.50	1.50	1.50	1.50	-	-	-	-	-
Clayton Jedd	Tax Rate	1.50	-	-	-	-	-	-	-	-	-
Corwin	Tax Rate	0.50	0.50	-	-	-	-	-	-	-	-
	Tax Credit	100	100	-	-	-	-	-	-	-	-
	Credit Limit	0.50	0.50	-	-	-	-	-	-	-	-
Cuyahoga Heights	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	1.50/2.00	1.50	1.50	1.50
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	1.50/2.00	1.50	1.50	1.50
East Cleveland	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
East Palestine	Tax Rate	1.00	1.00	1.00	-	-	-	-	-	-	-
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	-	-	-	-	-	-	-
Elyria	Tax Rate	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
	Tax Credit	100	100	100	100	100/50	100	100	100	100	100
	Credit Limit	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
Elyria Jedd	Tax Rate	1.75	1.75	2.00	2.00	1.75	1.75	-	-	-	-
Fairborn	Tax Rate	1.50	1.50	-	-	-	-	-	-	-	-
	Tax Credit	100	100	-	-	-	-	-	-	-	-
	Credit Limit	1.50	1.50	-	-	-	-	-	-	-	-

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

		<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Fairport Harbor	Tax Rate	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	-	-	-	-
	Tax Credit	100	100	100	100	100	100	-	-	-	-
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	-	-	-	-
Fairview Park	Tax Rate	2.00	2.00	1.875	1.875	1.50	1.50	1.50%	1.50%	1.50%	1.50%
	Tax Credit	75	75	75	75	75	75	75	75	75	75
	Credit Limit	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Fort Jennings	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-
	Tax Credit	100	100	100	100	100	100	100	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-
Fredricktown	Tax Rate	1.00	-	-	-	-	-	-	-	-	-
	Tax Credit	100	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	-	-	-	-	-	-	-	-	-
Fremont	Tax Rate	1.50	1.50	1.50	1.50	-	-	-	-	-	-
	Tax Credit	100	100	100	100	-	-	-	-	-	-
	Credit Limit	1.50	1.50	1.50	1.50	-	-	-	-	-	-
Galena	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Galion	Tax Rate	2.00	2.00	1.75	1.50	-	-	-	-	-	-
	Tax Credit	100	100	100	100	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	-	-	-	-	-	-
Garfield Heights	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00
Girard	Tax Rate	2.00	2.00	2.00	2.00	1.00	1.00	-	-	-	-
	Tax Credit	100	100	100	100	-	-	-	-	-	-
	Credit Limit	2.00	2.00	2.00	2.00	-	-	-	-	-	-
Glenwillow	Tax Rate	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Grafton	Tax Rate	1.50	1.50	1.50	-	-	-	-	-	-	-
	Tax Credit	100	100	100	-	-	-	-	-	-	-
	Credit Limit	1.50	1.50	1.50	-	-	-	-	-	-	-
Grandview Heights	Tax Rate	2.50	2.50	2.25	2.25	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

		2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Grove City	Tax Rate	2.00%	2.00%	2.00%	2.00%	2.00%	-	-	-	-	-
	Tax Credit	100	100	100	100	100	-	-	-	-	-
	Credit Limit	2.00	2.00	2.00	2.00	2.00	-	-	-	-	-
Haskins	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00%	-	-	-	-
	Tax Credit	50	50	50	50	50	50	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-	-
Highland Heights	Tax Rate	2.00	2.00	1.50	1.50	1.50	1.50	1.50%	1.50%	1.50%	1.50%
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Hilliard	Tax Rate	2.00	2.00	-	-	-	-	-	-	-	-
	Tax Credit	100	100	-	-	-	-	-	-	-	-
	Credit Limit	2.00	2.00	-	-	-	-	-	-	-	-
Hudson	Tax Rate	2.00	2.00	2.00	2.00	1.00	1.00	1.00	-	-	-
	Tax Credit	100	100	100	100	100	100	100	100	100	-
	Credit Limit	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00
Hunting Valley	Tax Rate	-	-	-	-	-	0.75	0.75	0.75	0.75	1.00
	Tax Credit	-	-	-	-	-	75	75	75	50	50
	Credit Limit	-	-	-	-	-	0.75	0.75	0.75	0.75	1.00
Independence	Tax Rate	2.00	2.00	2.00%	2.00%	2.00%	2.00	2.00	2.00	2.00	2.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Jackson Center	Tax Rate	1.50	-	-	-	-	-	-	-	-	-
	Tax Credit	100	-	-	-	-	-	-	-	-	-
	Credit Limit	1.50	-	-	-	-	-	-	-	-	-
Jewett	Tax Rate	1.00	1.00	1.00	1.00	-	-	-	-	-	-
	Tax Credit	100	100	100	100	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	-	-	-	-	-	-
Kirtland	Tax Rate	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	100	100	100	100	100	25	25	25	25	25
	Credit Limit	1.75	1.75	1.75	1.75	1.75	1.00	1.00	1.00	1.00	1.00
LaGrange	Tax Rate	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Lakemore	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Lakewood	Tax Rate	-	-	-	1.50	1.50	1.50	1.50	1.50	1.50	1.50
	Tax Credit	-	-	-	50	50	50	50	50	50	50
	Credit Limit	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

		2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Lithopolis	Tax Rate	1.00%	1.00%	-	-	-	-	-	-	-	-
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	-	-	-	-	-	-	-	-
Lockland	Tax Rate	2.10	2.10	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%	2.10%
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10
Lyndhurst	Tax Rate	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
	Tax Credit	50	50	50	50	50	50	50	50	50	50
	Credit Limit	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Macedonia	Tax Rate	2.00	2.00	2.00	2.00	2.00	-	-	-	-	-
	Tax Credit	100	100	100	100	100	-	-	-	-	-
	Credit Limit	2.00	2.00	2.00	2.00	2.00	-	-	-	-	-
Macedonia/ Northfield											
Jedd	Tax Rate	2.00	2.00	2.00	2.00	2.00	-	-	-	-	-
Maineville	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-
	Tax Credit	50	50	50	50	50	50	50	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-
Maple Heights	Tax Rate	2.50	2.419	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	100	96.7	80	80	80	80	80	80	80	80
	Credit Limit	2.50	2.419	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Martins Ferry	Tax Rate	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.00	0.00	0.00
	Tax Credit	100	100	100	100	100	100	100	0	0	0
	Credit Limit	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.00	0.00	0.00
Marysville	Tax Rate	-	-	-	-	1.00	1.00	1.00	-	-	-
	Tax Credit	-	-	-	-	50	50	50	-	-	-
	Credit Limit	-	-	-	-	1.00	1.00	1.00	-	-	-
Mayfield Heights	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	50	50	50	50	50	50	50	50	50	50
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Mayfield Village	Tax Rate	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Mechanics- burg	Tax Rate	1.00	1.00	1.00	1.00	-	-	-	-	-	-
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	-	-	-	-	-	-

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

		2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Mentor	Tax Rate	2.00%	-	-	-	-	-	-	-	-	-
	Tax Credit	100	-	-	-	-	-	-	-	-	-
	Credit Limit	2.00	-	-	-	-	-	-	-	-	-
Middleburg Heights	Tax Rate	2.00	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
Middleport	Tax Rate	1.00	-	-	-	-	-	-	-	-	-
	Tax Credit	100	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	-	-	-	-	-	-	-	-	-
Milan	Tax Rate	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
	Tax Credit	-	-	-	-	-	-	-	-	100	100
	Credit Limit	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Milford	Tax Rate	1.00	1.00	-	-	-	-	-	-	-	-
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	-	-	-	-	-	-	-	-
Milford Jedd	Tax Rate	1.00	1.00	-	-	-	-	-	-	-	-
Milford Center	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	50	50	50	50	50	50	50	50	50	50
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Minerva Park	Tax Rate	1.00	1.00	1.00	1.00	-	-	-	-	-	-
	Tax Credit	50	50	50	50	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	-	-	-	-	-	-
Mogadore	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.50
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.50
Moreland Hills	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Mount Gilead	Tax Rate	-	-	-	-	-	1.00	1.00	1.00	1.00	1.00
	Tax Credit	-	-	-	-	-	100	100	100	100	100
	Credit Limit	-	-	-	-	-	1.00	1.00	1.00	1.00	1.00
Mount Sterling	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
New Albany	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00
	Tax Credit	100	100	100	100	100	100	100	50	50	50
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

		2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
New											
Bloomington	Tax Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	-	-	-
	Tax Credit	50	50	50	50	50	50	50	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-
New Franklin	Tax Rate	1.00	-	-	-	-	-	-	-	-	-
	Tax Credit	100	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	-	-	-	-	-	-	-	-	-
New											
Waterford	Tax Rate	1.00	1.00	1.00	-	-	-	-	-	-	-
	Tax Credit	50	50	50	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	-	-	-	-	-	-	-
Newburgh											
Heights	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00%	1.50%	1.50%
	Tax Credit	60	60	60	60	60	60	60	60	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Newtown	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
North											
Lewisburg	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	50	50	50	50	50	50	50	50	50	50
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
North											
Olmsted	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
North											
Royalton	Tax Rate	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-
	Tax Credit	100	100	25	25	25	25	25	25	25	-
	Credit Limit	1.25	1.25	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-
Oakwood											
Village	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Oberlin	Tax Rate	1.90	1.90	1.90	1.90	1.90	1.90	1.90	-	-	-
	Tax Credit	100	100	100	100	100	100	100	-	-	-
	Credit Limit	1.90	1.90	1.90	1.90	1.90	1.90	1.90	-	-	-
Olmsted											
Falls	Tax Rate	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
	Tax Credit	50	50	50	50	50	50	50	50	50	50
	Credit Limit	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

		2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Orange	Tax Rate	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	Tax Credit	60	60	60	60	60	60	60	60	60	60
	Credit Limit	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Orange Chagrin Highland Jedd	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	-
Ottawa	Tax Rate	1.00	1.00	1.00	1.00	2.00	2.00	1.00	1.00	1.00	1.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Oxford	Tax Rate	1.75	1.75	-	-	-	-	-	-	-	-
	Tax Credit	100	100	-	-	-	-	-	-	-	-
	Credit Limit	1.75	1.75	-	-	-	-	-	-	-	-
Pepper Pike	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	50	50	50	50	50	50	50	50	50	50
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Piketon	Tax Rate	1.00	1.00	1.00	-	-	-	-	-	-	-
	Tax Credit	50	50	50	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	-	-	-	-	-	-	-
Plain City	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Plymouth	Tax Rate	-	-	0.50	0.50	0.50	0.50	0.50	0.50	-	-
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	-	-	0.50	0.50	0.50	0.50	0.50	0.50	-	-
Powell	Tax Rate	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Powhatan Point	Tax Rate	0.75	0.75	0.75	-	-	-	-	-	-	-
	Tax Credit	100	100	100	-	-	-	-	-	-	-
	Credit Limit	0.75	0.75	0.75	-	-	-	-	-	-	-
Reminderville	Tax Rate	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
	Tax Credit	-	-	-	-	-	-	-	-	25	25
	Credit Limit	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Reminderville/ Twinsburg Jedd	Tax Rate	1.50	1.50	1.50	1.50	1.50	1.50	-	1.50	1.50	1.50
	TaxRate	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
	Tax Credit	100	100	100	100	100	100	100	100	100	100
Reynoldsburg	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

		2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Reynoldsburg											
Entp Zone	Tax Rate	1.50%	-	-	-	-	-	-	-	-	-
Richmond											
Heights	Tax Rate	2.00	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Richwood	Tax Rate	1.00	1.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50	0.50
	Tax Credit	-	-	-	-	-	25	25	25	25	25
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Ridgeway	Tax Rate	0.50	0.50	0.50	0.50	0.50	0.50	0.50	-	-	-
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	0.50	0.50	0.50	0.50	0.50	0.50	0.50	-	-	-
Ripley	Tax Rate	1.00	-	-	-	-	-	-	-	-	-
	Tax Credit	100	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	-	-	-	-	-	-	-	-	-
Riverside	Tax Rate	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.25	1.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.25	1.00
Sabina	Tax Rate	1.00	1.00	1.00	1.00	0/0.50	1.00	1.00	-	-	-
	Tax Credit	100	100	100	100	-	50/0	50	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	0.50	1.00/0	1.00	-	-	-
Saint Paris	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Salineville	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	23	50	50	50	50	50	50	50	50	50
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Sandusky	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-	-
	Tax Credit	-	-	-	50	50	50	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-	-
Seven Hills	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10
Shaker											
Heights	Tax Rate	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
	Tax Credit	50	50	50	50	50	50	50	50	50	50
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Shawnee Hills	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

		2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Sheffield Lake	Tax Rate	1.50%	1.50%	1.25/1.50%	1.25%	1.25%	1.25%	-	-	-	-
	Tax Credit	50	50	50	50	50	50	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-	-
Sheffield Village	Tax Rate	1.50	1.50	1.50	1.50	1.50	1.50	1.00/1.50%	1.00%	1.00%	1.00%
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.50	1.50	1.50	1.50	1.50	1.50	1.00/1.50	1.00	1.00	1.00
Sherwood	Tax Rate	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
	Tax Credit	100	100	100	100	100	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
Silver Lake	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Silverton	Tax Rate	1.25	-	-	-	-	-	-	-	-	-
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	1.25	-	-	-	-	-	-	-	-	-
South Charleston	Tax Rate	1.00	-	-	-	-	-	-	-	-	-
	Tax Credit	100	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	-	-	-	-	-	-	-	-	-
South Euclid	Tax Rate	2.00	2.00	2.00	1.50	1.50	1.50	1.50	1.50	1.50	1.50
	Tax Credit	75	75	75	75	75	75	75	75	75	75
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
South Solon	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Steubenville	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Stratton	Tax Rate	1.00	-	-	-	-	-	-	-	-	-
	Tax Credit	100	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	-	-	-	-	-	-	-	-	-
Streetsboro	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Strongsville	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	75	75	75	75	100/75	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Sunbury	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00
	Tax Credit	-	-	-	-	-	-	50	50	50	100
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

		2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Tontogany	Tax Rate	1.00%	1.00%	1.00%	-	-	-	-	-	-	-
	Tax Credit	100	100	100	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	-	-	-	-	-	-	-
Toronto	Tax Rate	2.00	2.00	2.00	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Twinsburg	Tax Rate	2.00	2.00	-	-	-	-	-	-	-	-
	Tax Credit	100	100	-	-	-	-	-	-	-	-
	Credit Limit	2.00	2.00	-	-	-	-	-	-	-	-
Uhrichsville	Tax Rate	1.75	1.75	1.75	-	-	-	-	-	-	-
	Tax Credit	100	100	100	-	-	-	-	-	-	-
	Credit Limit	1.75	1.75	1.75	-	-	-	-	-	-	-
University Heights	Tax Rate	2.50	2.50	1.50	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
	Tax Credit	100	100	-	-	50/0	50	50	50	50	50
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Upper Arlington	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Urbancrest	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	-	-	-	-
	Tax Credit	100	100	100	100	100	100	-	-	-	-
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	-	-	-	-
Valley View	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Vermilion	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Wakeman	Tax Rate	1.00	1.00	1.00	1.00	1.00/0/1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	50	50	50	50	50/0/50	50	50	50/0/50	50	50
	Credit Limit	1.00	1.00	1.00	1.00	1.00/0/1.00	1.00	1.00	1.00	1.00	1.00
Walton Hills	Tax Rate	-	-	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00
	Tax Credit	-	-	100	100	100	100	100	100	100	100
	Credit Limit	-	-	2.00	2.00	2.00	2.00	1.00/2.00	1.00	1.00	1.00
Wellston	Tax Rate	1.00	1.00	0.75	0.75	0.75	0.75	0.75	0.75	-	-
	Tax Credit	100	100	100	100	100	100	100	100	-	-
	Credit Limit	1.00	1.00	0.75	0.75	0.75	0.75	0.75	0.75	-	-
Wellsville	Tax Rate	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

		2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
West Elkton	Tax Rate	1.00%	1.00%	1.00%	-	-	-	-	-	-	-
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	-	-	-	-	-	-	-
Westlake	Tax Rate	1.50	1.50	1.50	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Weston	Tax Rate	1.00	1.00	-	-	-	-	-	-	-	-
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	-	-	-	-	-	-	-	-
Willoughby	Tax Rate	2.00	-	-	-	-	-	-	-	-	-
	Tax Credit	100	-	-	-	-	-	-	-	-	-
	Credit Limit	2.00	-	-	-	-	-	-	-	-	-
Willowick	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	87.50	87.50	87.50	87.5	87.5	87.5	87.5	87.5	87.5	87.5
	Credit Limit	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Willshire	Tax Rate	1.00	1.00	-	-	-	-	-	-	-	-
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	-	-	-	-	-	-	-	-
Wintersville	Tax Rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Tax Credit	100	100	100	100	100	100	100	100	100	100
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Woodmere	Tax Rate	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Tax Credit	75	75	75	75	75	75	75	75	75	75
	Credit Limit	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Woodstock	Tax Rate	1.00	1.00	1.00	-	-	-	-	-	-	-
	Tax Credit	-	-	-	-	-	-	-	-	-	-
	Credit Limit	1.00	1.00	1.00	-	-	-	-	-	-	-
Worthington	Tax Rate	2.00	2.00	2.00	2.00	2.00	1.65	1.65	-	-	-
	Tax Credit	100	100	100	100	75	100	100	-	-	-
	Credit Limit	2.00	2.00	2.00	2.00	2.00	1.65	1.65	-	-	-
Yellow Springs	Tax Rate	1.50	1.50	1.50	1.50	1.50	1.50	-	-	-	-
	Tax Credit	100	100	100	100	100	100	-	-	-	-
	Credit Limit	1.50	1.50	1.50	1.50	1.50	1.50	-	-	-	-
Youngstown	Tax Rate	2.75	2.75	2.75	-	-	-	-	-	-	-
	Tax Credit	100	100	100	-	-	-	-	-	-	-
	Credit Limit	2.75	2.75	2.75	-	-	-	-	-	-	-

Regional Income Tax Agency

Ratio of Outstanding Debt to Members' Tax Collections and Population – Last Nine Fiscal Years

<u>Year</u>	<u>CCPA Lease #1</u>	<u>NCLC</u>	<u>CCPA Lease #2</u>	<u>Unamortized Premium</u>	<u>Total Debt</u>	<u>R.I.T.A. Collections</u>	<u>Percentage of Collections</u>	<u>R.I.T.A. Member Total Population</u>	<u>Debt Per Capita</u>
2008	\$ 1,680,834	\$ 0	\$ 18,667,507	\$ 469,984	\$ 20,818,325	\$ 773,982,377	2.69 %	1,505,317	\$ 14
2007	2,244,167	0	19,643,756	517,147	22,405,070	685,779,704	3.27	1,384,654	16
2006	2,771,667	0	20,613,498	566,588	23,951,753	622,025,867	3.85	1,270,174	19
2005	3,228,334	0	20,868,001	618,416	24,714,751	541,375,463	4.57	1,166,842	21
2004	3,736,667	18,580,000	20,990,000	672,747	43,979,414	492,978,422	8.92	1,098,696	40
2003	4,174,167	18,500,000	0	0	22,674,167	471,667,088	4.81	1,056,609	21
2002	4,581,667	17,500,000	0	0	22,081,667	419,885,152	5.26	991,941	22
2001	4,968,333	17,500,000	0	0	22,468,333	411,035,925	5.47	944,234	24
2000	4,770,048	0	0	0	4,770,048	386,966,066	1.23	933,524	5

**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***

Regional Income Tax Agency
Brecksville, Ohio

We have audited the financial statements of the business-type activities and the aggregate remaining fund information of the Regional Income Tax Agency (the "Agency") as of and for the year ended December 31, 2008, which collectively comprise the Agency's basic financial statements and have issued our report thereon dated June 17, 2009, wherein we noted that the Agency adopted *GASB Statement No. 50 and SFAS 157*. 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

In planning and performing our audit, we considered the Agency'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 the Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

A *control deficiency* 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 misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the Agency's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Agency's financial statements that is more than inconsequential will not be prevented or detected by the Agency's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Agency's internal control.

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

Regional Income Tax Agency
Brecksville, Ohio

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency'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, members of the Regional Income Tax Agency, Board of Trustees, and the Auditor of State and is not intended to be and should not be used by anyone other than these specified parties.

Cini & Panichi, Inc.

Cleveland, Ohio
June 17, 2009



Mary Taylor, CPA
Auditor of State

REGIONAL INCOME TAX AGENCY

CUYAHOGA 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
SEPTEMBER 1, 2009**