

LUCAS COUNTY, OHIO

Reports Issued Pursuant to the OMB Circular A-133
For the Year Ended December 31, 2008

Ernst & Young LLP





Mary Taylor, CPA
Auditor of State

Board of County Commissioners
Lucas County
One Government Center, Suite 600
Toledo, Ohio 43604-2255

We have reviewed the *Independent Auditor's Report* of Lucas County, prepared by Ernst & Young LLP, 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. Lucas County is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

September 29, 2009

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Lucas County, Ohio

Reports Issued Pursuant to the OMB Circular A-133

Year Ended December 31, 2008

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Report of Independent Auditors 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*

The Lucas County Board of Commissioners
Toledo, Ohio

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lucas County, Ohio (the County) as of and for the year ended December 31, 2008, which collectively comprise the County's basic financial statements and have issued our report thereon dated May 29, 2009. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Toledo Mud Hens Baseball Club, Inc., Lott Industries, Inc., and Preferred Properties, Inc. as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing on internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Toledo Mud Hens Baseball Club, Inc., Lott Industries, Inc., and Preferred Properties, Inc. were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

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 entity'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 entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2008-01 and 2008-02 to be significant deficiencies in internal control over financial reporting.

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 entity'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 the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above are material weaknesses.

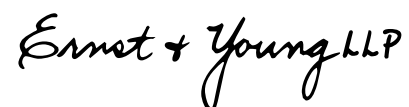
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County'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*.

We also noted certain matters that we reported to management of the County in a separate letter dated May 29, 2009.

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and accordingly, we express no opinion on it.

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

A handwritten signature in black ink that reads 'Ernst & Young LLP'.

May 29, 2009

**Report of Independent Auditors on Compliance With
Requirements Applicable to Each Major Program, on Internal
Control Over Compliance, and the Schedule of Expenditures of
Federal Awards in Accordance With OMB Circular A-133**

The Lucas County Board of Commissioners
Toledo, Ohio

Compliance

We have audited the compliance of Lucas County, Ohio (the County) with the types of compliance requirements described in the US Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2008. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

The County's basic financial statements include the operations of the Lucas County Family and Children First Council which received federal awards which are not included in the schedule during the year ended December 31, 2008. Our audit described below, did not include the operations of the Lucas County Family and Children First Council because the entity engaged other auditors to perform an audit in accordance with OMB Circular A-133.

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

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2008. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2008-03.

Internal Control Over Compliance

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

Our consideration of internal control over compliance 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. However, as described below, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2008-03 to be a significant deficiency.

A *material weakness* is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider the deficiency in the accompanying schedule of findings and questioned costs to be a material weakness.

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County as of and for the year ended December 31, 2008, and have issued our report thereon dated May 29, 2009, which expressed reliance on other auditors. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, is fairly stated, in all material respects in relation to the basic financial statements taken as a whole.

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

A handwritten signature in black ink that reads 'Ernst & Young LLP'.

June 30, 2009, except for the
Schedule of Expenditures of
Federal Awards dated
May 29, 2009

Lucas County, Ohio

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2008

Federal Grantor, Pass-Through Grantor, Recipient Department, Program Title, Project Name	CFDA Number	Agency Pass-Through From or Other Identifying Number	Federal Expenditures
Department of Agriculture, Food and Nutrition Service			
Passed through Ohio Department of Education:			
Juvenile Court:			
Food Donation	10.550	IRN: 083097	\$ 166,659
Total Department of Agriculture, Food and Nutrition Service			<u>166,659</u>
Department of Housing and Urban Development (HUD)			
Direct Award:			
Mental Health and Recovery Services Board			
Supportive Housing Program (Pact Partnership)	14.235	OH16B10-1001 / 346400806	60,130
Supportive Housing Program (Affordable Housing)	14.235	OH16B60-1003 / 346400806	459,060
Total CFDA Number 14.235			<u>519,190</u>
Shelter Plus Care	14.238	OH16C60-1001 / 346400806	89,985
Total Direct			<u>609,175</u>
Passed through Ohio Department of Development			
Board of County Commissioners:			
Community Development Block Grants/State's Program Revolving Loan Fund	14.228	(1)	2,674
Community Development Block Grants/State's Program (CHIP CDBG)	14.228	B-C-06-044-1	17,700
Community Development Block Grants/State's Program (Formula Grant 2006)	14.228	B-F-06-044-1	297,420
Community Development Block Grants/State's Program (Formula Grant 2007)	14.228	B-F-07-044-1	22,240
Total CFDA Number 14.228			<u>340,034</u>
Home Investment Partnerships Program (CHIP)	14.239	B-C-06-044-2	133,442
Total Pass Through			<u>473,476</u>
Total Department of Housing and Urban Development			1,082,651
Department of Justice			
Direct Award:			
Sheriff:			
Bulletproof Vest Partnership Grant Program (2007)	16.607	(1)	15,267
Public Safety Partnership and Community Policing Grants (2007 COPS)	16.710	2007CKWX0176	3,318
Criminal Justice Coordinating Council:			
Edward Byrne Memorial Justice Assistance Grant Program (Collaboration Project)	16.738	06-DJ-BX-0734	27,123
Edward Byrne Memorial Justice Assistance Grant Program (Collaboration Project)	16.738	07-DJ-BX-0225	108,260
Edward Byrne Memorial Justice Assistance Grant Program (Collaboration Project)	16.738	08-DJ-BX-0156	95,176

Lucas County, Ohio

Schedule of Expenditures of Federal Awards (continued)

Federal Grantor, Pass-Through Grantor, Recipient Department, Program Title, Project Name	CFDA Number	Agency Pass-Through From or Other Identifying Number	Federal Expenditures
Department of Justice (continued)			
Criminal Justice Coordinating Council:			
Edward Byrne Memorial Justice Assistance Grant Program (Administration)	16.738	07-JG-ADM-7575	45,638
Total CFDA Number 16.738			<u>276,197</u>
Juvenile Justice Center:			
Drug Court Discretionary Grant Program	16.585	2004-DC-BX-0052	105,466
Total Direct			<u>400,248</u>
Passed through Ohio Department of Youth Services:			
Criminal Justice Coordinating Council:			
Juvenile Accountability Block Grants (JABG)	16.523	06-JB-1000	17,335
Juvenile Accountability Block Grants (JABG)	16.523	07-JB-1000	49,274
Total CFDA Number 16.523			<u>66,609</u>
Juvenile Justice and Delinquency Prevention:			
JJDP – Block Title II	16.540	06-JJ-1095	262
JJDP – Block Title II	16.540	07-JJ-1095	79,818
JJDP – Administration	16.540	07-JJ-ADM-0287	15,154
Lucas County DMC Initiative	16.540	05-JJ-SI1-0021D	47,576
Total CFDA Number 16.540			<u>142,810</u>
Passed through Office of Criminal Justice Services:			
Criminal Justice Coordinating Council:			
Violence Against Women Formula Grants (VAWA – STOP)	16.588	06-WF-1068	23,100
Violence Against Women Formula Grants (VAWA – STOP)	16.588	07-WF-1078	168,399
Violence Against Women Formula Grants (VAWA – Administration)	16.588	07-WF-ADM-8826	12,030
Total CFDA Number 16.588			<u>203,529</u>
Passed through Ohio Attorney General:			
Victim Witness Assistance Program:			
Crime Victim Assistance (VOCA V/W)	16.575	2006VAGENE118T	2,230
Crime Victim Assistance (VOCA V/W)	16.575	2007VAGENE118T	206,373
Crime Victim Assistance (VOCA V/W)	16.575	2008VAGENE118T	65,656
Total CFDA Number 16.575			<u>274,259</u>
Crime Victim Assistance / Discretionary Grants (SVAA)	16.582	2006SAGENE118T	933
Crime Victim Assistance / Discretionary Grants (SVAA)	16.582	2007SAGENE118T	91,228
Crime Victim Assistance / Discretionary Grants (SVAA)	16.582	2008SAGENE118T	19,990
Total CFDA Number 16.582			<u>112,151</u>
Passed through Ohio Bureau of Criminal Identification and Investigation:			
Prosecutor's Office:			
Solving Cold Cases with DNA Grant	16.XXX	2005-DN-BX-K002	21,046
Total Pass Through			<u>820,404</u>
Total Department of Justice			<u>1,220,652</u>

Lucas County, Ohio

Schedule of Expenditures of Federal Awards (continued)

Federal Grantor, Pass-Through Grantor, Recipient Department, Program Title, Project Name	CFDA Number	Agency Pass-Through From or Other Identifying Number	Federal Expenditures
Department of Labor, Employment and Training Administration			
Passed through Ohio Job and Family Services (ODJFS):			
Workforce Development Agency			
Workforce Investment Act (WIA):			
Adult:			
Program	17.258	(1)	2,702,878
Administration	17.258	(1)	198,051
Adult Total			<u>2,900,929</u>
Dislocated Workers:			
Program	17.260	(1)	1,570,747
Administration	17.260	(1)	115,095
Dislocated Workers Total			<u>1,685,842</u>
Youth Activities:			
Program	17.259	(1)	2,040,087
Administration	17.259	(1)	149,486
Youth Activities Total			<u>2,189,573</u>
Total WIA Cluster			<u>6,776,344</u>
Work Incentive Grants (Disability Navigator)	17.266	(1)	40,204
Employment Service/Wagner-Peyser Funded Activities	17.207	(1)	<u>7,000</u>
Total Department of Labor, Employment and Training Administration			<u>6,823,548</u>
Department of Transportation, Federal Highway Administration			
Passed through Ohio Department of Transportation:			
County Engineer:			
Highway Planning and Construction (2008: Sitt Road Bridge)	20.205	PID 79966	820,447
Highway Planning and Construction (2008: Guardrail)	20.205	PID 82502	268,328
Highway Planning and Construction (2008: Pavement Markings)	20.205	PID 82503	119,253
Highway Planning and Construction (2007: Raised Pavement Markings)	20.205	PID 82504	69,880
Total Department of Transportation, Federal Highway Administration			<u>1,277,908</u>
Department of Education			
Passed through Ohio Department of Rehabilitation & Correction			
Correctional Treatment Facility:			
Adult Education – Basic Grants to States	84.002	2008 PRSC 0009	25,839
Title I Program for Neglected and Delinquent Children (Title I)	84.013	2008 T1 Ed 0010	36,628
Title I Program for Neglected and Delinquent Children (Title I)	84.013	2009 T1 Ed 0010	423
Total CFDA Number 84.013			<u>37,051</u>
Passed through Ohio Department of Mental Retardation and Development Disabilities:			
Board of Mental Retardation and Developmental Disabilities Rehabilitation Services – Vocational Rehabilitation Grants to States (RSC)	84.126	(1)	13,424
Passed through Ohio Department of Alcohol and Drug Addiction Services (ODADAS):			
Mental Health and Recovery Services Board:			
Safe and Drug-Free Schools and Communities – State Grants	84.186	(1)	<u>208,340</u>
Total Department of Education			<u>284,654</u>

Lucas County, Ohio

Schedule of Expenditures of Federal Awards (continued)

Federal Grantor, Pass-Through Grantor, Recipient Department, Program Title, Project Name	CFDA Number	Agency Pass-Through From or Other Identifying Number	Federal Expenditures
Department of Health and Human Services			
Direct:			
Juvenile Justice Center:			
Enhance the Safety of Children Affected by Parental Methamphetamine or Other Substance Abuse (DHHS)	93.087	90CU0015/01	191,378
Passed through Ohio Department of Mental Retardation and Development Disabilities:			
Board of Mental Retardation and Developmental Disabilities			
State Children's Insurance Program (SCHIP Title XXI)	93.767	(1)	9,610
Social Services Block Grant (Title XX)	93.667	(1)	489,137
Passed through Ohio Department of Mental Health (ODMH):			
Mental Health and Recovery Services Board:			
Social Services Block Grant (Title XX)	93.667	(1)	396,315
Total CFDA Number 93.667			<u>885,452</u>
Passed through Ohio Department and Mental Retardation and Development Disabilities:			
Board of Mental Retardation and Developmental Disabilities:			
Medical Assistance Program - Title XIX (CAFS)	93.778	(1)	4
Medical Assistance Program - Title XIX (I/O)	93.778	(1)	4,487,298
Medical Assistance Program - Title XIX (Level 1)	93.778	(1)	2,571,354
Medical Assistance Program - Title XIX (TCM)	93.778	(1)	1,525,078
Passed through Ohio Department of Mental Health (ODMH):			
Mental Health and Recovery Services Board:			
Medical Assistance Program (Title XIX)	93.778	(1)	16,395,126
Passed through Ohio Department of Alcohol and Drug Addiction Services (ODADAS):			
Mental Health and Recovery Services Board:			
Medical Assistance Program (Title XIX)	93.778	(1)	3,228,878
Total CFDA Number 93.778			<u>28,207,738</u>
Passed through Ohio Department of Mental Health (ODMH):			
Mental Health and Recovery Services Board:			
Projects for Assistance in Transition from Homelessness (PATH)	93.150	(1)	103,922
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	(1)	937
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	(1)	14,569
Total CFDA Number 93.243			<u>15,506</u>
Block Grants for Community Mental Health Services (Block Grants)	93.958	(1)	540,418
Block Grants for Community Mental Health Services (Early Childhood)	93.958	(1)	42,676
Total CFDA Number 93.958			<u>583,094</u>

Lucas County, Ohio

Schedule of Expenditures of Federal Awards (continued)

Federal Grantor, Pass-Through Grantor, Recipient Department, Program Title, Project Name	CFDA Number	Agency Pass-Through From or Other Identifying Number	Federal Expenditures
Department of Health and Human Services (continued)			
Passed through Ohio Department of Alcohol and Drug Addiction			
Services (ODADAS):			
Mental Health and Recovery Services Board			
Block Grants for Prevention and Treatment of			
Substance Abuse:			
Per Capita Treatment	93.959	(1)	877,289
Per Capita Prevention	93.959	(1)	340,365
UMADAOP	93.959	(1)	185,377
Women's Programs	93.959	(1)	340,015
TANF	93.959	(1)	21,246
TASC	93.959	(1)	238,855
Community Prevention	93.959	(1)	58,543
Prevention Services	93.959	(1)	23,938
Community Coalition	93.959	(1)	24,196
Drug Court	93.959	(1)	29,156
Total CFDA Number 93.959			2,138,980
Passed through Ohio Department of Job and Family Services (ODJFS):			
County Children Services:			
Promoting Safe and Stable Families:			
ESAA Family Preservation Direct	93.556	07/01/07 - 06/30/08	85,209
ESAA Family Preservation Direct	93.556	07/01/08 - 09/30/08	60,284
ESAA Family Preservation Direct	93.556	10/01/08 - 06/30/09	117,395
ESAA Family Preservation Operating	93.556	07/01/07 - 06/30/08	7,021
ESAA Family Preservation Operating	93.556	07/01/08 - 09/30/08	6,640
ESAA Family Preservation Operating	93.556	10/01/08 - 06/30/09	19,919
ESAA Family Reunification Direct	93.556	07/01/07 - 06/30/08	59,955
ESAA Family Reunification Direct	93.556	07/01/08 - 09/30/08	32,646
ESAA Family Reunification Direct	93.556	10/01/08 - 06/30/09	67,940
ESAA Family Reunification Operating	93.556	07/01/07 - 06/30/08	6,319
ESAA Family Reunification Operating	93.556	07/01/08 - 09/30/08	5,827
ESAA Family Reunification Operating	93.556	10/01/08 - 06/30/09	17,480
Caseworker Visits – SFY 08	93.556	07/01/07 - 06/30/08	76,861
Caseworker Visits – SFY 09	93.556	07/01/08 - 06/30/09	29,743
Passed through Ohio Department of Mental Health (ODMH):			593,239
Mental Health and Recovery Services Board			
Promoting Safe and Stable Families (FAST Grant 2005)	93.556	(1)	163,848
Total CFDA Number 93.556			757,087

Lucas County, Ohio

Schedule of Expenditures of Federal Awards (continued)

Federal Grantor, Pass-Through Grantor, Recipient Department, Program Title, Project Name	CFDA Number	Agency Pass-Through From or Other Identifying Number	Federal Expenditures
Department of Health and Human Services (continued)			
Passed through Ohio Department of Job and Family Services (ODJFS):			
Child Support Enforcement Agency:	93.643	(1)	3,165
Children's Justice Grants to States			
Child Welfare Services – State Grants (Title IV B)	93.645	(1)	175,707
Child Welfare Services – State Grants (Title IV B)	93.645	(1)	66,560
Child Welfare Services – State Grants (Title IV B)	93.645	(1)	205,114
Child Welfare Services – State Grants (Title IV B Administrative)	93.645	(1)	24,712
Child Welfare Services – State Grants (Title IV B Administrative)	93.645	(1)	6,656
Child Welfare Services – State Grants (Title IV B Administrative)	93.645	(1)	20,511
Child Welfare Services – State Grants (Title IV B Adoption)	93.645	(1)	15,563
Total CFDA Number 93.645			514,823
Child Abuse and Neglect – State Grants			
Chafee Foster Care Independence Program (CFCIP – Allocation)	93.674	(1)	77,585
Chafee Foster Care Independence Program (CFCIP – Allocation)	93.674	(1)	68,699
Chafee Foster Care Independence Program (CFCIP – Allocation)	93.674	(1)	48,712
Total CFDA Number 93.674			194,996
Total Pass Through			33,414,373
Total Department of Health and Human Services			33,605,751
Department of Homeland Security			
Passed through Ohio Emergency Management Agency:			
Emergency Management Agency			
Homeland Security Program (2007 Citizen Program Grant)	97.067	2007-GE-T7-0030	3,836
Homeland Security Program (FY07 SHSP)	97.067	2007-EM-T7-0030	326,136
Homeland Security Program (FY07 SHSP-Regional)	97.067	2007-EM-T7-0030	11,552
Total CFDA Number 97.067 and Homeland Security Cluster			341,524
Emergency Management Performance Grant (FY07 EMPG)	97.042	2007-EM-E7-0085	32,432
Emergency Management Performance Grant (FY08 EMPG)	97.042	2008-EM-E8-0002	69,937
Total CFDA Number 97.042			102,369
Total Department of Homeland Security			443,893
Total Federal Awards			\$ 44,905,716

CFDA – Catalog of Federal Domestic Assistance

(1) No agency pass-through or other identifying number is available for this program.

See accompanying notes to schedule of expenditures of federal awards.

Lucas County, Ohio

Notes to the Schedule of Expenditures of Federal Awards

Year Ended December 31, 2008

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of Lucas County and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Also certain information may not agree with other federal reports that the County submits to federal granting agencies because, among other reasons, the other federal award reports may be prepared for a different fiscal period or include cumulative data rather than data for the current year only. The accompanying schedule excludes the federal grant activity of the Lucas County Family and Children First Council as the entity engaged other auditors to perform an audit in accordance with OMB Circular A-133.

2. Subrecipients

Of the federal expenditures presented in the Schedule, the County provided federal awards to subrecipients as follows:

Program Title/Project Name	CFDA Number	Amounts Provided to Subrecipients
Supportive Housing Program	14.235	\$ 515,440
Shelter Plus Care	14.238	89,985
Juvenile Accountability Block Grant (JABG)	16.523	66,609
Juvenile Justice and Delinquency Prevention (JJDP – Title II)	16.540	80,080
Violence Against Women Formula Grant (VAWA – STOP)	16.588	203,529
Edward Byrne Memorial Justice Assistance Grant Program	16.738	230,559
Safe and Drug-Free Schools and Communities – State Grants	84.186	208,340
Projects for Assistance in Transition from Homelessness	93.150	103,922
Substance Abuse and Mental Health Services – Projects of Regional and National Significance (STAR-SI & Adolescent Coordination)	93.243	15,203
Promoting Safe and Stable Families (FAST Grant 2005)	93.556	163,848
Social Services Block Grant	93.667	396,315
Block Grants for Community Mental Health Services	93.958	583,094
Block Grants for Prevention and Treatment of Substance Abuse	93.959	2,138,980

Lucas County, Ohio

Notes to the Schedule of Expenditures of Federal Awards (continued)

3. State Department of Job and Family Services Funding

The Schedule does not include certain U.S. Department of Health and Human Services funding received from the Ohio Department of Job and Family Services (ODJFS) to the County in accordance with the State of Ohio “*Audit Division Advisory Memo 2007-03.*” Federal grants received from ODJFS are audited in conjunction with the State of Ohio audit as agreed to by the State of Ohio’s federal cognizant agency.

As a result, the following programs were excluded from the County’s schedule:

CFDA Number	Program Title
10.551/.561	Food Stamps Cluster
93.558	Temporary Assistance for Needy Families
93.575/.596	Child Care Cluster
93.658	Foster Care
93.659	Adoption Assistance
93.667	Social Services Block Grant (Title XX)
93.775/.777/.778	Medicaid Cluster

Lucas County, Ohio

Schedule of Findings and Questioned Costs

Year Ended December 31, 2008

Part I – Summary of Auditor’s Results

Financial Statements Section

Type of auditor’s report issued:	<u>Unqualified</u>	
	<u>Yes</u>	<u>No</u>
Internal control over financial reporting:		
Material weakness(es) identified?		<u>X</u>
Significant deficiency(ies) identified that are not considered to be material weaknesses?	<u>X</u>	
Noncompliance material to financial statements noted?		<u>X</u>

Federal Awards Section

	<u>Yes</u>	<u>No</u>
Internal control over major programs:		
Material weakness(es) identified?		<u>X</u>
Significant deficiency(ies) identified that are not considered to be material weaknesses?	<u>X</u>	
Type of auditor’s report issued on compliance for major programs:	<u>Unqualified</u>	
	<u>Yes</u>	<u>No</u>
Any audit findings disclosed that are required to be reported in accordance with Circular A-133 Section .510(a)?	<u>X</u>	

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Part I – Summary of Auditor’s Results (continued)

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
17.258 / 17.259 / 17.260 93.556 93.778	Workforce Investment Act Cluster Promoting Safe and Stable Families Medical Assistance Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 1,347,171

Yes	No
------------	-----------

Auditee qualified as low-risk auditee?

X

Part II – Financial Statement Findings Section

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* require reporting in a Circular A-133 audit.

2008-01 Accounts Payable

Criteria or specific requirement:

The County should prepare a complete list of accounts payable at the end of year. This list should be reviewed for completeness and propriety and be reconciled to the general ledger by a knowledgeable individual within the Auditor’s Office.

Condition:

In the accounts payable detail, the County accrued for health insurance claims which had also been included in the incurred but not reported claims accrual and therefore accrued twice. The County also did not properly accrue for a construction invoice and a few various other items.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Part II – Financial Statement Findings Section (continued)

Context:	Accounts payable at December 31, 2008, was approximately \$30.7 million.
Cause:	The County manually reviewed the listing to identify which vouchers should be accrued at year-end as accounts payable. Certain accruals were based on the description in the PeopleSoft system, which were sometimes inconsistent with the description on the vouchers. Other accruals were inappropriately recorded in accounts payable as they had already been recorded elsewhere. Consequently, management had to make adjustments to the preliminary year-end accounts payable balance.
Effect:	Accruals were based on the description on the voucher which was inconsistent with the details of the actual invoices resulting in adjustments to accounts netting to approximately \$1.3 million. A significant portion of the adjustment related to the reversal of health insurance claims of approximately \$1.8 million and the accrual of a construction invoice of approximately \$0.5 million.
Recommendation:	We recommend the County ensures all payments made subsequent to year-end are properly included or excluded in the accounts payable listing as of the end of the year.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Part II – Financial Statement Findings Section (continued)

**Views of responsible officials and
planned corrective actions:**

Early in 2008 while implementing PeopleSoft Financials (during the 2007 CAFR preparation), the County had difficulty arriving at its payables listing. During 2008 and in 2009, the County made tremendous strides not only in coordinating the identification of payables among our various agencies, but in identifying items to be accrued, utilizing our new accounting software. The results were such that the quantity of items identified was reduced to a very small fraction of what was identified in the previous year. The County will also perform additional testing to ensure that the descriptions applied to the items listed are what the various agencies and departments say that they are. Moreover, the County firmly believes that the current accounting software presents a vast improvement over the methodologies previously utilized, and that this issue has been, and will continue to be further mitigated as the County becomes more familiar with the new procedures and internal controls instituted during 2008.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Part II – Financial Statement Findings Section (continued)

2008-02 Capital Assets

Criteria or specific requirement:	The County should maintain a complete and accurate capital asset subledger. This subledger should be updated as capital asset transactions occur and should be reviewed for completeness and propriety by a knowledgeable individual within the Auditor's Office
Condition:	The Auditor's Office is responsible for maintaining a capital asset subledger. The subledger is compiled based on information submitted by the various departments of the County. The respective departments do not always report information accurately or timely to the Auditor's Office. Inaccurate information could result in items not properly being capitalized or assets not properly being disposed of resulting in a misstatement of expenses.
Context:	The County did not maintain an accurate capital asset subledger which resulted in a net adjustment approximating \$1.2 million to reflect loss on disposal of assets and asset additions that should have been recognized in the prior years. Net capital assets as of December 31, 2008, were approximately \$374.1 million.
Cause:	Management indicated that the errors were a result of the Auditor's Office having to rely on the various departments within the County to report accurate information.
Effect:	The capital asset balances preliminarily reflected in the County's financial statements were inaccurate, requiring management to record year-end adjustments.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Part II – Financial Statement Findings Section (continued)

Recommendation:

We recommend the Auditor’s Office should continue to work with the departments to ensure that information reported is accurate and timely.

Views of responsible officials and planned corrective actions:

As is the case in many large organizations, the County is somewhat at the mercy of the reporting agencies in terms of the timely and accurate recording of capital assets. However, the County has, over the last couple of years, identified the capital asset process as one that required modifications, and has made significant improvements to the overall process, including improving the lines of communications with the reporting agencies. Over the last two years, the County has:

- Doubled the amount of asset report reviews that the reporting agencies must file to review and insure proper recording and compliance with the capital asset policy. This has resulted in a more stringent and thorough review of the capital assets currently on the County’s books.
- Made significant modifications to the capital asset acquisition and disposal forms that have improved the accuracy and recording of capital assets.
- Made capital asset forms widely available on the County’s computer network (OmniForm) to allow ease of use for agencies that may have misplaced their forms that were previously sent to them in the capital asset process.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Part II – Financial Statement Findings Section (continued)

- Required a supervisory signature to ensure proper recording and compliance.
- Held a “town hall” meeting with each agency’s financial head in which the significance of the capital asset process was explained, addressed, and otherwise covered in excruciating detail.
- Increased the amount of overall communication through follow-up correspondence, including phone calls, emails, and visits, while also updating the outside agency contact list. This includes reporting each agency’s monthly activity in capital assets.
- The accounting staff attended training sessions covering the capital assets topic, and, coupled with their experience, we continue to better employ our resources toward internal control of the capital assets.
- Recently, the County has also scheduled targeted “field” reviews of capital assets to certain departments and/or agencies.

Although the aforementioned actions resulted in larger than normal prior year adjustments to the capital asset system for the 2008 year, this was to be expected given the amount of “clean-up” activity that resulted from our increased correspondence with our agencies. The County continues to improve its correspondence and internal controls in the capital asset arena.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Part III – Federal Award Findings and Questioned Costs Section

This section identifies the audit findings required to be reported by Circular A-133 section .510(a) (for example, significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs), as well as any abuse findings involving federal awards that are material to a major program.

2008-03 Schedule of Expenditures of Federal Awards

Federal program information:	Various programs with various CFDA numbers, including 93.778.
Criteria or specific requirement (including statutory, regulatory, or other citation):	OMB Circular A – 133 Section 300a states, “The auditee shall prepare appropriate financial statements including the schedule of expenditures of federal awards.”
Condition:	The Auditor’s Office is responsible for preparing the Schedule of Expenditures of Federal Awards (SEFA) for the County using information submitted by the departments receiving federal monies during the year. The respective County departments do not always report information accurately to the Auditor’s Office. The preliminary SEFA for 2008 incorrectly reported CFDA 93.778 expenditures passed through the Ohio Department of MR/DD (ODMR/DD) to the County due to using a rounded percentage to calculate the federal portion. The Auditor’s Office should remain cognizant of the federal awards audited by the State of Ohio and exclude them from being reported on the SEFA. Additionally, in the current year management noted that certain information was inaccurately reported as federal expenditures in the County’s SEFA for 2007 and 2006. Inaccurate information could result in a federal program being improperly included or excluded as a major program, as well as an inappropriate dollar threshold being used for Type A program determination.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Questioned costs:	None.
Context:	Total federal expenditures for the County included on the SEFA were approximately \$44 million for the year ended December 31, 2008.
Cause:	Management indicated that the Auditor's Office must rely on the various departments within the County to report accurate information.
Effect:	<p>As a result of various departments reporting inaccurate information, the 2006 and 2007 SEFA inappropriately reported approximately \$2 million and \$800 thousand, respectively, of CFDA 93.778 expenditures passed through from the ODMR/DD that were not federal expenditures. Further, in 2008, the preliminary SEFA inappropriately reported approximately \$28,000 of CFDA 93.778 expenditures passed through from the Ohio Department of MR/DD that were not federal expenditures.</p> <p>We also noted that the preliminary 2008 SEFA incorrectly included expenditures of \$51.9 million, primarily as a result of reporting expenditures incurred by County departments passed through the Ohio Department of Job and Family Services that are audited by the State of Ohio and included in other SEFA filings.</p>

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Recommendation:

We recommend that the Auditor's Office implement policies and procedures and continue working with the departments to ensure that information reflected in the SEFA is accurate, including procedures to ensure that the SEFA only includes federal expenditures. Such procedures should also include obtaining a listing of the program already audited by the State of Ohio and included in other SEFA submissions, so that such programs are properly excluded from the County's SEFA. Additionally, the County should implement a process in which they obtain confirmation from ODMR/DD that confirms the correct amount of federal expenditures for CFDA 93.778 to be reflected in the County's SEFA.

Views of responsible officials and planned corrective actions:

The County was unable to accurately report information in previous years due to shortcomings in the identification methodology utilized by the State of Ohio when passing the grant information along to the County. With the federal stimulus funds flowing through to the County, we are dramatically increasing coordination with State agencies to prevent future occurrences.

The County and its agencies will work with the State of Ohio to ascertain the complete listing of all programs audited by the State of Ohio, while ensuring that these programs are not included on the County's SEFA as they are included in other SEFA filings.

Lucas County, Ohio

Summary Schedule of Prior Audit Findings

Year Ended December 31, 2008

2007-03

Federal program information:

Social Services Block Grant passed through the Board of Mental Retardation (CFDA #93.667).

Condition:

The Board of Mental Retardation Determination/Redetermination letters were not signed and dated by the participant or management timely.

Corrective action/status:

Management has implemented procedures to ensure that these letters are signed and dated by the participant and management timely.

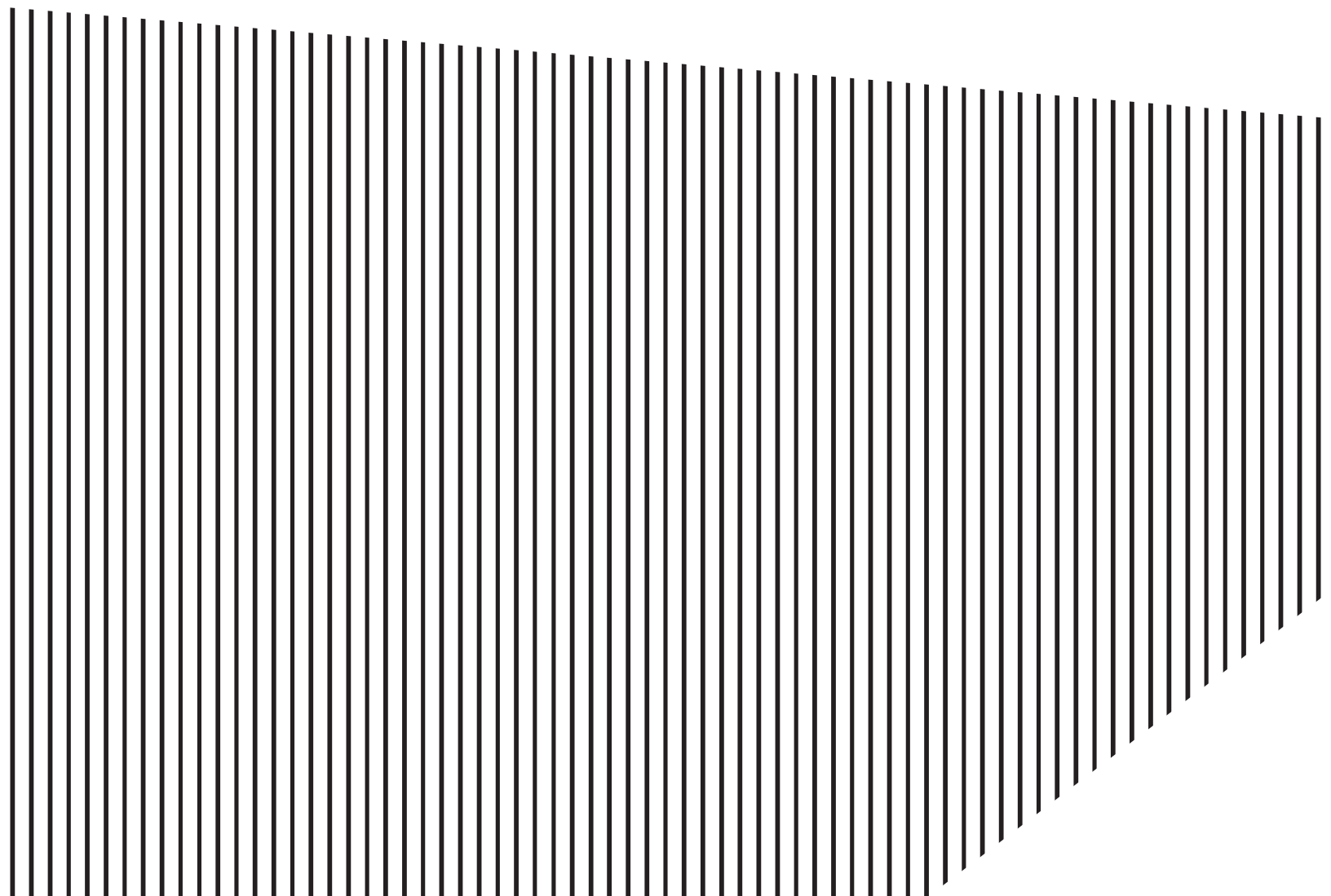
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COMPREHENSIVE ANNUAL FINANCIAL REPORT



LUCAS COUNTY, OHIO

For Fiscal Year Ended December 31, 2008

— **25 Years of Excellence in Financial Reporting** —

Lucas County, Ohio
Comprehensive Annual Financial Report
for the Year Ended December 31, 2008



Anita Lopez,
Lucas County Auditor

Prepared by the Lucas County Auditor's Office

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LUCAS COUNTY, OHIO

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For the Year Ended December 31, 2008
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May 29, 2009

LUCAS COUNTY BOARD OF COMMISSIONERS AND CITIZENS OF LUCAS COUNTY

As Auditor of Lucas County, I am pleased to present the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2008.

This report contains basic financial statements, management's discussion and analysis, supplemental financial information, and other financial and statistical information which provide a complete and full disclosure of all material financial aspects of Lucas County. This CAFR conforms to generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB).

Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, lies with the management of the County, and in particular, the office of the Lucas County Auditor. In fulfilling this responsibility, the Lucas County Auditor's Office has prepared the accompanying financial statements, schedules, and tables. We believe this data fairly reflects the financial position of the County and the changes in its financial position.

This transmittal letter should be read in conjunction with the *Management's Discussion and Analysis*, which provides a narrative introduction, overview, and analysis of the basic financial statements.

THE COUNTY

Lucas County was formed by an Act of the Ohio General Assembly on June 20, 1835, in honor of then Governor of Ohio, Robert Lucas. Lucas County's elected three-member Board of County Commissioners functions as both the legislative and executive branch of the County. Each Commissioner serves a term of four years. In addition to the County Auditor, who serves as chief fiscal officer, there are seven elected administrative officials, each of which operates independently as set forth by Ohio law. These officials are: Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Recorder, Sheriff, and Treasurer. All of these officials serve four-year terms. The following judges are elected on a County-wide basis to oversee the County's judicial system: Common Pleas Court, Domestic Relations Court, Juvenile Court, Probate Court, and Court of Appeals. Judges are elected to six-year terms.

REPORTING ENTITY AND SERVICES

In conformity with Governmental Accounting Standards Board Statement No. 14, all governmental departments, agencies, institutions, commissions, public authorities, and other governmental organizations, for which the County has significant financial accountability, are included in this CAFR for financial reporting purposes. Financial accountability is determined by the County's ability to appoint a voting majority of the Board or financial interdependence.

The County provides general governmental services to its citizens which include: public and health assistance, community related services, civil and criminal justice systems, road and bridge maintenance, sewer and water-line construction and maintenance, and other general legislative and administrative support services. The County also operates and maintains the water supply and wastewater treatment systems. A further discussion of the reporting entity and its services may be found in Note 2 of the Notes to the Financial Statements.

ECONOMIC CONDITION AND OUTLOOK

The County is in the center of a trade area comprised of 14 counties in Northwestern Ohio and Southeastern Michigan with a total population of approximately 1.25 million people. The County lies in the central portion of a triangle formed by the cities of Chicago, Detroit, and Cleveland. The County is in the Toledo Metropolitan Statistical Area (MSA), and approximately one-third of the population of the United States resides within 500 miles of the County.

The County's economy, historically associated with the glass and automotive industries, has become increasingly diversified, especially in the area of solar and alternative energy. While the County remains the home of four of the nation's largest glass companies, Chrysler LLC, General Motors Corporation, and Dana Holding also continue to be major private employers in the County. In addition, the County has a growing healthcare sector, including two major private hospital employers, ProMedica Health System and Mercy Health Partners, and the public University of Toledo Medical Center. Additionally, private service industries and governmental employers have provided more than three-fourths of the total employment in the Toledo MSA and approximately 70 percent of total payrolls in the County in recent years.

Situated between Chicago and the eastern seaboard, the County also has a significant oil refining presence, with both BP Oil Co. and Sun Refining and Marketing Company, Inc., having facilities in the Lucas County City of Oregon, Ohio. Additionally, two area corporations, Dana Holding and Owens-Corning, made the 2008 Fortune 500, while many other Fortune 500 companies also have locations within the County.

Attracting national coverage from Newsweek to the Wall Street Journal, the County is a center for alternative energy innovation. Publicly-traded First Solar has its only North American manufacturing facility located in the City of Perrysburg, just south of the County. As a part of the University of Toledo's Science and Technology innovation corridor in 2008, Xunlight Corporation continued its development, marketing, and production of revolutionary thin-film solar cell technologies in Toledo. Xunlight expects to create 110 jobs by the end of 2008, and over 250 jobs within the next two years to support its manufacturing facility. In cooperation with Congresswoman Marcy Kaptur, the County worked with the University of Toledo to make application to NASA and the NASA Glenn Research Center for a \$1.1 million solar cell testing and incubator laboratory as part of the University's Science and Technology Corridor.

Daimler Chrysler AG (Chrysler), the largest manufacturing employer in the County, completed a \$1.2 billion investment to construct a 1.1 million square-foot Jeep assembly plant in 2001. The project retained nearly 4,900 jobs, and has prompted additional related economic development activity in the County. Chrysler has also constructed a \$30 million combination cross-dock and parts sequencing facility in the County to serve its plants in the Midwest. In 2007, Chrysler LLC, successor to DaimlerChrysler AG, one of the largest manufacturing employers in the County, completed its second major expansion project in the past ten years with its improvement project at the Toledo North and Toledo South Plants.

In 2006, General Motors Corp. (GM) announced a \$540 million investment to upgrade equipment and build a 400,000-square-foot addition to the existing 1.8 million square-foot Alexis Road plant in Toledo. In 2007, GM announced an additional \$332 million investment at the same Alexis Road plant to build a new front-wheel drive, six-speed transmission that is expected to go into production in 2010.

The County's infrastructure has recently been upgraded. Located on Interstate 280 near downtown Toledo, the Maumee River crossing, a six-lane, cable-stayed structure with a signature design, was recently completed. With total construction costs approximating \$220 million, the bridge is the largest capital project in the history of the Ohio Department of Transportation. Meanwhile, the City of Toledo finished with \$40 million of improvements to its Martin Luther King Bridge in 2007.

In May of 2008, the Port Authority acquired 181 acres of former industrial land on the east side of the Maumee River from the Chevron Corporation. The purpose of this acquisition was to provide additional inventory to site selection professionals. The land has several interesting transportation assets including class I rail, access to a deep water port, and the ability to move heavy loads via truck to the interstate system. In the fall, the State of Ohio awarded the County \$5 million to enhance the transportation assets described above. There has already been one company to commit to the site. This new development is expected to bring \$40 million in improvements and create 50 full time positions. The Port Authority also worked very closely with its operator, Midwest Terminals of Toledo, at the General Cargo Facility in terms of development enhancement. In

diversifying the development of this area, Midwest Terminals sited several alternative energy companies to this location. These developments are estimated to create more than 60 new full time positions.

Additionally, U.S. Coking Group is reclaiming an industrial brownfield on the border between the cities of Toledo and Oregon for the construction and operations of an \$800 million coke plant. Once completed, the facility is expected to employ 150 highly-skilled workers year-round.

The Toledo Public School District and the Ohio School Facilities Commission have engaged in new construction and improvement projects totaling \$800 million over 10 years. The Toledo Public Schools are complementing this project by constructing, renovating, remodeling, expanding, and furnishing equipment for auditoriums, stadiums, and other facilities not covered under their agreement with the State. These projects, coupled with continued development in the County's major initiatives, provide a basis from which to build a union of cooperation in regional development that is moving Lucas County's economy aggressively into the 21st century.

MAJOR COUNTY INITIATIVES

Lucas County continues to provide a variety of services required to meet the needs of its citizens in the most cost-effective and efficient manner possible. We look forward to the following significant activities made possible by the citizens of Lucas County and its government:

- Construction on Lucas County's signature project, a multi-purpose arena in downtown Toledo, made substantial progress in 2008. The arena will be located within one block of Fifth Third Field, the highly successful minor league ballpark for which the arena project is modeled after. The County held a groundbreaking event on October 1, 2007, and almost all major construction contracts have been executed since, including demolition, excavation, deep foundations, concrete, structural steel, and the core exterior and interior building contracts. The arena is projected to cost \$105 million without reliance on the County's general fund, and is expected to open in the fall of 2009.
- Lucas County has partnered with the Toledo Arena Sports Inc. (TASI), a subsidiary of the Toledo Mud Hens organization, to secure sports tenants for the new multi-purpose arena. TASI has announced the name of the arena's new ECHL hockey tenant, the Toledo Walleye, and its new arena football tenant, the Toledo Bullfrogs. The County has also contracted with SMG to assume day-to-day operations at both the Seagate Convention Centre and the new arena.
- Lucas County Commissioners, in conjunction with Children Services, Child Support Enforcement, and Job and Family Services, recently completed a comprehensive analysis of the County's key social service delivery agencies. The analysis found each agency improving on collaboration, communication, and coordination to increase efficiency while providing better public service. The Commissioners continue to work with these agencies to take steps toward a merger of Job and Family Services and Child Support Enforcement.
- In an effort to return cost savings to the taxpayers, Lucas County officials, including the Commissioners, Prosecutor, Clerk of Courts, Sheriff, and Common Pleas Court, have identified a number of opportunities for cost-efficiency and better prisoner processing. By working together, Lucas County eliminated 20,000 annual bed nights in the County jail in 2008, reducing the largest expenditure in Lucas County's general fund.
- Lucas County continues to work with the Juvenile Court to implement a new public defender program that adds attorneys, while reducing the need for outside counsel. With more control on the assignment of counsel and disposition of cases, Lucas County expects annual savings to taxpayers of at least \$1 million.
- The Source, Lucas County's "one stop" job training and business services, continued to lead metro counties in job placement successes even as the economy worsened, with more than 17,000 individuals utilizing its resource room, and with an average wage for full-time placements of more than \$11/hour.

- Under the leadership of the Clerk of Courts and the Commissioners, Lucas County continues to expand its document imaging efforts, with a goal of moving away from paper storage. This is the third year in a row where Lucas County imaged more documents than it created, which reduced a considerable backlog of paper documents, while also allowing the County to downsize its paper storage by almost 70,000 square feet. Lucas County has also increased staff in its cutting-edge partnership with the MR/DD Board to provide developmentally disabled residents work opportunities within the imaging process, including scanning and indexing.
- Lucas County and its political subdivisions have completed the implementation of the \$24 million, 800 MHz County-wide communications system in 2007. Most public safety agencies within Lucas County have migrated to the new system. Lucas County has also provided grant funding assistance to contiguous counties and jurisdictions to purchase 800 MHz mutual aid radios.
- The Commissioners, Auditor, and Treasurer continue collaborating on a massive upgrade of the County's Enterprise Resource Planning systems. The County has now implemented upgrades to the Human Resources/Payroll System and the General Ledger Accounting. This upgrade has placed the County in position to take advantage of advanced financial management tools not previously available.
- Recognizing how strongly the national foreclosure crisis has impacted our local economy, the Commissioners continue their Foreclosure Prevention efforts, bringing social service agencies, government officials, non-profit providers, and commercial bankers together to coordinate a foreclosure response. The Task Force has not only created a resource portfolio for homeowners facing foreclosure, but has worked with Lucas County Job and Family Services to target foreclosure prevention dollars toward struggling families. The Judges of the Common Pleas Court, in cooperation with the Commissioners, created a full-time foreclosure Magistrate position to help homeowners work-out mortgage difficulties with their servicers before litigation.
- As Lucas County's economy became more and more challenged in 2008, the Commissioners, in cooperation with all the elected officials and department agencies in the County, took steps to responsibly downsize so that the County's revenue met its expenditures. The Commissioners worked cooperatively with its collective bargaining units and negotiated 0% wage increases in light of these tough economic times. Looking forward to 2009, the Commissioners asked all general fund offices to aggressively and creatively cut expenses for the 2009 budget. Further cost controls may be enacted as the County continues to monitor its financial status in the face of a difficult economy.

ACCOUNTING SYSTEM

The County's day-to-day accounting records are maintained on a basis other than GAAP. For financial reporting purposes, the accounting records for all Governmental Funds are converted to the modified accrual basis, whereby revenues are recognized when measurable and available within the business cycle (within 60 days after year end), and expenditures are recognized when the related fund liability has incurred. The accounting records for the Proprietary Funds and Government-Wide Financial Statement are converted to the accrual basis, whereby revenues are recognized when measurable and earned and expenses are recognized as incurred.

A further discussion of the three methods of accounting (non-GAAP, modified accrual, and accrual), and a reconciliation of budget basis to GAAP basis of accounting, may be found in Notes 2 and 13, respectively, of the *Notes to the Financial Statements*.

BUDGETARY CONTROLS

Under Ohio law, the Lucas County Board of Commissioners must adopt an appropriations budget by January 1 of a given year, or adopt a temporary appropriation measure with final passage of a permanent budget by April 1. No expenditure can be made from any budgetary account without the Certificate of the County Auditor certifying that funds are available or in the process of collection. When a purchase order is issued or a contract is entered into by any County department or agency, the County Auditor encumbers the necessary funds to pay for the expenditure. Contracts or purchase orders are invalid under Ohio law if sufficient funds are not available to permit the County Auditor to certify the transaction. A further discussion of the budgetary accounting system and its controls may be found in Note 2 of the *Notes to the Financial Statements*.

The County Auditor issues a monthly budget report to the Board of Commissioners and to all departments and agencies showing the monthly and year-to-date expenditures, encumbrances, and cash balances, as well as the unencumbered balance by fund and account. On a quarterly basis, these reports are made publicly available.

LONG-TERM FINANCIAL PLANNING

Lucas County is committed to maintaining a strong fiscal environment. To achieve this end, it is the goal of the Board of County Commissioners to maintain a minimum of 12% of the general fund available revenue as an unappropriated cash reserve. This reserve is designated as a budget stabilization tool to assist in alleviating financial stress in the event of an economic downturn and promote a favorable bond rating for the County. In 2008, the County's uninsured outstanding general obligation bonds were rated "A1" by Moody's Investors Service, "AA-" by Standard & Poor's Rating Services, and "AA-" by Fitch. Historically, significant leeway has been maintained for additional general obligation debt within the direct debt limitation.

The Lucas County Office of Management and Budget prepares a five year budget and plan, for which it has received a Distinguished Budget Presentation Award from the Government Finance Officers Association for the last nine years. The County also prepares a capital improvements plan, a flexible document that is used to prioritize, rank, and determine the annual allocation of available capital improvement dollars over a five year period. Rankings may move up or down within the plan, based on changing needs assessments and additional project information. It is the policy of the Board of County Commissioners to allocate 8% of the general fund for capital improvement dollars annually and to maintain 8% of the general fund for a capital improvement reserve specifically designated for unanticipated capital needs.

INTERNAL CONTROL

The management of the County is responsible for establishing and maintaining internal control, designed to provide reasonable, but not absolute assurance that the assets of the County are protected from loss, theft, or misuse. Management also ensures that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The design of the internal control also 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.

As a recipient of federal and state financial assistance, the County is responsible for ensuring not only that adequate internal controls are in place, but also that the County has complied with applicable laws and regulations related to those programs. This internal control is subject to periodic evaluation by management.

INDEPENDENT AUDIT

An unqualified opinion, with respect to the basic financial statements of the County as of, and for the year ended, December 31, 2008, is included **on pages 10 and 11** of this report. This opinion was rendered by the County's independent auditors, Ernst & Young LLP. As part of the annual preparation of a CAFR, the County subjects the basic financial statements to an annual independent audit. This annual audit arrangement serves to strengthen the County's accounting, budgetary, and internal control of its financial and operational systems.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The County prepared its first CAFR in 1984 in accordance with the program guidelines for the Certificate of Achievement for Excellence in Financial Reporting (the Certificate), awarded by the Government Finance Officers Association of the United States and Canada (GFOA). Each annual report must also satisfy generally accepted accounting principles and disclose applicable legal compliance requirements. The County has been awarded the Certificate for 24 straight years, 1984—2007. The Certificate is valid for a period of one year. We believe that our current report continues to conform to the stringent guidelines and requirements of the program, and the County will continue to submit the CAFR to the GFOA to determine its current eligibility.

ACKNOWLEDGMENTS

This report is the result of the continued cooperation and combined services of the elected officials and management of Lucas County. I would like to thank County Administrator Mike Beazley and Public Affairs Liaison David Mann for their insight into the *Economic Outlook* and *County Initiatives* portion of this transmittal. Finally, I would like to express special appreciation for members of my staff who have exercised exceptional proficiency and dedication instrumental in the arduous task of publishing a book of this magnitude and significance.

Accounting & Payroll: *Shimeako Caprice Cole, Karla Hayes, Joanne Melamed, Samuel Olaniran, Thomas Nichter, and Peter Rancatore.*

Accounts Payable/Receivable: *Pat Heffern, Rita Hogan-Faber, Sue Nofziger, and Colleen Smith.*

Photography & Public Information: *Mely Arribas, Karla Hayes, Lori Lamb, and Matthew Rogacki.*

Sincerely,

A handwritten signature in black ink that reads "Anita Lopez". The signature is written in a cursive style with a large initial "A" and a long, sweeping underline.

Anita Lopez
Lucas County Auditor

LUCAS COUNTY, OHIO

ELECTED OFFICIALS DECEMBER 31, 2008

Administrators

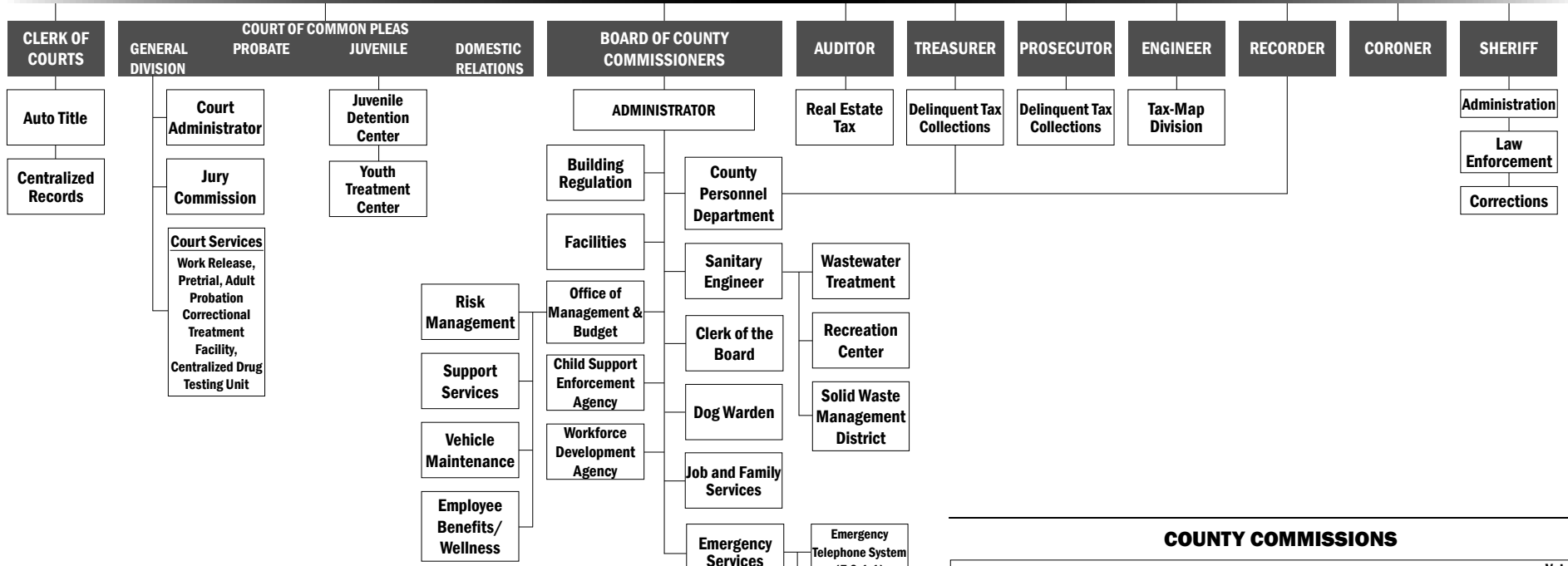
<i>Anita Lopez</i> -----	Auditor
<i>Bernie Quilter</i> -----	Clerk of Courts
<i>James R. Patrick, M.D.</i> -----	Coroner
<i>Pete Gerken</i> -----	Commissioner
<i>Ben Konop</i> -----	Commissioner
<i>Tina Skeldon Wozniak</i> -----	Commissioner (president)
<i>Keith Earley</i> -----	County Engineer
<i>Julia R. Bates</i> -----	Prosecutor
<i>Jeanine Perry</i> -----	Recorder
<i>James A. Telb</i> -----	Sheriff
<i>Wade Kapszukiewicz</i> -----	Treasurer

Judges

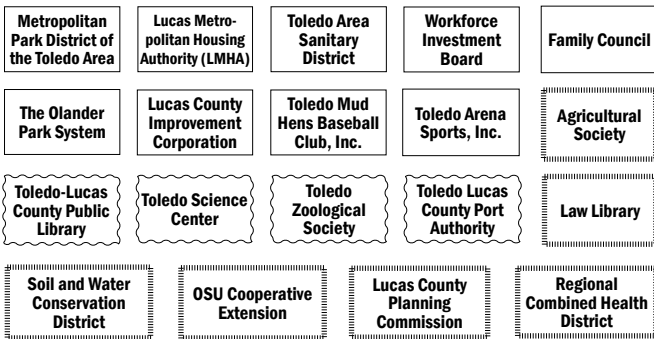
<i>James D. Bates</i> -----	Common Pleas Court
<i>Gary G. Cook</i> -----	Common Pleas Court
<i>Stacy L. Cook</i> -----	Common Pleas Court
<i>Denise Dartt</i> -----	Common Pleas Court
<i>Charles J. Doneghy</i> -----	Common Pleas Court
<i>Ruth Ann Franks</i> -----	Common Pleas Court
<i>Linda J. Jennings</i> -----	Common Pleas Court
<i>James D. Jensen</i> -----	Common Pleas Court
<i>Frederick H. McDonald</i> -----	Common Pleas Court
<i>Gene A. Zmuda</i> -----	Common Pleas Court
<i>David E. Lewandowski</i> -----	Domestic Relations Court
<i>Norman G. Zimmelman</i> -----	Domestic Relations Court
<i>Denise Cubbon</i> -----	Juvenile Court
<i>Connie Zimmelman</i> -----	Juvenile Court
<i>Jack R. Puffenberger</i> -----	Probate Court
<i>Peter M. Handwork</i> -----	Sixth District Court of Appeals
<i>Thomas J. Osowik</i> -----	Sixth District Court of Appeals
<i>Mark Pietrykowski</i> -----	Sixth District Court of Appeals
<i>Arlene Singer</i> -----	Sixth District Court of Appeals
<i>William Skow</i> -----	Sixth District Court of Appeals

Lucas County Government

CITIZENS



AFFILIATED COUNTY AGENCIES



COUNTY COMMISSIONS

Investment Advisory Board	County Budget Commission	Board of Revision	Automatic Data Processing Board	County Record Commission	Veteran Services Commission
Includes: Board of Comm. Clerk of Courts Treasurer	Includes: Auditor Treasurer Prosecutor	Includes: Auditor Treasurer Pres. of Board of Comm.	Includes: Auditor Treasurer Recorder Clerk of Courts Rep. of Board of Commissioners Rep. of Common Pleas Court (2) Rep. of Bd. of Elections Rep. of Domestic Relations Court	Includes: Auditor Recorder Prosecutor Clerk of Courts Pres. of Board of Comm.	Appointed by: The Judges of the Common Pleas Court, General Trial Division

COUNTY BOARDS



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lucas County
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. R. +".

President

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

Executive Director

Report of Independent Auditors

Lucas County Board of Commissioners
Toledo, Ohio

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lucas County, Ohio, as of and for the year ended December 31, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Toledo Mud Hens Baseball Club, Inc., Lott Industries, Inc., and Preferred Properties, Inc., which represent 100 percent of the assets, net assets, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States 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. The financial statements of the discretely presented component units were audited by other auditors in accordance with auditing standards generally accepted in the United States, but were not audited in accordance with *Government Auditing Standards*. We were not engaged to perform an audit of the County's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lucas County, Ohio as of December 31, 2008, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Job and Family Services, Mental Health and Recovery, Board of Mental Retardation, and Child Services Board Funds for the year then ended in conformity with US generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated May 29, 2009 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 12 through 19 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. 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 audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, individual general fund budgetary statement, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The individual general fund budgetary statement, combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Ernst & Young LLP

May 29, 2009

LUCAS COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008

The management's discussion and analysis of the financial performance of Lucas County (the County) provides an overall review of the County's financial activities for the year ended December 31, 2008. The intent of this discussion and analysis is to look at the County's financial performance as a whole. Readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the County's financial performance.

Financial Highlights

Key financial highlights for 2008 are as follows:

- The assets of the County exceeded its liabilities at the close of the year ended December 31, 2008, by \$444,257,968 (net assets). Of this amount, \$63,039,449 may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net assets decreased by \$23,809,780 which is 5.09% of the net assets at the beginning of the year 2008.
- At the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$97,134,920, a decrease of \$55,205,802 from the prior year. Of this amount, \$50,080,986 is available for spending (unreserved fund balance) on behalf of its citizens.
- At the end of the current year, unreserved fund balance for the general fund was \$41,672,055, which represents a decrease of 3.1% from the prior year, and represents 32.8% of total general fund expenditures.
- Lucas County's total debt decreased by \$4,698,545 during the current year. This was due to debt retirement and refunding exceeding new issues for the year.

Overview of the Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Lucas County as a financial whole or as an entire operating entity. The statements also provide an increasingly detailed look at specific financial conditions.

The County's basic financial statements are comprised of three components: 1) County-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic financial statements, this report also contains statistical information that may assist in evaluating the County's demographics and potential economic activity.

Component units, legally separate organizations for which the County is financially accountable, are discretely presented for the Toledo Mud Hens Baseball Club, Inc., Lott Industries, Inc. and Preferred Properties, Inc. and Affiliates. Separate statements are prepared for each of these component units. To obtain copies of their statements, refer to page 48 of this document.

County - wide Financial Statements

The County-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to a private-sector business.

Statement of Net Assets and the Statement of Activities

The Statement of Net Assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. The Statement of Activities presents information

LUCAS COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008

showing how the County's net assets changed during the current year. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by the private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid. These two statements report the County's net assets and the change in those assets. This change in net assets is important because it tells the reader whether, for the County as a whole, the financial position of the County has improved or diminished. However, in evaluating the overall position of the County, non-financial information such as changes in the County's tax base and the condition of County capital assets will also need to be evaluated.

In the Statement of Net Assets and the Statement of Activities, the County is divided into three kinds of activities:

- **Governmental Activities** - Most of the County's services are reported in this category including public safety, social services programs, administration, and all departments with the exception of our Water and Sewer funds and Wastewater Treatment.
- **Business-Type Activities** - These services have a charge based upon the amount of usage. The County charges fees to recoup the cost of the entire operation of our Water and Sewer and Wastewater Treatment Plants, as well as all capital expenses associated with these facilities.
- **Component Units** - The County includes financial data of the Toledo Mud Hens Baseball Club, Inc., Lott Industries, Inc., and Preferred Properties, Inc. and Affiliates. The component units are separate and may buy, sell, lease, and mortgage property in their own name and can sue or be sued in their own name. More information on the component units, including contact information on how to obtain access to their individual financial statements, can be found in Note 2 of the Notes to the Financial Statements.

The County-wide Financial Statements can be found on pages 21 - 23 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Fund financial statements provide detailed information about the County's major funds. Based on restriction on the use of monies, the County has established many funds which account for the multitude of services provided to our residents. However, these fund financial statements focus on the County's most significant funds. In the case of Lucas County, our major funds are the General, Children Services Board, Board of Mental Retardation (LCBMR/DD), Job and Family Services, Mental Health and Recovery, Capital Improvements, Debt Service, Water Supply System, Sewer System, and Wastewater Treatment.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating government's near-term financing requirements.

Because the focus of governmental funds is narrower than the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

LUCAS COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008

The County maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The non-major governmental fund financial statements can be found on pages 24 - 35 of this report.

The County adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds: The County maintains two different types of proprietary funds, enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its Water and Sewer and Wastewater Treatment operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its self-insurance programs, vehicle maintenance, telephone system, central supplies, and worker's compensation programs. Because these services predominantly benefit governmental rather than business-type functions, they have primarily been included with governmental activities in the County-wide financial statements. The proprietary fund financial statements can be found on pages 36 - 41 of this report.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The fiduciary fund financial statement can be found on page 42 of this report.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the County-wide and fund financial statements. The notes to the financial statements can be found on pages 47 - 86 of this report.

Other Information: In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules which can be found on pages 87 - 194 of this report.

County-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a County's financial position. In the case of the County, assets exceeded liabilities by \$444,257,968 (\$342,565,757 in governmental activities and \$101,692,211 in business type activities) as of December 31, 2008. This is a decrease of \$21,350,973 (5.9%) for governmental activities and a decrease of \$2,458,807 (2.4%) for business-type activities. By far, the largest portion of the County's net assets (64.1%) reflects its investment in capital assets, which includes land, buildings, machinery and equipment, and infrastructure, less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

LUCAS COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Net Assets					
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities	2008	2007
	2008	2008	2007	2007	Total	Total
Assets:						
Current and other assets	\$ 465,692,320	\$ 23,580,359	\$ 392,267,231	\$ 23,854,224	\$ 489,272,679	\$ 416,121,455
Capital assets, net	265,740,783	108,392,178	247,770,865	111,642,209	374,132,961	359,413,074
Total assets	731,433,103	131,972,537	640,038,096	135,496,433	863,405,640	775,534,529
Liabilities:						
Current and other liabilities	284,282,922	1,122,228	165,720,719	1,193,268	285,405,150	166,913,987
Long-term liabilities	104,584,424	29,158,098	110,400,647	30,152,147	133,742,522	140,552,794
Total liabilities	388,867,346	30,280,326	276,121,366	31,345,415	419,147,672	307,466,781
Net Assets:						
Invested in capital assets, net of related debt	204,927,104	79,798,828	183,348,749	82,117,126	284,725,932	265,465,875
Restricted	96,492,587	-	104,994,749	-	96,492,587	104,994,749
Unrestricted	41,146,066	21,893,383	75,573,232	22,033,892	63,039,449	97,607,124
Total net assets	\$ 342,565,757	\$ 101,692,211	\$ 363,916,730	\$ 104,151,018	\$ 444,257,968	\$ 468,067,748

An additional portion of the County's net assets (21.7%) represents resources that are subject to restrictions on how they can be used. The remaining balance of unrestricted assets (\$63,039,449) may be used to meet the County's ongoing obligations to citizens and creditors.

As of December 31, 2008, the County is able to report positive net asset balances in both the governmental and business-type activities of \$342,565,757 and \$101,692,211, respectively. The table on page 17 provides a summary of the changes in net assets for the year ended December 31, 2008.

Governmental Activities

Human Services accounts for \$151,937,953 of the \$532,431,338 total expenses for governmental activities, or 28.5% of total expenses. This is a decrease of 4.4% from last year by both Job and Family Services and the Children Services Board. The primary cause of the decrease stems from the timing of the increased intergovernmental revenues as the result of higher prior year expenses. The next largest program is Health, accounting for \$150,951,885, which represents 28.3% of total governmental expenses. The year to year increase resulted from an increased demand for services provided by the County's health agencies (Mental Health and Recovery and the Board of Mental Retardation), which was addressed by the passage of additional tax levy dollars for 2009.

Tax revenue accounts for \$169,814,964 of the \$511,080,365 total revenue for governmental activity, or 33.2% of total revenue. Operating grants were the largest component of program revenue accounting for \$175,780,447, or 34.4% of total governmental revenue. The decreases in tax and operating grant revenue of 5.5% and 4.6% respectively are due primarily to the phase out of the tangible personal property tax and decreases in grant awards. The major recipients of intergovernmental revenue were Job and Family Services receiving \$66,688,009, Board of Mental Health receiving \$50,617,470, Board of Mental Retardation receiving \$27,103,261 and Children Services Board receiving \$26,020,667. The County's direct charges to users of governmental services made up \$36,238,841, or 7.17% of total governmental revenue. These charges are for fees for real estate transfers, fees associated with the collection of property taxes, fines and forfeitures related to judicial activity, rent, and licenses and permits associated with building inspectors. The revenue from these charges increased only slightly to 2.6%.

LUCAS COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008

Business-type Activities

The net assets for the business-type activities for the County decreased by \$2,458,807 during the year 2008 primarily due to an operating loss of \$1,128,102 and interest paid on debt of \$1,339,693. Major revenue sources were charges for service of \$13,309,504, and other revenue of \$3,246,282 that resulted from reimbursements on various projects. Charges for services increased by 19.4%, and other revenue decreased by 38.0% due to a change in presentation.

Financial Analysis of the County's Funds

The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

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

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved fund balance of the general fund was \$41,672,055 while total fund balance reached \$42,960,959. This is a decrease of 3.1% and 3.2%, respectively. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 32.8% to total general fund expenditures, while total fund balance represents 33.9% of that same amount. The fund balance of the County's general fund decreased by \$1,403,390 during the current fiscal year as the County continued to take measures to control its costs during a difficult economic period.

Key factors in this decrease are as follows:

- Total revenues were down slightly (1.8%) as compared to 2007. In the detail, reductions occurred in property taxes of \$1,353,392, charges for service of \$2,935,262, and other revenue of \$4,211,014. These were offset by an increase in Intergovernmental revenue of \$6,179,628. The shift is largely due to the phase out of the tangible personal property tax (the future impact of which is discussed more thoroughly in Note 6 to the financial statements), offset by State of Ohio reimbursements for replacement of this lost revenue.
- Expenditures and transfers out were almost flat with 2007, increasing only \$831,799 and \$209,538 respectively.

The debt service fund has a negative unreserved fund balance of \$(4,042,375). The net decrease in fund balance during the current year in the debt service fund was \$9,803,937. The refunding of debt amounting to \$9,130,000 created this shortfall.

The other major governmental funds of the County are Children Services Board, Board of Mental Retardation, Mental Health and Recovery and Job and Family Services.

The fund balance of the Children Services Board decreased \$796,809 to \$22,111,103. The decrease is due to an increase in demand for services that resulted in increased personal expenditures of \$563,469.

LUCAS COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008

The fund balance of the Board of Mental Retardation decreased \$4,402,159 to \$21,844,817, primarily due to increased demand for services coupled with a decrease in tax revenue collections.

The fund balance of Job and Family Services decreased by \$4,464,034 to a negative \$5,680,055. The decrease is created by the \$8,357,202 reduction in revenue from the prior year. This shortage was in intergovernmental payments from the State of Ohio.

The fund balance of the Board of Mental Health and Recovery decreased \$1,338,317 to \$8,482,830 based on increases in claim payments from the prior year.

	Change in Net Assets					
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities	2008 Total	2007 Total
	2008	2008	2007	2007		
Revenues						
Program revenues:						
Charges for services and sales	\$ 36,238,841	\$ 13,309,504	\$ 35,327,346	\$ 11,149,296	\$ 49,548,345	\$ 46,476,642
Operating grants and contributions	175,780,447	-	184,269,256	4,224,878	175,780,447	188,494,134
Capital grants and contributions	1,742,732	-	795,958	-	1,742,732	795,958
Total program revenues	<u>213,762,020</u>	<u>13,309,504</u>	<u>220,392,560</u>	<u>15,374,174</u>	<u>227,071,524</u>	<u>235,766,734</u>
General revenues:						
Taxes	169,814,964	38,085	179,632,066	-	169,853,049	179,632,066
Investment income	15,049,768	-	14,158,359	-	15,049,768	14,158,359
Grants, contributions and charges not restricted to specific programs	96,278,029	-	55,371,431	-	96,278,029	55,371,431
Other	16,175,584	3,246,282	67,033,585	5,239,608	19,421,866	72,273,193
Total general revenues	<u>297,318,345</u>	<u>3,284,367</u>	<u>316,195,441</u>	<u>5,239,608</u>	<u>300,602,712</u>	<u>321,435,049</u>
Total revenues	<u>511,080,365</u>	<u>16,593,871</u>	<u>536,588,001</u>	<u>20,613,782</u>	<u>527,674,236</u>	<u>557,201,783</u>
Expenses						
Program Expenses:						
Legislative and executive	31,147,918	-	56,377,330	-	31,147,918	56,377,330
Judicial system	82,097,167	-	71,275,700	-	82,097,167	71,275,700
Public safety	83,360,838	-	76,504,827	-	83,360,838	76,504,827
Public works	17,836,566	-	21,205,847	-	17,836,566	21,205,847
Health	150,951,885	-	139,539,669	-	150,951,885	139,539,669
Human services	151,937,953	-	158,934,794	-	151,937,953	158,934,794
Conservation and recreation	9,293,563	-	10,026,429	-	9,293,563	10,026,429
Interest and fiscal charges	5,805,448	-	4,584,326	-	5,805,448	4,584,326
Water supply system	-	3,251,120	-	3,108,648	3,251,120	3,108,648
Waste water treatment	-	4,883,697	-	4,772,376	4,883,697	4,772,376
Sewer system	-	3,315,405	-	3,350,859	3,315,405	3,350,859
Sanitary engineer	-	5,026,646	-	4,867,790	5,026,646	4,867,790
Stormwater utility	-	249,905	-	-	249,905	-
Solid waste	-	2,184,698	-	1,959,458	2,184,698	1,959,458
Parking facilities	-	141,207	-	778,961	141,207	778,961
Total expenses	<u>532,431,338</u>	<u>19,052,678</u>	<u>538,448,922</u>	<u>18,838,092</u>	<u>551,484,016</u>	<u>557,287,014</u>
Increase (decrease) in net assets	(21,350,973)	(2,458,807)	(1,860,921)	1,775,690	(23,809,780)	(85,231)
Net assets at beginning of year	363,916,730	104,151,018	365,777,651	102,375,328	468,067,748	468,152,979
Net assets at end of year	<u>\$ 342,565,757</u>	<u>\$ 101,692,211</u>	<u>\$ 363,916,730</u>	<u>\$ 104,151,018</u>	<u>\$ 444,257,968</u>	<u>\$ 468,067,748</u>

LUCAS COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008

Enterprise Funds

The County's enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net assets of the Water Supply System at the end of the year amounted to \$41,797,231, the Wastewater Treatment Plant amounted to \$11,306,247, and the Sewer System amounted to \$39,615,998. The total change in net assets for these funds included a decrease of \$1,751,690, an increase of \$947,262, and a decrease of \$1,789,431, respectively. Both revenues and expenses in the three major funds were not significantly different from the prior year, causing the net income (loss) before contributions to be comparable to the 2007 results. 2007 had been favorably affected by capital contributions amounting to \$4,224,878 which was not repeated in 2008.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget amounted to \$3,240,657. There was a small estimated revenue increase for property taxes amounting to \$292,526. This was more than offset by an increase in transfer out subsidies of \$312,862. Budgeted expenditures increased by \$2,776,231. This was due to expenditure increases primarily in Legislative and Executive, Judicial, and Public Safety. Current appropriations were increased accordingly, although expenditures ended at or below the original budget for Legislative and Executive and Judicial expenditures. The Public Safety actual expenses approximated the revised budget level.

Capital Assets and Debt Administration

Capital assets: The County's capital assets for its governmental and business type activities as of December 31, 2008, amounts to \$374,132,961 (net of accumulated depreciation). This investment in capital asset includes land, buildings structures and improvements, furniture, fixtures equipment, and infrastructure. The total increase in the County's capital assets for the current fiscal year was 4.1% (a 7.3% increase for governmental activities and a 2.9% decrease for business-type activities.)

Major capital asset events during the current fiscal year included the following:

- Expended approximately \$32,289,000 in 2008 for costs associated with the construction of the new multi-purpose arena in downtown Toledo. The project is expected to be completed in fall of 2009 with a projected total cost of \$105,000,000.
- Continuation of the interior renovation of the courthouse to improve security and to allow better access to those offices that are frequented by the general public. \$69,000 was expended on this project in 2008.

Additional information on the County's capital assets can be found in Note 8.

Long-term debt: At the end of the current fiscal year, the County had total bonded debt outstanding of \$58,826,600. Of this amount, \$25,230,000 comprises debt backed by the full faith and credit of the government and \$17,053,000 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment. The remaining bonded debt is comprised of non-tax revenue bonds of \$15,825,000 and revenue bonds of \$718,600. The County also had outstanding Ohio Water Development Authority (OWDA) loans of \$26,960,308, and Ohio Public Works Commission (OPWC) loans of \$3,995,308.

The County maintained 'AA-' and 'A1' ratings from both Fitch and Moody's respectively, for general obligation debt, and improved to an 'AA-' rating from Standard & Poor's. The ratings for the baseball

LUCAS COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
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stadium bonds were also upgraded by Standard & Poor's from an 'A' to an 'A+', and maintained at an 'A2' from Moody's and an 'A+' from Fitch.

The County's total bonded debt decreased by \$3,628,100 during the current fiscal year. State statutes limit the amount of unvoted general obligation debt the County may issue to one percent of its total assessed valuation. The current debt limitation for Lucas County is \$94,047,000, which is significantly in excess of the County's outstanding unvoted general obligation debt. Additional information on the County's long-term debt can be found in Note 10.

Economic Factors and Next Year's Budgets and Rates

The unemployment rate for the County is currently 8.3%, which is a increase from the rate of 6.7% a year ago. The state average unemployment rate was 6.5%, and the national average was 5.8%.

Inflationary trends in the region compare favorably to national indices.

These factors were considered in preparing the County's budget for the 2009 fiscal year.

At the end of the current fiscal year, unreserved fund balance in the general fund was \$41,672,055. The County has prepared a budget for 2009 without an increase in taxes or an increase in rates in the enterprise funds by reducing departmental requests for funding and by appropriating \$4,540,205 of the unreserved fund balance. Additional information regarding the 2009 budget year is also discussed in the Letter of Transmittal under the Major County Initiatives section.

Request for Information

This financial report is designed to provide a general overview of Lucas County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to:

Anita Lopez, Lucas County Auditor
One Government Center, Suite 600
Toledo, OH 43604-2255
(419) 213-4406

The Lucas County Arena



In the Fall of 2009, the doors will open to Lucas County's newest attraction—a new arena, located in downtown Toledo, making Lucas County one of the only counties in the United States with a convention center, ballpark, and indoor arena within such close proximity to one another.

A year round source of family fun and entertainment, the new arena will bring many of the nation's highest quality sporting and entertainment events to the County. Just as importantly, the new arena will be located in close proximity to Fifth Third Field and the Seagate Convention Centre, providing downtown Toledo with three major attractions within walking distance of each other.

LUCAS COUNTY, OHIO

**Statement of Net Assets
December 31, 2008**

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets:				
Equity In Pooled Cash and Investments - - - - -	\$ 243,865,334	\$ 16,408,481	\$ 260,273,815	\$ 14,135,201
Cash and Cash Equivalents				
In Segregated Accounts - - - - -	2,948,959	-	2,948,959	-
Accounts Receivable (net of allowance for uncollectibles) - - - - -	1,607,506	5,559,620	7,167,126	3,034,257
Accrued Interest Receivable - - - - -	1,851,554	-	1,851,554	-
Property Taxes Receivable (net of allowance for uncollectibles) - - - - -	111,683,016	-	111,683,016	-
Sales Tax Receivable - - - - -	17,389,876	-	17,389,876	-
Special Assessment Receivable - - - - -	30,311,542	-	30,311,542	-
Internal Balances - - - - -	(1,536,978)	1,536,978	-	-
Intergovernmental Receivable - - - - -	56,388,458	38,085	56,426,543	-
Materials and Supplies Inventory - - - - -	1,032,713	37,195	1,069,908	220,629
Prepaid Items - - - - -	75,195	-	75,195	224,144
Loans Receivable - - - - -	2,674	-	2,674	-
Unamortized Issuance Costs - - - - -	72,471	-	72,471	90,237
Nondepreciable Capital Assets - - - - -	82,117,575	741,885	82,859,460	1,571,163
Depreciable Capital Assets, Net - - - - -	183,623,208	107,650,293	291,273,501	16,931,261
Total Assets	731,433,103	131,972,537	863,405,640	36,206,892
Liabilities:				
Accrued Wages and Benefits Payable - - - - -	4,919,972	149,124	5,069,096	2,813,954
Accounts Payable - - - - -	29,816,918	905,506	30,722,424	237,514
Intergovernmental Payable - - - - -	2,402,532	67,598	2,470,130	-
Accrued Interest Payable - - - - -	1,573,804	-	1,573,804	-
Unearned Revenue - - - - -	139,634,696	-	139,634,696	-
Deferred Revenue - - - - -	-	-	-	761,823
Notes Payable - - - - -	105,935,000	-	105,935,000	-
Long-Term Liabilities:				
Due Within One Year - - - - -	25,164,889	1,546,276	26,711,165	3,317,021
Due in More Than One Year - - - - -	79,419,535	27,611,822	107,031,357	265,095
Total Liabilities	388,867,346	30,280,326	419,147,672	7,395,407
Net Assets:				
Invested in Capital Assets, Net of Related Debt - - - - -	204,927,104	79,798,828	284,725,932	15,080,655
Restricted For:				
Human Service Programs - - - - -	16,431,048	-	16,431,048	-
Public Works Projects - - - - -	6,409,279	-	6,409,279	-
Health Programs - - - - -	30,300,420	-	30,300,420	7,978,919
Legislative and Executive - - - - -	20,408,460	-	20,408,460	-
Public Safety - - - - -	20,065,510	-	20,065,510	-
Judicial - - - - -	2,571,429	-	2,571,429	-
Conservation and Recreation - - - - -	306,441	-	306,441	-
Unrestricted - - - - -	41,146,066	21,893,383	63,039,449	5,751,911
Total Net Assets	\$ 342,565,757	\$ 101,692,211	\$ 444,257,968	\$ 28,811,485

See accompanying notes to the basic financial statements.

LUCAS COUNTY, OHIO

Statement of Activities
For The Year Ended December 31, 2008

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government:				
Legislative and Executive.....	\$ 31,147,918	\$ 20,757,834	\$ 4,339,017	\$ -
Judicial.....	82,097,167	8,758,282	12,115,191	-
Public Safety.....	83,360,838	1,461,536	17,486,737	-
Public Works.....	17,836,566	684,313	3,639,749	\$1,616,012
Health.....	150,951,885	3,795,404	56,529,677	-
Human Services.....	151,937,953	181,132	81,670,076	-
Conservation and Recreation	9,293,563	600,340	-	126,720
Interest and Fiscal Charges.....	5,805,448	-	-	-
<i>Total Governmental Activities.....</i>	<u>532,431,338</u>	<u>36,238,841</u>	<u>175,780,447</u>	<u>1,742,732</u>
Business Type Activities:				
Water Supply.....	3,251,120	434,600	-	-
Wastewater Treatment.....	4,883,697	5,793,870	-	-
Sewer.....	3,315,405	178,964	-	-
Sanitary Engineer.....	5,026,646	4,952,463	-	-
Stormwater Utility.....	249,905	-	-	-
Solid Waste.....	2,184,698	1,632,946	-	-
Parking Facilities.....	141,207	316,661	-	-
<i>Total Business-Type Activities.....</i>	<u>19,052,678</u>	<u>13,309,504</u>	<u>-</u>	<u>-</u>
<i>Total Primary Government.....</i>	<u>\$ 551,484,016</u>	<u>\$ 49,548,345</u>	<u>\$ 175,780,447</u>	<u>\$ 1,742,732</u>
Component Units:				
Lott Industries, Inc.....	\$ 11,866,231	\$ 2,607,142	\$ 6,714,031	\$ -
Preferred Properties Inc., & Affiliates.....	1,642,825	467,206	736,623	-
Toledo Mud Hens.....	10,336,391	8,409,081	-	-
<i>Total Component Units</i>	<u>\$ 23,845,447</u>	<u>\$ 11,483,429</u>	<u>\$ 7,450,654</u>	<u>\$ -</u>

General Revenues:

Property Taxes
Sales Taxes
Other Taxes
Grants and Entitlements not Restricted to Specific Programs
Investment Income
Other
Total General Revenues

Change in Net Assets

Net Assets, Beginning of Year

Net Assets, End of Year

See accompanying notes to the basic financial statements.

Net(Expense) Revenue and Changes in Net Assets			
Primary Government			Component Units
Governmental Activities	Business-Type Activities	Total	
\$ (6,051,067)	\$ -	\$ (6,051,067)	\$ -
(61,223,694)	-	(61,223,694)	-
(64,412,565)	-	(64,412,565)	-
(11,896,492)	-	(11,896,492)	-
(90,626,804)	-	(90,626,804)	-
(70,086,745)	-	(70,086,745)	-
(8,566,503)	-	(8,566,503)	-
(5,805,448)	-	(5,805,448)	-
<u>(318,669,318)</u>	<u>-</u>	<u>(318,669,318)</u>	<u>-</u>
-	(2,816,520)	(2,816,520)	-
-	910,173	910,173	-
-	(3,136,441)	(3,136,441)	-
-	(74,183)	(74,183)	-
-	(249,905)	(249,905)	-
-	(551,752)	(551,752)	-
-	175,454	175,454	-
-	<u>(5,743,174)</u>	<u>(5,743,174)</u>	<u>-</u>
<u>(318,669,318)</u>	<u>(5,743,174)</u>	<u>(324,412,492)</u>	<u>-</u>
-	-	-	(2,545,058)
-	-	-	(438,996)
-	-	-	<u>(1,927,310)</u>
-	-	-	<u>(4,911,364)</u>
95,887,936	-	95,887,936	-
70,511,781	-	70,511,781	-
3,415,247	38,085	3,453,332	-
96,278,029	-	96,278,029	-
15,049,768	-	15,049,768	-
16,175,584	3,246,282	19,421,866	3,619,668
297,318,345	3,284,367	300,602,712	3,619,668
(21,350,973)	(2,458,807)	(23,809,780)	(1,291,696)
363,916,730	104,151,018	468,067,748	30,103,181
<u>\$ 342,565,757</u>	<u>\$ 101,692,211</u>	<u>\$ 444,257,968</u>	<u>\$ 28,811,485</u>

LUCAS COUNTY, OHIO

Balance Sheet
Governmental Funds
December 31, 2008

	General	Children Services Board	Board of Mental Retardation	Job and Family Services
<u>Assets:</u>				
Equity in Pooled Cash and Investments.....	\$ 31,079,525	\$ 20,418,294	\$ 22,550,282	\$ 115,680
Cash and Cash Equivalents In Segregated Accounts.....	2,948,959	-	-	-
Material and Supplies Inventory.....	-	-	-	-
Accounts Receivable.....	664,975	1,462	-	40
Interfund Receivable.....	270,297	-	-	-
Intergovernmental Receivable.....	6,460,014	4,758,513	9,293,938	518,365
Interest Receivable.....	1,851,554	-	-	-
Sales Taxes Receivable.....	17,389,876	-	-	-
Property Taxes Receivable.....	15,609,834	17,376,541	41,985,130	-
Special Assessments Receivable.....	2,014	-	-	-
Loans Receivable.....	-	-	-	-
Total Assets	\$ 76,277,048	\$ 42,554,810	\$ 73,829,350	\$ 634,085
<u>Liabilities:</u>				
Accounts Payable.....	\$ 2,834,063	\$ 640,927	\$ 1,052,298	\$ 5,569,510
Accrued Wages and Benefits Payable.....	2,100,073	585,975	777,929	492,928
Interfund Payable.....	7,272	-	-	-
Due to Other Funds.....	91,963	18,610	-	17,765
Intergovernmental Payable.....	1,041,943	289,064	397,593	233,937
Unearned Revenue.....	15,271,000	16,975,920	41,196,185	-
Deferred Revenue.....	11,969,775	1,933,211	8,560,528	-
Notes Payable.....	-	-	-	-
Total Liabilities	33,316,089	20,443,707	51,984,533	6,314,140
<u>Fund Balances:</u>				
Reserved for Encumbrances.....	1,288,904	1,176,792	3,247,610	1,642,547
Reserved for Inventory.....	-	-	-	-
Unreserved, Undesignated, Reported in:				
General Fund.....	41,672,055	-	-	-
Special Revenue Funds.....	-	20,934,311	18,597,207	(7,322,602)
Capital Improvements Funds.....	-	-	-	-
Debt Service Fund.....	-	-	-	-
Total Fund Balances (Deficit)	42,960,959	22,111,103	21,844,817	(5,680,055)
Total Liabilities and Fund Balances (Deficit)	\$ 76,277,048	\$ 42,554,810	\$ 73,829,350	\$ 634,085

See accompanying notes to the basic financial statements.

Mental Health and Recovery	Capital Improvements	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,171,621	\$ 69,178,252	\$ 4,995,897	\$ 51,359,253	\$ 201,868,804
-	-	-	-	2,948,959
-	-	-	993,072	993,072
-	-	-	823,970	1,490,447
-	-	-	7,272	277,569
26,840,995	159,705	-	8,356,928	56,388,458
-	-	-	-	1,851,554
-	-	-	-	17,389,876
12,371,566	-	-	24,339,945	111,683,016
-	-	30,309,528	-	30,311,542
-	-	-	2,674	2,674
<u>\$ 41,384,182</u>	<u>\$ 69,337,957</u>	<u>\$ 35,305,425</u>	<u>\$ 85,883,114</u>	<u>\$ 425,205,971</u>
\$ 2,104,074	\$ 9,001,375	\$ 466	\$ 5,086,296	\$ 26,289,009
35,481	2,211	-	896,150	4,890,747
-	-	-	-	7,272
1,142	1,632,326	-	60,139	1,821,945
17,359	1,084	-	407,181	2,388,161
12,121,400	-	30,217,334	23,852,857	139,634,696
18,621,896	-	-	6,018,811	47,104,221
-	96,805,000	9,130,000	-	105,935,000
<u>32,901,352</u>	<u>107,441,996</u>	<u>39,347,800</u>	<u>36,321,434</u>	<u>328,071,051</u>
1,320,177	32,277,370	-	5,107,462	46,060,862
-	-	-	993,072	993,072
-	-	-	-	41,672,055
7,162,653	-	-	43,170,865	82,542,434
-	(70,381,409)	-	290,281	(70,091,128)
-	-	(4,042,375)	-	(4,042,375)
<u>8,482,830</u>	<u>(38,104,039)</u>	<u>(4,042,375)</u>	<u>49,561,680</u>	<u>97,134,920</u>
<u>\$ 41,384,182</u>	<u>\$ 69,337,957</u>	<u>\$ 35,305,425</u>	<u>\$ 85,883,114</u>	<u>\$ 425,205,971</u>

LUCAS COUNTY, OHIO

*Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
December 31, 2008*

Total Governmental Fund Balances	\$	97,134,920
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**Amounts reported for governmental activities in the
statement of net assets are different because of the following:**

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		265,740,783
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Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:

Intergovernmental Receivable	\$ 35,089,911		
Sales Tax Receivable	7,062,015		
Property Taxes Receivable	<u>4,952,295</u>		
			47,104,221

Internal service funds are used by management to charge the cost of insurance and other services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets, less \$125,292 net capital assets included above as capital assets used in governmental activities and \$112,876 for compensated absences and \$14,069 for capital leases included below.		28,217,809
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Unamortized Issuance Costs represent deferred charges which do not provide current financial resources and, therefore, are not reported in the funds.		72,471
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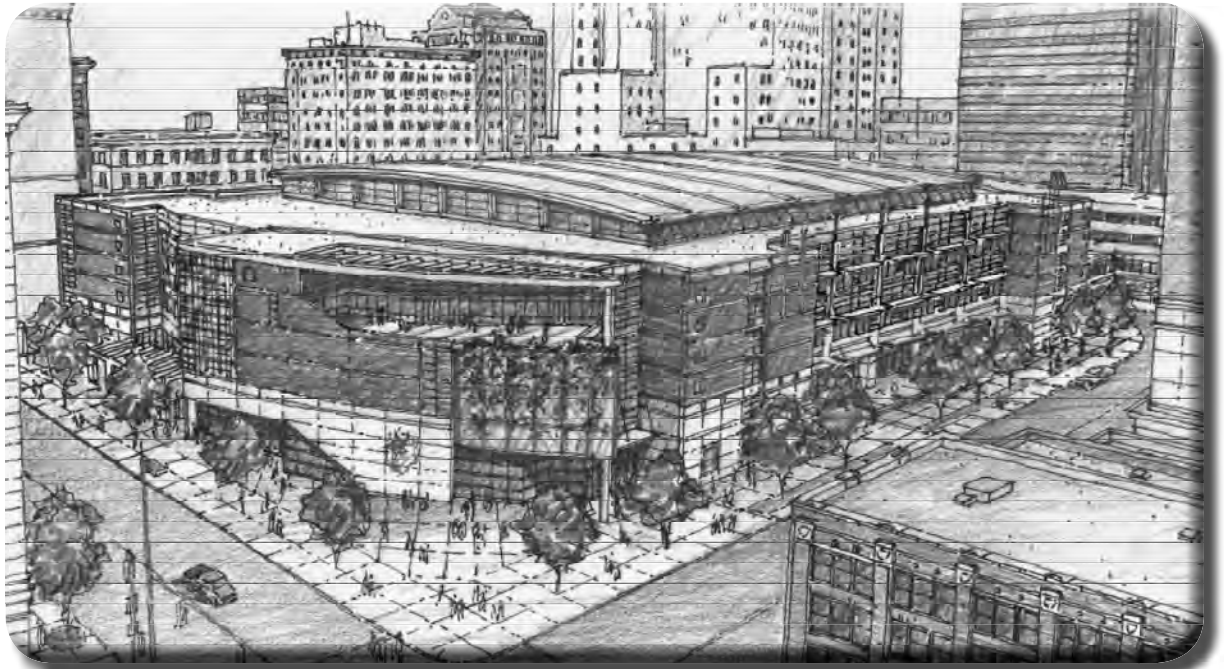
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Accrued Interest Payable	(1,573,804)	
Bonds, OWDA, and OPWC loans payable	(60,858,621)	
Capital Leases payable	(27,529)	
Landfill Obligations	(12,428,650)	
Compensated Absences Payable	<u>(20,806,855)</u>	(95,695,459)

When consolidating Internal Service Funds, the portion of the operating revenue allocated to the enterprise funds is eliminated from the government funds.		<u>(8,988)</u>
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Net Assets of Governmental Activities	\$	<u><u>342,565,757</u></u>
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See accompanying notes to the basic financial statements.

In the Running for the Nation's First "Green" Arena



Developers for the ECHL (East Coast Hockey League) facility opening in Toledo in 2009 expect it to be the nation's first new LEED certified pro sports arena.

The nonprofit U.S. Green Building Council started the Leadership in Energy and Environmental Design program (LEED) in 2000 as a voluntary benchmark for the design, construction and operation of green buildings worldwide. Points are awarded for LEED certification by meeting environmental standards in six categories of building design.

"Everybody wants to be first," said Tom Tingle, vice president for HNTB, the architect designing the Lucas County Arena. "It's bragging rights, and being in the same circle as other premier projects."

There are five LEED certified sports venues in the U.S.: the Utah Olympic Oval, the Detroit Lions training facility, UConn's football practice facility, a minor league/college ballpark in Pennsylvania, and Nationals Park in Washington, D.C.

Source: Don Muret, Sports Business Journal, June 23, 2008, p. 15.

LUCAS COUNTY, OHIO

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For The Year Ended December 31, 2008

	General	Children Services Board	Board of Mental Retardation	Job and Family Services
Revenues:				
Property Taxes.....	\$ 15,765,639	\$ 15,481,324	\$ 26,672,549	\$ -
Sales Taxes.....	71,333,456	-	-	-
Charges For Services.....	13,735,176	-	-	-
Licenses and Permits.....	26,588	-	-	-
Fines and Forfeitures.....	549,210	-	-	-
Intergovernmental.....	27,481,184	26,020,667	27,103,261	66,688,009
Special Assessments.....	35,538	-	-	-
Investment Income.....	13,586,315	-	-	-
Rental Income.....	1,746,638	-	-	-
Other.....	2,183,645	3,197,075	49,456	24,705
Total Revenues.....	146,443,389	44,699,066	53,825,266	66,712,714
Expenditures:				
Current:				
General Government:				
Legislative and Executive.....	28,919,977	-	-	-
Judicial.....	47,176,109	-	-	-
Public Safety.....	44,251,743	-	-	-
Public Works.....	312,674	-	-	-
Health.....	862,955	-	58,227,425	-
Human Services.....	1,620,300	45,495,875	-	74,018,934
Conservation and Recreation.....	895,707	-	-	-
Other.....	2,854,173	-	-	-
Capital Outlay.....	-	-	-	-
Debt Service:				
Principal Retirement.....	-	-	-	-
Interest and Fiscal Charges.....	-	-	-	-
Bond Issue Cost.....	-	-	-	-
Total Expenditures.....	126,893,638	45,495,875	58,227,425	74,018,934
Excess of Revenues Over (Under) Expenditures.....	19,549,751	(796,809)	(4,402,159)	(7,306,220)
Other Financing Sources (Uses):				
Issuance of Special Assessment Bonds.....	-	-	-	-
Issuance of Refunding Bonds.....	-	-	-	-
Payments to Refunded Bond Escrow Agent.....	-	-	-	-
(Discount) Premium on bond issuance.....	-	-	-	-
Issuance of Loans.....	-	-	-	-
Transfers In.....	-	-	-	2,883,699
Transfers Out.....	(20,799,348)	-	-	(41,513)
Advances (out) in.....	(153,793)	-	-	-
Total Other Financing Sources (Uses).....	(20,953,141)	-	-	2,842,186
Net Change in Fund Balances.....	(1,403,390)	(796,809)	(4,402,159)	(4,464,034)
Fund Balances, January 1.....	44,364,349	22,907,912	26,246,976	(1,216,021)
Fund Balances (deficit), December 31.....	\$ 42,960,959	\$ 22,111,103	\$ 21,844,817	\$ (5,680,055)

See accompanying notes to the basic financial statements.

Mental Health and Recovery	Capital Improvements	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
\$ 9,008,652	\$ -	\$ -	\$ 27,658,138	\$94,586,302
-	-	-	-	71,333,456
-	-	-	19,986,857	33,722,033
-	-	-	-	26,588
-	-	-	194,372	743,582
50,617,470	126,720	-	62,738,749	260,776,060
-	2,946,149	248,727	184,833	3,415,247
-	1,309,319	-	154,134	15,049,768
-	-	-	-	1,746,638
169,363	3,993,795	1,164,984	5,808,785	16,591,808
<u>59,795,485</u>	<u>8,375,983</u>	<u>1,413,711</u>	<u>116,725,868</u>	<u>497,991,482</u>
-	-	-	12,757,532	41,677,509
-	-	-	21,610,632	68,786,741
-	-	-	28,817,741	73,069,484
-	-	-	16,394,025	16,706,699
61,133,802	-	-	12,089,774	132,313,956
-	-	-	12,748,764	133,883,873
-	-	-	7,215,922	8,111,629
-	-	1,399	-	2,855,572
-	42,123,049	-	8,438,719	50,561,768
-	9,094,287	6,860,083	-	15,954,370
-	1,299,198	2,932,446	-	4,231,644
-	-	466	-	466
<u>61,133,802</u>	<u>52,516,534</u>	<u>9,794,394</u>	<u>120,073,109</u>	<u>548,153,711</u>
<u>(1,338,317)</u>	<u>(44,140,551)</u>	<u>(8,380,683)</u>	<u>(3,347,241)</u>	<u>(50,162,229)</u>
-	1,039,253	-	-	1,039,253
-	-	2,876,772	-	2,876,772
-	-	(9,130,000)	-	(9,130,000)
-	(47,646)	7,700	-	(39,946)
-	-	-	210,348	210,348
-	2,162,141	4,822,274	10,976,843	20,844,957
-	-	-	(4,096)	(20,844,957)
-	-	-	153,793	-
-	<u>3,153,748</u>	<u>(1,423,254)</u>	<u>11,336,888</u>	<u>(5,043,573)</u>
(1,338,317)	(40,986,803)	(9,803,937)	7,989,647	(55,205,802)
9,821,147	2,882,764	5,761,562	41,572,033	152,340,722
<u>\$ 8,482,830</u>	<u>\$ (38,104,039)</u>	<u>\$ (4,042,375)</u>	<u>\$ 49,561,680</u>	<u>\$ 97,134,920</u>

LUCAS COUNTY, OHIO

*Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to Statement of Activities
For The Year Ended December 31, 2008*

Net Change in Fund Balances - Total Governmental Funds	\$ (55,205,802)
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Amounts reported for governmental activities on the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlay - Non-Depreciable Capital Assets	\$ 33,249,773	
Capital Outlay - Depreciable Capital Assets	5,001,897	
Depreciation	<u>(20,281,752)</u>	17,969,918

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (Excludes internal service activity.) (493,994)

Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.

Intergovernmental	13,025,148	
Sales Tax	(821,675)	
Property Taxes	<u>1,301,634</u>	13,505,107

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net assets.

Bond principal Payments	4,663,100	
Loan principal payments	535,816	
Capital lease principal payments	<u>63,206</u>	5,262,122

Issuance of bonds and notes are recorded as an other financing source in the funds; however, in the statement of activities, they are not reported as revenues as they increase liabilities on the statement of net assets. (4,297,104)

Payment to refunded bond escrow agent for the retirement of bonds is an other financing use in the governmental funds but the payment reduces long-term liabilities on the statement of net assets. Deferred charges, bond premiums and bond issuance costs related to the refundings are amortized over the life of the issuance in the statement of activities whereas governmental funds report these amounts when debt is first issued. The following refunding transactions occurred in the fiscal year:

Bonds refunded	2,865,000	
Deferred Charges on Refunding	485,392	
Bond issuance premium of refunding bonds	<u>(59,026)</u>	3,291,366

In the statement of activities, interest expense is recognized as the interest accrues, regardless of when due. The additional interest reported in the statement of activities is due to the following

Increase in accrued interest payable	(694,845)	
Amortization of bond issue costs	(9,392)	
Amortization of deferred charges on refundings	<u>(155,148)</u>	(859,385)

Some expenses reported on the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

decrease in compensated absence liability (excluding internal service funds)		88,107
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Internal service funds used by management to charge the costs of fleet management, fire fleet management stores and reproduction, workers' compensation, and plumbing to individual funds are not reported in the entity-wide statement of activities. Governmental fund expenditures and the related internal service funds revenues are eliminated. The net revenue (expense) of the internal service funds is allocated among governmental activities. (611,308)

Change in Net Assets of Governmental Activities	<u>\$ (21,350,973)</u>
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See accompanying notes to the basic financial statements.

LUCAS COUNTY, OHIO

Statement of Revenues, Expenditures, and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual General Fund

FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
REVENUES:				
Property Taxes	\$ 17,820,000	\$ 18,112,526	\$ 15,765,639	\$ (2,346,887)
Sales Taxes	73,000,000	73,000,000	71,482,055	(1,517,945)
Charges for Service	13,266,800	13,266,800	11,312,416	(1,954,384)
Licenses and Permits	35,000	35,000	26,588	(8,412)
Fines and Forfeitures	545,000	545,000	549,210	4,210
Intergovernmental	25,696,545	25,696,545	27,191,387	1,494,842
Special Assessments	16,360	16,360	32,808	16,448
Investment Income	11,110,000	11,110,000	11,944,069	834,069
Rental Income	1,600,000	1,600,000	1,746,638	146,638
Other	4,429,000	4,429,000	5,104,433	675,433
Total Revenues	<u>147,518,705</u>	<u>147,811,231</u>	<u>145,155,243</u>	<u>(2,655,988)</u>
EXPENDITURES:				
Current:				
General Government:				
Legislative and Executive	31,705,067	32,255,077	30,830,748	1,424,329
Judicial	47,316,742	48,263,554	47,582,437	681,117
Public Safety	43,486,552	44,421,543	44,158,033	263,510
Public Works	390,135	389,708	300,349	89,359
Health	995,494	1,022,378	902,470	119,908
Human Services	2,127,835	1,908,443	1,867,871	40,572
Conservation and Recreation	1,089,100	1,063,938	991,864	72,074
Miscellaneous	2,555,999	3,118,514	2,926,940	191,574
Total Expenditures	<u>129,666,924</u>	<u>132,443,155</u>	<u>129,560,712</u>	<u>2,882,443</u>
Excess of Revenues Over Expenditures	<u>17,851,781</u>	<u>15,368,076</u>	<u>15,594,531</u>	<u>226,455</u>
OTHER FINANCING SOURCES (USES):				
Advance Out	-	(444,090)	(444,090)	-
Transfers Out	(20,601,526)	(20,914,388)	(20,791,678)	122,710
Total Other Financing Sources (Uses)	<u>(20,601,526)</u>	<u>(21,358,478)</u>	<u>(21,235,768)</u>	<u>122,710</u>
Net Change in Fund Balance	(2,749,745)	(5,990,402)	(5,641,237)	349,165
Fund Balance, January 1	29,120,581	29,120,581	29,120,581	-
Prior year encumbrances appropriated	2,303,943	2,303,943	2,303,943	-
Fund Balance, December 31	<u>\$ 28,674,779</u>	<u>\$ 25,434,122</u>	<u>\$ 25,783,287</u>	<u>\$ 349,165</u>

See accompanying notes to the basic financial statements.

LUCAS COUNTY, OHIO

*Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Children Services Board
FOR THE YEAR ENDED DECEMBER 31, 2008*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
REVENUES:				
Property Taxes	\$ 18,732,833	\$ 18,979,584	\$ 15,702,644	\$ (3,276,940)
Intergovernmental	4,689,581	4,689,581	6,904,364	2,214,783
Miscellaneous Revenue	18,756,531	18,756,531	18,913,131	156,600
Total Revenues	<u>42,178,945</u>	<u>42,425,696</u>	<u>41,520,139</u>	<u>(905,557)</u>
EXPENDITURES:				
Current:				
<i>Human Services</i>				
Personal Services	26,746,476	26,717,330	25,732,386	984,944
Materials and supplies	1,338,451	1,292,750	1,041,855	250,895
Charges and services	22,527,451	21,541,019	20,018,382	1,522,637
Other Expenditures	215,715	460,451	451,348	9,103
Capital outlay and equipment	440,300	396,237	381,630	14,607
Total Expenditures	<u>51,268,393</u>	<u>50,407,787</u>	<u>47,625,601</u>	<u>2,782,186</u>
Net Change in Fund Balance	(9,089,448)	(7,982,091)	(6,105,462)	1,876,629
Fund Balance, January 1	23,078,332	23,078,332	23,078,332	-
Prior year encumbrances appropriated	1,492,061	1,492,061	1,492,061	-
Fund Balance, December 31	<u>\$ 15,480,945</u>	<u>\$ 16,588,302</u>	<u>\$ 18,464,931</u>	<u>\$ 1,876,629</u>

See accompanying notes to the basic financial statements.

LUCAS COUNTY, OHIO

*Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Board of Mental Retardation
FOR THE YEAR ENDED DECEMBER 31, 2008*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
REVENUES:				
Property Taxes	\$ 31,496,518	\$ 31,930,447	\$ 27,058,423	\$ (4,872,024)
Intergovernmental	7,715,621	7,715,621	7,768,884	53,263
Other	18,016,346	18,016,346	20,513,686	2,497,340
Total Revenues	<u>57,228,485</u>	<u>57,662,414</u>	<u>55,340,993</u>	<u>(2,321,421)</u>
EXPENDITURES:				
Current:				
<i>Health</i>				
Personal Services	40,579,886	38,917,718	36,415,707	2,502,011
Materials and supplies	1,457,148	1,606,748	1,128,921	477,827
Charges and services	29,872,413	25,948,136	22,886,266	3,061,870
Other Expenditures	278,408	1,066,129	947,089	119,040
Capital outlay and equipment	907,489	909,386	452,264	457,122
Total Expenditures	<u>73,095,344</u>	<u>68,448,117</u>	<u>61,830,247</u>	<u>6,617,870</u>
Net Change in Fund Balance	(15,866,859)	(10,785,703)	(6,489,254)	4,296,449
Fund Balance, January 1	18,084,073	18,084,073	18,084,073	-
Prior year encumbrances appropriated	6,186,882	6,186,882	6,186,882	-
Fund Balance, December 31	<u>\$ 8,404,096</u>	<u>\$ 13,485,252</u>	<u>\$ 17,781,701</u>	<u>\$ 4,296,449</u>

See accompanying notes to the basic financial statements.

LUCAS COUNTY, OHIO

*Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Job and Family Services
FOR THE YEAR ENDED DECEMBER 31, 2008*

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:				
Intergovernmental	\$ 65,579,263	\$ 74,354,263	\$ 64,693,786	\$ (9,660,477)
Other	1,505,000	5,684,216	5,686,153	1,937
Total Revenues	67,084,263	80,038,479	70,379,939	(9,658,540)
EXPENDITURES:				
Current:				
<i>Human Services</i>				
Personal Services	25,192,732	24,456,732	22,975,963	1,480,769
Materials and supplies	348,944	378,700	362,892	15,808
Charges and services	44,886,547	54,117,386	52,961,739	1,155,647
Other Expenditures	669,519	4,876,045	4,852,619	23,426
Capital outlay and equipment	100,000	72,207	47,002	25,205
Total Expenditures	71,197,742	83,901,070	81,200,215	2,700,855
Excess of Revenues (Under) Expenditures	(4,113,479)	(3,862,591)	(10,820,276)	(6,957,685)
OTHER FINANCING SOURCES (USES):				
Transfers In	2,885,169	2,885,169	2,883,699	(1,470)
Total Other Financing Sources (Uses)	2,885,169	2,885,169	2,883,699	(1,470)
Net Change in Fund Balance	(1,228,310)	(977,422)	(7,936,577)	(6,959,155)
Fund Balance, January 1	(983,008)	(983,008)	(983,008)	-
Prior year encumbrances appropriated	2,642,291	2,642,291	2,642,291	-
Fund Balance, December 31	\$ 430,973	\$ 681,861	\$ (6,277,294)	\$ (6,959,155)

See accompanying notes to the basic financial statements.

LUCAS COUNTY, OHIO

*Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Mental Health and Recovery
FOR THE YEAR ENDED DECEMBER 31, 2008*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
REVENUES:				
Property Taxes	\$ 10,740,400	\$ 10,884,791	\$ 9,137,704	\$ (1,747,087)
Intergovernmental	48,160,500	48,160,500	47,235,911	(924,589)
Other	515,000	515,000	169,363	(345,637)
Total Revenues	<u>59,415,900</u>	<u>59,560,291</u>	<u>56,542,978</u>	<u>(3,017,313)</u>
EXPENDITURES:				
Current:				
<i>Health</i>				
Personal Services	1,491,950	1,491,950	1,433,125	58,825
Materials and supplies	13,450	33,450	14,769	18,681
Charges and services	28,346,727	9,055,433	8,117,315	938,118
Other Expenditures	33,484,025	52,628,416	52,030,912	597,504
Capital outlay and equipment	7,000	7,000	1,568	5,432
Total Expenditures	<u>63,343,152</u>	<u>63,216,249</u>	<u>61,597,689</u>	<u>1,618,560</u>
Net Change in Fund Balance	(3,927,252)	(3,655,958)	(5,054,711)	(1,398,753)
Fund Balance, January 1	3,358,121	3,358,121	3,358,121	-
Prior year encumbrances appropriated	2,236,633	2,236,633	2,236,633	-
Fund Balance, December 31	<u>\$ 1,667,502</u>	<u>\$ 1,938,796</u>	<u>\$ 540,043</u>	<u>\$ (1,398,753)</u>

See accompanying notes to the basic financial statements.

LUCAS COUNTY, OHIO

*Statement of Net Assets
Proprietary Funds
DECEMBER 31, 2008*

	Business-type Activities -		
	Water Supply System	Wastewater Treatment	Sewer System
<u>ASSETS:</u>			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 1,528,903	\$ 5,881,138	\$ 4,536,632
Receivables:			
Accounts	521,787	2,277,407	566,269
Due from Other Governments	-	-	38,085
Due from Other Funds	-	-	-
Materials & Supplies Inventory	-	37,195	-
Prepaid Items	-	-	-
Total Current Assets	2,050,690	8,195,740	5,140,986
Noncurrent Assets:			
Capital Assets:			
Nondepreciable Capital Assets	199,380	39,170	10,000
Depreciable Capital Assets	75,491,570	34,988,030	69,489,599
Accumulated Depreciation	(32,491,146)	(10,836,944)	(32,408,061)
Total Noncurrent Assets	43,199,804	24,190,256	37,091,538
Total Assets	45,250,494	32,385,996	42,232,524
<u>LIABILITIES:</u>			
Current Liabilities:			
Accounts Payable	103,791	163,136	148,382
Accrued Wages & Benefits Payable	-	34,805	-
Compensated Absences Payable	-	71,636	-
Due to Other Funds	-	685	-
Due to Other Governments	-	15,965	-
OWDA/OPWC Loans Payable-Current	197,510	658,629	161,612
Claims Payable - Current	-	-	-
Obligations Under Capital Lease-Current	-	-	-
Total Current Liabilities	301,301	944,856	309,994
Long-Term Liabilities:			
Compensated Absences Payable	-	14,332	-
Claims Payable - Non-Current	-	-	-
Other Loans Payable	3,151,962	20,120,561	2,306,532
Obligations Under Capital Lease	-	-	-
Total Long-Term Liabilities	3,151,962	20,134,893	2,306,532
Total Liabilities	3,453,263	21,079,749	2,616,526
<u>NET ASSETS:</u>			
Invested in Capital Assets, Net of Related Debt	39,850,332	3,411,066	34,623,394
Unrestricted	1,946,899	7,895,181	4,992,604
Total Net Assets	\$ 41,797,231	\$ 11,306,247	\$ 39,615,998

Adjustments to reflect the consolidation of the internal service funds activities related to the enterprise funds.

Net assets of business-type activities

See accompanying notes to the basic financial statements.

<u>Enterprise Funds</u>			<u>Governmental Activities - Internal Service Funds</u>
<u>Nonmajor Enterprise funds</u>	<u>Total</u>		
\$ 4,461,808	\$ 16,408,481	\$	41,996,530
2,194,157	5,559,620		117,059
-	38,085		-
1,632,326	1,632,326		195,928
-	37,195		39,641
-	-		75,195
<u>8,288,291</u>	<u>23,675,707</u>		<u>42,424,353</u>
493,335	741,885		82,786
7,130,647	187,099,846		1,179,849
<u>(3,713,402)</u>	<u>(79,449,553)</u>		<u>(1,137,343)</u>
<u>3,910,580</u>	<u>108,392,178</u>		<u>125,292</u>
<u>12,198,871</u>	<u>132,067,885</u>		<u>42,549,645</u>
490,197	905,506		3,527,909
114,319	149,124		29,225
398,962	470,598		109,674
103,651	104,336		172,270
51,633	67,598		14,371
57,927	1,075,678		-
-	-		6,293,044
-	-		12,741
<u>1,216,689</u>	<u>2,772,840</u>		<u>10,159,234</u>
79,818	94,150		3,202
-	-		4,169,725
1,938,617	27,517,672		-
-	-		1,328
<u>2,018,435</u>	<u>27,611,822</u>		<u>4,174,255</u>
<u>3,235,124</u>	<u>30,384,662</u>		<u>14,333,489</u>
1,914,036	79,798,828		111,223
<u>7,049,711</u>	<u>21,884,395</u>		<u>28,104,933</u>
<u>\$ 8,963,747</u>	<u>101,683,223</u>	<u>\$</u>	<u>28,216,156</u>
	8,988		
	<u>\$ 101,692,211</u>		

LUCAS COUNTY, OHIO

*Statement of Revenues, Expenses, and Changes in Net Assets
Proprietary Funds
For the Year Ended December 31, 2008*

	Business-type Activities -		
	Water Supply System	Wastewater Treatment	Sewer System
<u>OPERATING REVENUES:</u>			
Charges For Services	\$ 434,600	\$ 5,793,870	\$ 178,964
Special Assessments	-	-	38,085
Other	1,064,830	37,089	1,308,925
<i>Total Operating Revenues</i>	1,499,430	5,830,959	1,525,974
 <u>OPERATING EXPENSES:</u>			
Personal Services	-	1,437,355	-
Contract Services	831,908	744,513	761,842
Materials and Supplies	14,768	430,901	22,074
Heat, Light and Power	404,868	412,357	584,880
Depreciation and Amortization	1,783,470	796,809	1,704,972
Employee Medical Benefits	-	-	-
Other Operating Expenses	-	130,845	137,456
<i>Total Operating Expenses</i>	3,035,014	3,952,780	3,211,224
<i>Operating Income (Loss)</i>	(1,535,584)	1,878,179	(1,685,250)
 <u>NON-OPERATING REVENUES (EXPENSES):</u>			
Proceeds of loans	-	-	-
Interest and Fiscal Charges	(216,106)	(930,917)	(104,181)
<i>Total Non-Operating Income (Loss)</i>	(216,106)	(930,917)	(104,181)
 <i>Change in Net Assets</i>	 (1,751,690)	 947,262	 (1,789,431)
<i>Net Assets - Beginning of Year</i>	43,548,921	10,358,985	41,405,429
<i>Net Assets - End of Year</i>	\$ 41,797,231	\$ 11,306,247	\$ 39,615,998

Adjustments to reflect the consolidation of the internal service funds activities related to the enterprise funds.

Net assets of business-type activities

See accompanying notes to the basic financial statements.

<u>Enterprise Funds</u>			<u>Governmental Activities - Internal Service Funds</u>
<u>Nonmajor Enterprise funds</u>	<u>Total</u>		
\$ 6,902,070	\$13,309,504	\$	46,352,963
-	38,085		-
826,450	3,237,294		708
<u>7,728,520</u>	<u>16,584,883</u>		<u>46,353,671</u>
4,416,441	5,853,796		1,364,882
877,274	3,215,537		8,376,345
737,430	1,205,173		1,676,769
28,267	1,430,372		-
354,089	4,639,340		18,121
-	-		35,450,593
1,100,466	1,368,767		69,281
<u>7,513,967</u>	<u>17,712,985</u>		<u>46,955,991</u>
214,553	(1,128,102)		(602,320)
-	-		-
(88,489)	(1,339,693)		-
<u>(88,489)</u>	<u>(1,339,693)</u>		<u>-</u>
126,064	(2,467,795)		(602,320)
8,837,683	104,151,018		28,818,476
<u>\$ 8,963,747</u>	<u>101,683,223</u>	<u>\$</u>	<u>28,216,156</u>
	8,988		
	<u>\$ 101,692,211</u>		

LUCAS COUNTY, OHIO

*Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2008*

	Business-type Activities -		
	Water Supply System	Wastewater Treatment	Sewer System
Cash flows from operating activities:			
Cash received from sales/service charges.....	\$ 1,492,468	\$ 5,918,007	\$ 1,477,980
Cash payments to suppliers for services.....	(1,234,439)	(1,812,125)	(1,406,561)
Cash payments to employees.....	-	(1,475,148)	-
Cash payments received (issued) for advances.....	-	-	-
<i>Net Cash Provided (Used) by Operating Activities</i>	258,029	2,630,734	71,419
Cash flows from capital and related financing activities:			
Purchase of capital assets.....	-	(28,154)	-
Issuance of debt.....	-	-	71,487
Principal retirement - debt.....	(383,292)	(1,290,812)	(312,131)
Interest and fiscal charges.....	(216,106)	(930,917)	(104,181)
Principal retirement - capital lease.....	-	-	-
<i>Net Cash Used In Capital and Related Financing Activities.....</i>	(599,398)	(2,249,883)	(344,825)
Net increase (decrease) in cash and cash equivalents.....	(341,369)	380,851	(273,406)
Cash and cash equivalents at beginning of year.....	1,870,272	5,500,287	4,810,038
Cash and cash equivalents at end of year.....	\$ 1,528,903	\$ 5,881,138	\$ 4,536,632
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating Income (Loss).....	\$ (1,535,584)	\$ 1,878,179	\$ (1,685,250)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities...			
Depreciation and amortization.....	1,783,470	796,809	1,704,972
Supplies inventory and other current assets.....	-	(18,755)	-
Accounts receivable.....	(6,962)	87,048	(9,909)
Prepayments.....	-	-	-
Accounts payable.....	17,105	(74,718)	99,691
Accrued wages and benefits.....	-	12,035	-
Compensated absences payable.....	-	(51,069)	-
Due from/(to) other funds.....	-	(36)	-
Due to other governments.....	-	1,241	(38,085)
Net cash provided (used) by operating activities.....	\$ 258,029	\$ 2,630,734	\$ 71,419

See accompanying notes to the basic financial statements.

Enterprise Funds		Governmental Activities - Internal Service Funds	
Nonmajor Enterprise Funds	Total		
\$ 7,536,901	\$ 16,425,356	\$ 46,413,981	
(2,918,097)	(7,371,222)	(45,244,635)	
(4,372,607)	(5,847,755)	(1,365,351)	
(1,532,572)	(1,532,572)	170,543	
(1,286,375)	1,673,807	(25,462)	
(1,361,155)	(1,389,309)	(15,967)	
1,082,403	1,153,890	-	
(99,388)	(2,085,623)	-	
(88,489)	(1,339,693)	-	
-	-	(12,741)	
(466,629)	(3,660,735)	(28,708)	
(1,753,004)	(1,986,928)	(54,170)	
6,214,812	18,395,409	42,050,700	
\$ 4,461,808	\$ 16,408,481	\$ 41,996,530	
\$ 214,553	\$ (1,128,102)	\$ (602,320)	
354,089	4,639,340	18,121	
-	(18,755)	280,639	
(185,667)	(115,490)	33,420	
-	-	10,098	
(181,475)	(139,397)	37,282	
48,858	60,893	10,308	
(11,247)	(62,316)	(11,859)	
(1,531,709)	(1,531,745)	197,767	
6,223	(30,621)	1,082	
\$ (1,286,375)	\$ 1,673,807	\$ (25,462)	

LUCAS COUNTY, OHIO

Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2008

	AGENCY FUNDS
<u>Assets:</u>	
Equity in Pooled Cash and	
Cash Equivalents.....	\$ 25,883,159
Segregated Cash.....	5,711,566
Due From Other Governments.....	13,857,373
Property Taxes Receivable.....	875,453,051
<i>Total Assets</i>	<u>\$ 920,905,149</u>
<u>Liabilities:</u>	
Due to other governments.....	\$ 2,855,445
Deposits.....	7,978,751
Payroll withholdings.....	5,289,838
Undistributed Assets.....	904,781,115
<i>Total Liabilities</i>	<u>\$ 920,905,149</u>

See accompanying notes to the basic financial statements

**LUCAS COUNTY, OHIO
COMBINING STATEMENT OF NET ASSETS
DISCRETELY PRESENTED COMPONENT UNITS
DECEMBER 31, 2008**

	<u>Toledo Mud Hens Baseball Club, Inc.</u>	<u>Lott Industries Inc.</u>	<u>Preferred Properties Inc. and Affiliates</u>	<u>TOTAL</u>
<u>ASSETS:</u>				
Pooled Cash and Investments	\$ 8,250,478	\$ 5,699,592	\$ 185,131	\$ 14,135,201
Receivables (net of allowance for uncollectible accounts):	660,986	752,350	1,620,921	3,034,257
Prepaid Items	76,839	4,888	142,417	224,144
Inventory: materials and supplies	220,629	-	-	220,629
Unamortized Issuance Costs	-	90,237	-	90,237
Nondepreciable Capital Assets	-	188,082	1,383,081	1,571,163
Depreciable Capital Assets, net	<u>2,069,499</u>	<u>7,177,514</u>	<u>7,684,248</u>	<u>16,931,261</u>
TOTAL ASSETS	<u>11,278,431</u>	<u>13,912,663</u>	<u>11,015,798</u>	<u>36,206,892</u>
<u>LIABILITIES:</u>				
Accounts payable	86,905	144,172	6,437	237,514
Accrued liabilities	2,690,836	98,459	24,659	2,813,954
Deferred Revenue	709,948	-	51,875	761,823
Long-Term Liabilities:				
Due within one year	29,664	3,265,000	22,357	3,317,021
Due in more than one year	102,696	-	162,399	265,095
TOTAL LIABILITIES	<u>3,620,049</u>	<u>3,507,631</u>	<u>267,727</u>	<u>7,395,407</u>
<u>NET ASSETS</u>				
Invested in Capital Assets net of related debt	2,007,249	4,190,833	8,882,573	15,080,655
Restricted For:				
Health Programs			7,978,919	7,978,919
Unrestricted (deficit)	<u>5,651,133</u>	<u>6,214,199</u>	<u>(6,113,421)</u>	<u>5,751,911</u>
TOTAL NET ASSETS	<u>\$ 7,658,382</u>	<u>\$ 10,405,032</u>	<u>\$ 10,748,071</u>	<u>\$ 28,811,485</u>

See accompanying notes to the basic financial statements.

**LUCAS COUNTY, OHIO
 COMBINING STATEMENT OF ACTIVITIES
 DISCRETELY PRESENTED COMPONENT UNITS
 FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Program Revenues</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Grants and Contributions</u>
Component Units:			
Toledo Mud Hens			
Recreation	\$ 10,336,391	\$ 8,409,081	\$ -
Lott Industries, Inc.			
Health	11,866,231	2,607,142	6,714,031
Preferred Properties Inc., and Affiliates			
Health	1,642,825	467,206	736,623
Total Component Units	<u>\$ 23,845,447</u>	<u>\$ 11,483,429</u>	<u>\$ 7,450,654</u>

General Revenues:
 Miscellaneous
 Total General Revenues

 Changes in net assets

 Net Assets - Beginning of Year

 Net Assets - End of Year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Assets

Toledo Mud Hens Baseball Club, Inc.	Lott Industries Inc.	Preferred Properties Inc. and Affiliates	TOTAL
\$ (1,927,310)	\$ -	\$ -	\$ (1,927,310)
-	(2,545,058)	-	(2,545,058)
-	-	(438,996)	(438,996)
<u>(1,927,310)</u>	<u>(2,545,058)</u>	<u>(438,996)</u>	<u>(4,911,364)</u>
<u>2,990,310</u>	<u>294,172</u>	<u>335,186</u>	<u>3,619,668</u>
<u>2,990,310</u>	<u>294,172</u>	<u>335,186</u>	<u>3,619,668</u>
1,063,000	(2,250,886)	(103,810)	(1,291,696)
6,595,382	12,655,918	10,851,881	30,103,181
<u>\$ 7,658,382</u>	<u>\$ 10,405,032</u>	<u>\$ 10,748,071</u>	<u>\$ 28,811,485</u>

The Eye-Catching Green Wall Feature



According to Tom Tingle, the principal architect designing the arena, the signature design element, a 900-square-foot “green wall” outside the building, will help it score LEED points. The plant life growing on a rectangular-shaped structure attached to the arena’s exterior will help cool the arena during the summer by shading the glass-enclosed main entrance, he said.

In addition, the green wall will provide relief for suite and club-seat patrons who congregate in an outdoor plaza above the primary entryway.

Source: Don Muret, Sports Business Journal, June 23, 2008, p. 15.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 1 - DESCRIPTION OF THE COUNTY

Lucas County, Ohio (the County) is a political subdivision of the State of Ohio. The County was formed by an act of the Ohio General Assembly in 1835. The three-member Board of County Commissioners is the legislative and executive body of the County. The County Auditor is the chief fiscal officer. In addition, there are seven other elected administrative officials, each of whom is independent as set forth by Ohio law. These officials are: Clerk of Courts, Coroner, Engineer, Prosecutor, Recorder, Sheriff, and Treasurer. There are also ten Common Pleas Court Judges, two Domestic Relations Court Judges, two Juvenile Court Judges, one Probate Court Judge and five Court of Appeals Judges elected on a Countywide basis to oversee the County's judicial system.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The County also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities and its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The County has the option to also apply FASB Statements and Interpretations issued after November 30, 1989 to its proprietary funds, subject to this same limitation. The County has elected not to apply these FASB Statements and Interpretations.

The most significant of the County's accounting policies are described below.

A. Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading.

The primary government of the County consists of all funds, departments, boards, and agencies that are not legally separate from the County. For Lucas County, this includes the Board of Mental Retardation and Developmental Disabilities, the Job and Family Services Department, and all departments and activities that are operated directly by the elected County officials.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; or (3) the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the County is obligated for the debt of the organization. Component units may also include organizations for which the County approves the budget, the issuance of debt, or the levying of taxes.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

In determining its reporting entity and component units, the County considered all potential component units, including the Lucas County Board of Health, Metropolitan Park District, Lucas County Soil and Water Conservation District, Lucas County Port Authority, Lucas County Improvement Corporation, Toledo Zoological Society, Toledo Area Sanitary District, Toledo Lucas County Public Library and Lucas County Board of Education and concluded that such were neither component units nor related organizations of the County and that it would not be misleading to exclude their activities from the County's reporting entity.

Based on the foregoing criteria, the financial activities of the following entities have been reflected in the accompanying financial statements as:

DISCRETELY PRESENTED COMPONENT UNITS

The Toledo Mud Hens Baseball Club, Inc. (the "Mud Hens")

The Mud Hens were organized to own, manage, and operate a professional baseball club. Upon dissolution, any remaining net assets become property of the Board of County Commissioners and new appointments to the board of directors require concurrence of the Commissioners. The County receives rent from the Mud Hens to retire non-tax revenue bonds issued to finance the construction of the baseball stadium. The Mud Hens are reported on a fiscal year ending October 31. Complete financial statements of the component unit can be obtained from its administrative office at Fifth Third Field, 406 Washington St., Toledo, OH 43604.

Lott Industries, Inc.

Lott Industries, Inc. is a nonprofit organization affiliated with the Lucas County Board of Mental Retardation and Developmental Disabilities (LCBMR/DD), a special revenue fund of the County. It provides employment for individuals with mental retardation and developmental disabilities by obtaining work competitively from the private and public sectors. A majority of the board of Lott Industries, Inc. is appointed by the LCBMR/DD. The LCBMR/DD pays the salaries of the administrative staff, which is a financial obligation of the County, and Lott Industries, Inc. exists solely to provide service to the LCBMR/DD. Complete financial statements of the component unit can be obtained from its administrative office at 2001 Collingwood, Toledo, Ohio 43620.

Preferred Properties, Inc. and Affiliates ("Preferred Properties")

Preferred Properties is a not-for-profit corporation organized to provide affordable and accessible housing to persons with disabilities. One third of the board of the Preferred Properties is appointed by the LCBMR/DD. Funds for the purchase of housing are received from the LCBMR/DD, which come from board funds and pass through of funds from Community Assistance Projects administered by the Ohio Department of Mental Retardation and Developmental Disabilities. Based upon the significant services and resources provided by the County to Preferred Properties and due to the material significance and general nature of the County's relationship with Preferred Properties, it would be misleading to exclude Preferred Properties from the County's financial reporting entity and as such, Preferred Properties warrants inclusion in the County's financial statements as a discretely presented component unit. Preferred Properties is reported on a fiscal year ending June 30. Complete financial statements of Preferred Properties can be obtained from its administrative office at 2001 Collingwood, Toledo, Ohio 43620.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

JOINTLY GOVERNED AND RELATED ORGANIZATIONS

Corrections Commission of Northwest Ohio (CCNO)

CCNO is a jointly governed organization among Defiance, Fulton, Henry, Lucas, and Williams Counties and the City of Toledo. The CCNO was established to provide jail space for convicted criminals in the five counties and the City of Toledo and to provide a correctional center for the inmates. The CCNO was created in 1986 and occupancy started in 1991. The commission team consists of eighteen members; one judge, one chief law enforcement officer, and one county commissioner or administrative official from each entity. The commission team exercises total control over the operation of the CCNO including budgeting, contracting, and designating management.

Each entity is responsible for a portion of the capital and operating budget as follows:

City of Toledo	38.24%
Lucas County	30.88%
Defiance County	9.72%
Fulton County	7.68%
Williams County	7.84%
Henry County	5.64%
	100.00%

In 2008, the County contributed \$4,533,800 for the CCNO's operations, which represents 30.88% of total contributions. All debt for the construction of the jail was incurred by the participating governmental agencies, and are not liabilities of the Corrections Commission of Northwest Ohio. Lucas County has no bonds outstanding at year end for construction of the regional jail. Information can be obtained from Tonya Justus, Fiscal Manager, Corrections Commission of Northwest Ohio, 03151 County Road 24.25 RT. 1, Box 100-A, Stryker, Ohio 43557.

Toledo – Lucas County Convention and Visitors Bureau (TLCCVB)

TLCCVB is a related organization of the County. The commissioners appoint a majority of the board members but have no further accountability for it. TLCCVB is a separate and distinct legal entity. Neither the County nor the City of Toledo is responsible for the operation of TLCCVB or of the Greater Toledo Convention and Visitors Bureau.

B. Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The statement of net assets and the statement of activities display information about the County as a whole. The activities of the internal service funds are eliminated to avoid "doubling up" revenues and expenses. These statements include the financial activities of the primary government except for fiduciary funds.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The statement of net assets presents the financial condition of the County at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each function is self-financing or draws from the general revenues of the County.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the County's water and sewer function and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements - During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at a more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service funds are combined and presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

C. Fund Accounting

The County uses funds 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. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, use and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental funds assets and liabilities is reported as fund balance.

The following are the County's major governmental funds:

General Fund - This fund accounts for the general operating revenues and expenditures of the County not recorded elsewhere. The primary revenue sources are sales and use taxes, property taxes, state and local government fund receipts, investment earnings and charges for services.

Children Services Board Fund - This fund accounts for a County-wide property tax levy, state grants and reimbursements used for County child care programs.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Board of Mental Retardation Fund - This fund accounts for a County-wide property tax levy, state grants and reimbursements used for care and services for the mentally handicapped and retarded.

Job and Family Services Fund - This fund accounts for various federal and state grants and reimbursements as well as transfers from the General Fund used for human service programs.

Mental Health and Recovery Fund - This fund accounts for a County-wide property tax levy, state grants and reimbursement used for mental health programs and alcohol and drug recovery programs.

Capital Improvements Fund - This fund accounts for renovation and construction of County owned buildings and facilities, and construction of special assessment projects.

Debt Service Fund - This fund accounts for revenues received and used to pay principal and interest on general long-term debt.

Proprietary Funds - The County's proprietary funds consist of enterprise funds and internal service funds. Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. These funds are used to account for operations that provide services which are financed primarily by user charges or activities where periodic measurement of income is appropriate for capital maintenance, public policy, management control or other purposes. The County reports the following major enterprise funds.

Water Supply System Fund - This fund accounts for the distribution of treated water to individuals and commercial users of Lucas County.

Sewer System Fund - This fund accounts for sanitary sewer services provided to individuals and commercial users in Lucas County and portions of Wood County.

Wastewater Treatment Fund - This fund accounts for wastewater treatment services provided to the Sanitary Engineer, cities of Maumee and Sylvania, Village of Waterville, Sylvania Township and other portions of Lucas County and portions of Wood County.

Other enterprise funds of the County are used to account for (1) sanitary engineer operations related to the administrative costs of operating the water supply system, wastewater treatment system, and sewer system, (2) administration of storm water disposal costs, (3) administration of solid waste disposal county-wide, and (4) operation of parking facilities. These funds are nonmajor funds whose activity has been aggregated and presented in a single column in the financial statements.

Additionally, the County reports internal service funds which account for the goods or services provided by certain County departments to other County funds, departments and other governmental units, on a cost reimbursement basis. The County's internal service funds include: central supplies, vehicle maintenance, county-city telephone, self-funded health insurance, centralized drug testing, risk retention insurance, self-funded workers' compensation, self-funded prescription drug, and self-funded dental insurance.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Fiduciary Funds - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension and other employee benefit trust funds, investment trust funds, private-purpose trust funds and agency funds. The County only maintains agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The County's agency funds are primarily established to account for the collection of various taxes, as well as other intergovernmental resources that will be distributed to other taxing districts located within the County.

D. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the County are included on the statement of net assets.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, the proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its enterprise and internal service funds activities.

Agency funds do not report a measurement focus as they do not report operations.

E. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Revenues - Exchange and Non-Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, available means expected to be received within sixty days of fiscal year-end.

Non-exchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, grants, entitlement and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 6). Revenue from grants, entitlement and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: delinquent taxes, sales tax, grants, interest, fees and charges for services. On the accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place.

Unearned and Deferred Revenue - These revenues arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2008, but which were levied to finance fiscal year 2009 operations, have been recorded as unearned revenue. Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Allowance for Uncollectibles - Receivables are reported net of allowance for uncollectibles. The amounts of the allowance for the major funds are: General Fund, \$699,366; Children Services Board, \$811,247; Board of Mental Retardation, \$1,651,792; and Mental Health and Recovery, \$518,877.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

F. Budgetary Process

Under Ohio law, the Board of County Commissioners must adopt an appropriations budget by January 1st of a given year, or adopt a temporary appropriation measure with final passage of a permanent budget by April 1st for all funds, except agency funds. Budgets are legally required for each organizational unit by object (personal services, materials and supplies, charges for services, and capital outlays and equipment). The fund titled Other Special Revenue did not have a legally adopted budget for 2008 and therefore no budget statements have been prepared.

The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation resolution, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount that the County Commissioners may appropriate. The appropriation resolution is the County Commissioners' authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Commissioners.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the County Auditor. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate that was in effect at the time the final appropriations were passed by the County Commissioners.

The appropriation resolution is subject to amendment by the Commissioners throughout the year with the restriction that appropriations may not exceed estimated revenues by fund. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Commissioners during the year.

Each County department prepares a budget that is approved by the Board of County Commissioners. Modifications to the original budget within expenditure objects can be made by the budget manager in the Auditor's Office. The County maintains budgetary control within an organizational unit and fund by not permitting expenditures and encumbrances to exceed appropriations at the object level (the legal level of control). Unencumbered and unexpended appropriations lapse at year-end. Encumbered and unpaid appropriations (reserved for encumbrances) are carried forward to the next year as authority for expenditures.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

G. Cash Equivalents

To improve cash management, cash received by the County is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the County's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the financial statements.

During 2008, investments were limited to nonnegotiable certificates of deposit, federal agency securities, U.S. treasury bills, foreign investments and State Treasury Asset Reserve of Ohio (STAR Ohio). Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2008.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the general fund during fiscal year 2008 amounted to \$13,586,315.

H. Inventories of Materials and Supplies

Inventory is valued at cost using the first-in, first-out method. Inventory is recorded as an expenditure/expense when consumed.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

Donated capital assets are recorded at estimated fair market value at the date of donation.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized, as projects are constructed. Interest incurred during the construction phase of proprietary capital assets is included as part of the capitalized value of the assets constructed.

All reported capital assets are depreciated using the straight line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Useful Lives</u>
Furniture, fixtures and equipment	5 - 20 years
Buildings, structures, improvements	20 - 40 years
Land improvements (water and sewer lines)	40 years
Infrastructure	20 - 40 years

J. Grants and Other Intergovernmental Revenues

Local Government fund revenues are recorded as receivables and revenues when measurable and available. Assistance awards made on the basis of entitlement are recorded as intergovernmental receivables and revenues when entitlement occurs. Federal and State reimbursement type grants for the acquisition or construction of capital assets are recorded as receivables and contributed capital when the related expenses are incurred. All other Federal and State reimbursement type grants are recorded as receivables and revenues when the related expenditures/expenses are incurred.

K. Interfund Transactions

During the normal course of operations, the County has numerous transactions between funds. These transactions include charges for services provided by an Internal Service fund to other funds and transfers. Transfers represent transfers of resources from a fund receiving revenue to a fund through which those resources will be expended and are recorded as other financing sources (uses) in Governmental Fund Types and as transfers in Proprietary Funds.

The Internal Service funds record charges for services to all County funds, departments and other governmental units as operating revenue. Both Governmental and Proprietary funds record these payments to the Internal Service funds as operating expenditures/expenses.

The County uses Internal Service Funds to account for self-funded insurance, central supplies, vehicle maintenance, telephone, and centralized drug testing.

L. Compensated Absences

Ohio law requires that vacation time not be accumulated for more than three years. Normally, all vacation time is to be taken in the year available. Unused vacation is payable upon termination of employment. Unused sick time may be accumulated until retirement. Employees with a minimum of ten years of service are paid one third of accumulated sick time upon retirement with a maximum of 40 days. In general, employees are eligible to be

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

paid for unused compensatory time upon termination of employment. All sick, vacation and compensatory payments are made at employees' current wage rates.

The County records accumulated unpaid vacation, overtime pay, and vested sick time benefits as accrued compensated absences payable when earned by employees. The entire compensated absences liability is reported on the governmental-wide financial statements.

M. Self-Funded Insurance

The County is self-funded for dental and health benefits. The dental program is administered by Health Care Payer's Coalition, which provides claims review and processing services. Each County fund is charged a proportionate share of the cost for covered employees. Payment of these benefits is accounted for in an internal service fund. The County records a liability for incurred but unreported claims at year end based upon an actuarial estimate provided by Benefits Comprehensive, Inc.

The County also maintains a Self-Funded Workers' Compensation fund and a Risk Retention fund to manage liability insurance County-wide. There have been no significant reductions in coverage from the prior year and settled claims have not exceeded commercial coverage in any of the last three years.

The County's Self-funded Workers' Compensation fund (an internal service fund) accounts for and finances its uninsured risks of loss for workers' compensation claims. Under this program, the Self-funded Workers' Compensation fund provides coverage for up to a maximum of \$300,000 for each workers' compensation claim. The County will pay premiums to the State of Ohio Bureau of Workers' Compensation for claims in excess of coverage provided by the fund. In addition, the fund will pay assessments to the Bureau of Workers' Compensation for administration and payment of claims.

All funds of the County participate in the program and make payments to the Self-funded Workers' Compensation Fund based on their program usage to cover actuarial estimates of the amounts needed to pay current-year claims. The future retrospective premium liability of \$7,300,000 reported in the fund at December 31, 2008 is based on the requirements of GASB Statement 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated. This liability includes an amount for future retrospective premium payments which approximate the claims liability.

Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Liabilities for losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using an expected future investment yield assumption of 5.0%.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

N. Fund Balance Reservations and Designations

The County reserves portions of fund balances that are legally segregated for specific future uses or that do not represent available, spendable resources and, therefore, are not appropriable for expenditures. Designations of fund balances are amounts that have been designated by management for a specific future use, which are not legally segregated. Undesignated fund balances are not reserved or designated and are appropriable in future periods.

O. Prepaid Items

Payments made to vendors for services that benefit future periods are recorded as prepaid items in both government-wide and fund financial statements. A current asset for the prepaid amount is recorded at the time of purchase, and the expenditure is reported in the year in which services are consumed.

P. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water Supply System, Wastewater Treatment Plant, and Sewer System, and of the County's internal service funds are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Q. Interfund Balances

On fund financial statements, receivables and payables resulting from the routine lag between the dates interfund goods and services are provided or reimbursable expenditures occur are classified as "due to/from other funds". These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

R. 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 borrowing 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 or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

S. Capital Contributions

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction. Capital contributions are reported as revenue in the proprietary fund financial statements.

T. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only for amounts due to employees who have separated at year end. Bonds, capital leases and long-term loans are recognized as a liability on the governmental fund financial statements when due.

U. Unamortized Issuance Costs/Bond Premium and Discount/Accounting Gain or Loss

On government-wide financial statements, bond issuance costs are deferred and amortized over the term of the bonds using the straight line method, which approximates the effective interest method. Unamortized bond issuance costs are recorded as an asset on the government-wide financial statements.

Bond premiums are deferred and accreted over the term of the bonds. Bond premiums are presented as an addition to the face amount of the bonds.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

For an advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as an addition to or reduction of the face amount of the new debt.

On the governmental fund financial statements, issuance costs and bond premiums are recognized in the current period.

NOTE 3 – ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2008, the County has implemented GASB Statement No. 49, “Accounting and Financial Reporting for Pollution Remediation Obligations” and GASB Statement No. 50, “Pension Disclosures”.

GASB Statement No. 49 addresses accounting and financial reporting standards for pollution remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. The implementation of GASB Statement No. 49 did not have an effect on the financial statements of the County.

GASB Statement No. 50 establishes standards that more closely align the financial reporting requirements for pensions with those of other postemployment benefits. The implementation of GASB Statement No. 50 did not have an effect on the financial statements of the County.

B. Deficit Fund Balance

Fund balances at December 31, 2008 included the following individual fund deficits:

	Deficit
<u>Major Governmental Funds</u>	
Job & Family Services	\$ (5,680,055)
Capital Improvements	(37,930,568)
Debt Service	(4,042,375)
Total Major funds	\$ (47,652,998)
<u>Nonmajor Governmental Funds</u>	
Workforce Development	(910,192)
Community MR/RES Services	(599,134)
Central Supply	(178,264)
Total Nonmajor funds	\$ (1,687,590)
<u>Nonmajor Enterprise Funds</u>	
Stormwater Utility	(249,905)
Total Nonmajor funds	\$ (249,905)

These funds complied with Ohio state law, which does not permit a cash basis deficit at year-end. The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances primarily resulted from adjustments for accrued liabilities and issuance of notes payable.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 4 - POOLED CASH, CASH EQUIVALENTS AND INVESTMENTS

State statutes classify monies held by the County into two categories.

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

Inactive deposits are public deposits that the County Treasurer has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts. Inactive monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or its political subdivisions provided that such political subdivisions are located wholly or partly within the County;
5. Time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts, in any eligible institution mentioned in section 135.32 of the Revised Code;
6. No-load money market mutual funds consisting exclusively of obligations described in items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's Asset Reserve of Ohio Investment Pool (STAR Ohio);
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to exchange either securities described in division (1) or (2) or cash or both securities and cash, equal value for equal value;

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 4 - POOLED CASH, CASH EQUIVALENTS AND INVESTMENTS

9. High grade commercial paper in an amount not to exceed five percent of the County's total average portfolio; and
10. Bankers acceptances for a period not to exceed 270 days and in an amount not to exceed ten percent of the County's total average portfolio.

Protection of County's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the County, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian. Also, investments in foreign nations that are diplomatically recognized by the United States are limited to 1% of the total average portfolio.

A. Cash on Hand

At year-end, the County had \$6,250 in undeposited cash on hand and \$8,875 in undeposited cash in segregated accounts held outside of the County's internal investment pool. This amount is included on the financial statements of the County as part of "Equity in Pooled Cash and Investments".

B. Cash in Segregated Accounts

At year-end, the County had \$10,935,027 cash and cash equivalents deposited separate from the County's internal investment pool. This amount is included in the amount of "deposits with financial institutions" below.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 4 - POOLED CASH, CASH EQUIVALENTS AND INVESTMENTS – (Continued)

C. Deposits with Financial Institutions

At December 31, 2008, the carrying amount of all County deposits was \$64,873,959. Based on the criteria described in GASB Statement No. 40, “*Deposits and Investment Risk Disclosures*”, as of December 31, 2008, \$72,236,494 of the County’s bank balance of \$76,868,501 was exposed to custodial risk as discussed below, while \$4,632,007 was covered by the Federal Deposit Insurance Corporation.

Custodial credit risk is the risk that, in the event of bank failure, the County’s deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the County. The County has no deposit policy for custodial credit risk beyond the requirements of State statute.

Although the securities were held by the pledging institutions’ trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the County to a successful claim by the FDIC.

D. Investments

As of December 31, 2008, the County had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>	
		<u>Less than One Year</u>	<u>1 to 5 Years</u>
Foreign Government Bonds	\$ 1,000,000	\$ 1,000,000	\$ -
U.S. Government Agency Securities	201,271,398	23,372,387	177,899,011
	<u>202,271,398</u>	<u>24,372,387</u>	<u>177,899,011</u>
STAR Ohio	27,657,017	27,657,017	-
Total	<u>\$ 229,928,415</u>	<u>\$ 52,029,404</u>	<u>\$ 177,899,011</u>

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments with interest rates that are fixed for longer periods are likely to be subject to more variability in their fair values as a result of future changes in interest rates. The County’s investment policy minimizes interest rate risk by diversifying assets and maturity dates while maintaining adequate liquidity to meet current obligations without a sale of securities.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 4 - POOLED CASH, CASH EQUIVALENTS AND INVESTMENTS – (Continued)

Credit Risk: Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. Credit quality information - as commonly expressed in terms of the credit ratings issued by the nationally recognized statistical rating organizations (NRSRO's) such as Moody's Investors Service, Standard & Poor's, or Fitch Ratings, provides a current depiction of potential variable cash flows and credit risk. The County's investment policy allows for investments in U.S. Government Agency Securities, along with Banker's Acceptances and Commercial Paper that are rated AA + by two rating agencies, provided they do not exceed more than 5% of the portfolio. The County's investments in U.S. Government Agency Securities are all rated AAA by Standard & Poor's and Aaa by Moody's. Standard & Poor's has assigned STAR Ohio an AAAM money market rating. The foreign government bonds are rated A- by Standard & Poor's and A2 by Moody's.

Foreign Currency Risk: Lucas County does not have a formal policy regarding foreign government investment. Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. At December 31, 2008, the County had exposure of approximately \$1,000,000 to foreign currency risk.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the County will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All of the County's investments are insured or registered, or the securities are held by the County or its agent in the County's name. The County's investment policy minimizes credit risk and custodial credit risk by (1) diversifying assets by issuer; (2) ensuring that required, minimum credit quality ratings exist prior to the purchase of commercial paper and bankers acceptances; and (3) maintaining adequate collateralization of CD's. The County's policy on deposits requires that they be insured by FDIC or collateralized by the financial institution.

Concentration of Credit Risk: The County places no limit on the amount that may be invested in any one issuer. As of December 31, 2008, the County had the following investments that exceed 5% of the County's total investments (based on quoted market prices):

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
FFCB	52,859,063	22.99%
FHLM	36,249,010	15.77%
FHLB	66,777,075	29.04%
FNMA	45,386,250	19.74%

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 4 - POOLED CASH, CASH EQUIVALENTS AND INVESTMENTS – (Continued)

E. Reconciliation of Cash and Investments to Statement of Net Assets

The following is a reconciliation of cash and investments as reported in the footnote above to cash and investments as reported on the statement of net assets as of December 31, 2008:

<u>Cash and Investments per footnote</u>	
Carrying amount of deposits	\$ 64,873,959
Investments	229,928,415
Cash on hand	15,125
Total	<u>\$ 294,817,499</u>

<u>Cash and Investments per Statement of Net Assets</u>	
Governmental activities	\$ 246,814,293
Business-type activities	16,408,481
Agency funds	31,594,725
Total	<u>\$ 294,817,499</u>

NOTE 5 – INTERFUND TRANSACTIONS

A. Interfund transfers for the year ended December 31, 2008, consisted of the following, as reported on the fund financial statements:

Transfer <u>From</u>	<u>Transfer To</u>					<u>Total</u>
	<u>Job & Family Services</u>	<u>Debt Service</u>	<u>Capital Improvements</u>	<u>Nonmajor Governmental</u>		
General	\$ 2,883,699	\$ 4,776,665	\$ 2,162,141	\$ 10,976,843		\$ 20,799,348
Job and Family Services	-	41,513	-	-		41,513
Nonmajor Governmental	-	4,096	-	-		4,096
Total	<u>\$ 2,883,699</u>	<u>\$ 4,822,274</u>	<u>\$ 2,162,141</u>	<u>\$ 10,976,843</u>		<u>\$ 20,844,957</u>

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

Interfund transfers between governmental funds are eliminated for reporting on the government-wide financial statements.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 5 – INTERFUND TRANSACTIONS – (Continued)

- B.** Due from/to other funds consisted of the following at December 31, 2008, as reported on the fund financial statements:

<u>Due To Other Funds</u>	<u>Due From Other Funds</u>	<u>Amount</u>
General	Internal Service Funds	\$ 91,963
Children Services Board	Internal Service Funds	18,610
Nonmajor Governmental Funds	Internal Service Funds	60,139
Nonmajor Enterprise Funds	Internal Service Funds	3,897
Internal Service Funds	Internal Service Funds	1,727
Job and Family Services	Internal Service Funds	17,765
Mental Health & Recovery Services Board	Internal Service Funds	1,142
Wastewater Treatment	Internal Service Funds	685
Total		<u>\$ 195,928</u>

Due to/due from balances resulted from the routine lag between the dates interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in accounting system and payments between funds are made.

Amounts due to/from other funds between governmental funds are eliminated on the government-wide financial statements. Amounts due to/from other funds between governmental activities and business-type activities are reported as an internal balance on the statement of net assets.

- C.** Interfund payables/receivables, reported on the fund financial statements at December 31, 2008, include the following:

<u>Interfund Payable Fund</u>	<u>Interfund Receivable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental Funds	\$ 7,272
Nonmajor Enterprise Funds	General	99,754
Internal Service Funds	General	170,543
Capital Improvements Fund	Nonmajor Enterprise Funds	<u>1,632,326</u>
		<u>1,909,895</u>

The interfund balances represents a correction for concealed handgun revenue that was incorrectly deposited into the general fund.

Interfund payables/receivables between governmental funds are eliminated on the government-wide financial statements.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 5 – INTERFUND TRANSACTIONS – (Continued)

D. Interfund advances for the year ended December 31, 2008, consisted of the following, as reported on the fund financial statements:

<u>Advance From</u>	<u>Advance to Nonmajor Governmental</u>
General Fund	\$ 153,793

Advances are used to move unrestricted revenues to finance various programs accounted for in other funds. Advances are not subsidies, but are intended to be repaid in a reasonable period of time.

Interfund advances between governmental funds are eliminated for reporting on the government-wide financial statements.

NOTE 6 - PROPERTY TAXES

Property taxes include amounts levied against all real, public utility and tangible personal property located in the County. In 2008, real property taxes were levied on December 18, 2007, on the assessed values as of January 1, 2007, the lien date. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. The last revaluation was completed in 2006. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established. By the final collection date in July 2008, 88% of the total current and delinquent property taxes billed in 2008 were collected.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2008 public utility property taxes became a lien December 31, 2007, are levied after October 1, 2008, and are collected in 2009 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 6 - PROPERTY TAXES – (Continued)

Tangible personal property tax revenues received in 2008 (other than public utility property) represent the collection of 2008 taxes. Tangible personal property taxes received in 2008 were levied after October 1, 2007, on the true value as of December 31, 2007. Tangible personal property tax is being phased out - the assessment percentage for property, including inventory, is 6.25% for 2008. This percentage will be reduced to zero for 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property will be eliminated by calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the County due to the phasing out of the tax. In calendar years 2008-2010, the County will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

The assessed value by property classification, upon which taxes collected in 2008 were based as follows:

Real Property	\$ 8,656,759,040
Public utility and tangible personal property	<u>747,977,158</u>
Total assessed property value	<u>\$ 9,404,736,198</u>

The County Auditor remits portions of the taxes collected to all taxing districts when completing periodic settlements of Real and Public Utility property taxes in February and August and Tangible Personal Property taxes in June and October for the first and second halves of the year, respectively. The County accrues billed but uncollected property taxes as receivables at their estimated net realizable value.

The delinquent real property taxes outstanding and available to the County within the first sixty days of 2009 were recorded as 2008 revenue. The remaining delinquent taxes receivable are offset by a credit to deferred revenue. Although total property taxes levied for the next fiscal year are measurable, the amounts to be received during the available period are not subject to reasonable estimation at December 31, 2008, and are not available for appropriation and use until 2009. These unearned revenues are offset by these property tax receivables and special assessment receivables related to future capital service projects.

Ohio law prohibits taxation of property from all taxing authorities in excess of 10.00 mills of assessed value without a vote of the people. Presently, the County levies 2.00 mills of the 10.00 mill limit for the General fund. An additional 16.17 mills have been levied for voted millage.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 6 - PROPERTY TAXES – (Continued)

A summary of voted millage follows:

Purpose	Voter Authorized Rate (a)	Rate Levied for Current Year Collection (b)		Final Collection Year
		Agricultural / Residential	Commercial / Industrial	
Senior Services	0.45	0.410621	0.417585	2009
Metroparks	1.70	1.638288	1.677727	2018/2012
Mental Health & Recovery	1.50	1.456246	1.463984	2018/2014
BMR/DD	5.00	4.201683	4.436216	continuous
Children Services	2.40	2.112010	2.296060	2013/2011
Port Authority	0.40	0.217082	0.331595	2014
Library	2.00	2.000000	2.000000	2012
Zoo Operating	0.85	0.778371	0.788772	2011
Zoo Improvements	1.00	0.915731	0.927967	2016
911 Telephone	0.70	0.641012	0.649577	2011
COSI	0.17	0.170000	0.170000	2013
Total	16.17	14.541044	15.159483	

(a) Dollars per \$1,000 of assessed valuation.

(b) Ohio law provides for a reduction of certain voted levies to offset inflation in the value of real property. The voted levies are subject to change.

NOTE 7 – PERMISSIVE SALES AND USE TAX

In 1970, the County Commissioners, by resolution, imposed a .5% tax on all retail sales, including motor vehicles, made in the County. In 1982, the County commissioners increased the sales tax by .5% to 1%. In November 1993, Lucas County voters approved a permanent increase of .25% to 1.25% in the sales tax.

Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies to the State Auditor the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five (45) days after the end of each month. The State Auditor then has five (5) days in which to draw the warrant payable to the County.

Proceeds of the tax are credited entirely to the General Fund. Amounts that have been collected by the State and are to be received within 60 days of year end are accrued as revenue, as measurable and available. Sales tax revenue for 2008 amounted to \$70,511,781.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 8 - CAPITAL ASSETS

A. Governmental Activities

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

	Balance 12/31/07	Additions	Disposals	Balance 12/31/08
<u>Governmental Activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 21,262,018	\$ 240,000	\$ (242,596)	\$ 21,259,422
Construction in progress	27,605,784	45,678,021	(12,425,652)	60,858,153
Total capital assets, not being depreciated	<u>48,867,802</u>	<u>45,918,021</u>	<u>(12,668,248)</u>	<u>82,117,575</u>
Capital assets, being depreciated:				
Buildings, structures and improvements	213,647,668	1,780,415	(4,332,204)	211,095,879
Furniture, fixtures and equipment	53,955,075	3,868,624	(7,803,275)	50,020,424
Infrastructure	313,537,044	11,488,337	-	325,025,381
Total capital assets, being depreciated	<u>581,139,787</u>	<u>17,137,376</u>	<u>(12,135,479)</u>	<u>586,141,684</u>
Less accumulated depreciation:				
Buildings, structures and improvements	81,793,154	5,575,288	(377,611)	86,990,831
Furniture, fixtures and equipment	40,869,228	3,240,778	(4,004,646)	40,105,360
Infrastructure	259,574,342	15,847,943	-	275,422,285
Total accumulated depreciation	<u>382,236,724</u>	<u>24,664,009</u>	<u>(4,382,257)</u>	<u>402,518,476</u>
Total capital assets being depreciated, net	<u>198,903,063</u>	<u>(7,526,633)</u>	<u>(7,753,222)</u>	<u>183,623,208</u>
Governmental activities capital assets, net	<u>\$ 247,770,865</u>	<u>\$ 38,391,388</u>	<u>\$ (20,421,470)</u>	<u>\$ 265,740,783</u>

Construction-in-progress: As of December 31, 2008, the County's construction projects incurred additional expenditures of \$39,082,654, with completed projects amounting to \$1,941,619. The most significant of the new expenditures were for the arena \$35,718,903 and for security cameras \$2,042,551. For infrastructure projects, additional expenditures of \$5,750,088 were offset by completed projects amounting to \$9,638,754. The estimated cost to complete these projects is \$29,185,000.

Depreciation expense was charged to functions and programs of the County as follows:

<u>Governmental Activities:</u>	
General government	\$ 6,068,136
Public safety	809,609
Public works	16,309,350
Health	570,152
Human services	845,056
Recreation	43,585
Internal Service	18,121
Total depreciation expense - governmental activities	<u>\$ 24,664,009</u>

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 8 - CAPITAL ASSETS - (Continued)

B. Business-Type Activities

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

<u>Business-Type Activities:</u>	Balance 12/31/07	Additions	Deductions	Balance 12/31/08
Capital assets, not being depreciated:				
Land	\$ 741,885	\$ -	\$ -	\$ 741,885
Total capital assets, not being depreciated	<u>741,885</u>	<u>-</u>	<u>-</u>	<u>741,885</u>
Capital assets, being depreciated:				
Buildings, structures and improvements	37,094,356	882,642	-	37,976,998
Land improvements	140,442,456	-	-	140,442,456
Furniture, fixtures and equipment	8,318,035	506,667	(144,310)	8,680,392
Total capital assets, being depreciated	<u>185,854,847</u>	<u>1,389,309</u>	<u>(144,310)</u>	<u>187,099,846</u>
Less accumulated depreciation:				
Buildings, structures and improvements	8,929,808	1,010,253	-	9,940,061
Land improvements	58,292,707	3,407,367	-	61,700,074
Furniture, fixtures and equipment	7,732,008	221,720	(144,310)	7,809,418
Total accumulated depreciation	<u>74,954,523</u>	<u>4,639,340</u>	<u>(144,310)</u>	<u>79,449,553</u>
Total capital assets, being depreciated net	<u>110,900,324</u>	<u>(3,250,031)</u>	<u>-</u>	<u>107,650,293</u>
Business-type activities capital assets, net	<u>\$111,642,209</u>	<u>\$ (3,250,031)</u>	<u>\$ -</u>	<u>\$ 108,392,178</u>

Depreciation expense was charged to County's enterprise funds as follows:

Business-type Activities:	
Water Supply System	\$1,783,470
Wastewater treatment	796,809
Sewer System	1,704,972
Nonmajor enterprise funds	354,089
Total depreciation expense - business-type activities	<u>\$4,639,340</u>

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 8 - CAPITAL ASSETS - (Continued)

C. Component Units

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

	Balance 12/31/2007	Changes in Assets	Balance 12/31/2008
Capital assets, not being depreciated:			
Land	\$ 1,566,548	\$ 4,615	\$ 1,571,163
Total capital assets, not being depreciated	1,566,548	4,615	1,571,163
Capital assets, being depreciated:			
Buildings, structures and improvements	20,633,796	73,273	20,707,069
Furniture, fixtures and equipment	5,480,652	86,799	5,567,451
Total capital assets, being depreciated	26,114,448	160,072	26,274,520
Total accumulated depreciation	(8,417,397)	(925,862)	(9,343,259)
Total capital assets being depreciated, net	17,697,051	(765,790)	16,931,261
Component units capital assets, net	\$ 19,263,599	\$ (761,175)	\$ 18,502,424

Depreciation expense was charged to component units as follows:

Component Units:

Toledo Mud Hens Baseball Club, Inc.	\$ 530,915
Lott Industries, Inc.	451,515
Preferred Industries, Inc. and Affiliates	331,817
Total depreciation expense - component units	\$1,314,247

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 9 - NOTES PAYABLE

All notes are backed by the full faith and credit of the County and mature within one year. The notes are issued in anticipation of long-term bonded financing and the County intends to refinance the notes until such bonds are issued. \$96,805,000 of outstanding notes payable are in the Capital Improvements fund and \$9,130,000 of outstanding notes payable are in the Debt Service fund. Notes outstanding at December 31, 2008 follows:

<u>Note Issue</u>	<u>Rate</u>	<u>Balance</u> <u>12/31/2007</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance</u> <u>12/31/2008</u>
Various purpose improvements	3.65%	\$ 8,265,000	-	\$ 8,265,000	-
Convention Center Notes	2.00%	-	9,130,000	-	9,130,000
Arena Improvement BANS	3.00%	-	50,000,000	-	50,000,000
Arena Improvement Notes 2008	3.80%	-	10,000,000	-	10,000,000
Arena Improvement Notes 2008-1	3.55%	-	30,000,000	-	30,000,000
Various purpose improvements	2.25%	-	<u>6,805,000</u>	-	<u>6,805,000</u>
Total capital project notes		<u>\$ 8,265,000</u>	<u>\$ 105,935,000</u>	<u>\$ 8,265,000</u>	<u>\$ 105,935,000</u>

Toledo Mud Hens Baseball Club, Inc. has available a \$500,000 line of credit with an interest rate at ½% less than the prime rate, which expires in April 2010. There was no outstanding debt at October 31, 2008. Preferred Properties, Inc. and Affiliates have various mortgages payable totaling \$184,756 secured by real estate and personal property with interest rates varying from 7% to 7.9%. Preferred Properties, Inc. has available a \$300,000 line of credit with an interest rate at 1.0% over prime (6.0% at June 30, 2008.) At June 30, 2008 there was no outstanding debt on this line of credit.

NOTE 10 - LONG-TERM DEBT AND OTHER OBLIGATIONS

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

Long-term Bonds

All long-term debt issued for governmental purposes of the County and special assessment bonds are retired from the Debt Service Fund. General Obligation bonds are secured by the County's ability to levy a voted or unvoted property tax within limitations of Ohio Law.

On September 22, 2008, the County issued \$2,865,000 general obligation bonds with an average interest rate of 3.67% to advance refund the 1996 refunding of the 1990 bond. These securities were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded portion of the bond. As a result, the refunded portion of *general obligation bonds* are considered defeased, and the liability for those bonds has been removed

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 10 - LONG-TERM DEBT AND OTHER OBLIGATIONS - (Continued)

from the basic financial statements. The refunding will reduce debt service payments over the next 3 years by \$77,669 and to obtain an economic gain (difference between the present values of the old and new debt service payment) of \$72,651. There were \$15,040 of refunding funds on hand, bringing the total net present value savings to \$87,691.

In 2007, the County defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. At December 31, 2008, \$11,740,000 of bonds outstanding are considered defeased.

Special assessment bonds are secured by an unvoted property tax levy; however, each bond resolution provides for principal and interest to also be paid from special assessments levied for the projects financed by those bonds and consequently those bonds are treated as "self-supporting."

The County issued \$1,035,000 of special assessment bonds in 2008 to provide funds for the construction of various sewers and water lines. These bonds will be repaid from amounts levied against the property owners benefited by this construction. In the event property owners default on their special assessment obligations, the County is obligated to meet the debt service requirements from County funds.

Under the Uniform Bond Act of the Ohio Revised Code, and not taking into account the equity in the debt service fund, the County has an unvoted debt limitation of \$94,047,000. After deducting the current net indebtedness, the county has the capacity to issue approximately \$73,070,000 of additional unvoted general obligation debt. Lott Industries, Inc., a discretely presented component unit of the County has bonds payable of \$3,265,000 that mature on August 1, 2021, with a variable interest rate adjusted weekly due to the SIFMA branded index that was 2.43% at December 31, 2008.

In 2001, the County issued \$20,000,000 of *Nontax Revenue Bonds* for a new baseball stadium which the County owns and leases to the Toledo Mud Hens Baseball Club, Inc. In 2001, the County also issued \$6,000,000 of Nontax Revenue Notes for that project which were prepaid and retired in April, 2002. The Nontax Revenue Bonds do not represent or constitute a general obligation debt or pledge of the full faith and credit or taxing power of the County. The Nontax Revenue Bonds are special obligations of the County secured by, and payable solely from, the Nontax Revenues. The County has covenanted to appropriate in its annual appropriation measure for each year, and to pay to the Trustee for the Nontax Revenue Bonds by January 15, of such year, Nontax Revenues in an amount sufficient to pay all bond service charges due and payable on the Nontax Revenue Bonds during the then current year.

The County has pledged future non tax revenues, net of specified operating expenses, to repay \$20,000,000 in Series 2001 non-tax revenue bonds. Proceeds of the bonds were used to construct a new baseball stadium which the County owns and leases to the Toledo Mud Hens Baseball Club, Inc. The Series 2001 stadium construction bonds are payable solely from non-tax revenues and are payable through 2021. The 2008 principal and interest payments on the bonds required less than 5.74% of net revenues. The total principal and interest remaining to be paid on the Series 2001 non-tax revenue bonds is \$24,306,283. Principal and interest paid for the current year and total non-tax net revenues were \$1,826,788 and \$31,827,572 respectively.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 10 - LONG-TERM DEBT AND OTHER OBLIGATIONS - (Continued)

The County has pledged future revenues, net of specified operating expenses, to repay \$725,700 in Series 2006 revenue bonds. Revenue bonds do not represent a general obligation debt or a pledge of the full faith and credit or taxing power of the County. Proceeds of the bonds were used to construct a portion of sanitary sewer number 772 in Jerusalem Township. The Series 2006 sewer construction bonds are payable solely from S.S.772 revenues and are payable through 2047. The 2007 principal and interest payments on the bonds are expected to require less than 100.0% percent of net revenues. The total principal and interest remaining to be paid on the Series 2006 revenue bonds is \$1,513,433. Principal and interest paid for the current year and total net revenues were \$39,757 and \$38,306, respectively.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 10 - LONG-TERM DEBT AND OTHER OBLIGATIONS - (Continued)

During the fiscal year 2008, the following changes occurred in the County's governmental long-term obligations:

	Original Amount <u>Issued</u>	Maturity Date <u>Through</u>	Balance <u>12/31/07</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>12/31/08</u>	Amount Due in <u>One Year</u>
General Obligation Bonds:							
1986 - 8% County public assistance building	\$ 5,500,000	12/01/11	\$ 880,000	\$ -	\$ (220,000)	\$ 660,000	\$ 220,000
1986 - 6.5% Convention Center land	8,400,000	12/01/12	1,700,000	-	(340,000)	1,360,000	340,000
1996 - 4.25% to 5.375% Correctional facilities	8,920,000	12/01/16	3,720,000	-	(3,720,000)	-	-
2001 - 4.375% to 5% Juvenile Justice Center	17,000,000	12/01/21	2,190,000	-	(700,000)	1,490,000	730,000
2003 - 2.25% to 5% Court of Appeals	6,260,000	12/01/23	5,365,000	-	(250,000)	5,115,000	255,000
2005 - 3.5% to 4% Current Refunding	3,005,000	12/01/25	2,510,000	-	(275,000)	2,235,000	285,000
2007 - 3.5% to 4.25% Advance Refunding	11,740,000	12/01/21	11,560,000	-	(55,000)	11,505,000	60,000
2008 - 3% to 4% - Advance Refunding	<u>2,865,000</u>	12/01/20	<u>-</u>	<u>2,865,000</u>	<u>-</u>	<u>2,865,000</u>	<u>905,000</u>
Total general obligation bonds	<u>63,690,000</u>		<u>27,925,000</u>	<u>2,865,000</u>	<u>(5,560,000)</u>	<u>25,230,000</u>	<u>2,795,000</u>
Special Assessment Bonds with Governmental Commitment:							
1974 - 7.625% Waterline	528,320	11/01/14	105,000	-	(15,000)	90,000	15,000
1988 - 7.5% Sanitary sewer	544,000	12/01/08	30,000	-	(30,000)	-	-
1989 - 6.75% to 7% Sanitary sewer	1,200,000	12/01/09	205,000	-	(100,000)	105,000	105,000
1990 - 6.8% to 6.85% Waterline	397,000	12/01/10	100,000	-	(30,000)	70,000	35,000
1992 - 3.4% to 6.65% Sewers & waterlines	496,000	12/01/11	150,000	-	(35,000)	115,000	35,000
1992 - 3.4% to 6.65% Sewers & waterlines	981,000	12/01/12	355,000	-	(65,000)	290,000	65,000
1994 - 4% to 6.05% Sewers & waterlines	905,000	12/01/13	405,000	-	(55,000)	350,000	60,000
1995 - 4.3% to 6.8% Sewers & waterlines	680,000	12/01/15	330,000	-	(40,000)	290,000	40,000
1996 - 5.375% to 6.5% Sewers & waterlines	2,460,000	12/01/16	1,595,000	-	(135,000)	1,460,000	145,000
1997 - 4.9% to 5.45% Sewers & waterlines	1,235,000	12/01/17	765,000	-	(60,000)	705,000	65,000
1998 - 4.25% to 5% Sewers & waterlines	2,460,000	12/01/18	1,620,000	-	(115,000)	1,505,000	120,000
1999 - 5.05% to 6% Sewers & waterlines	535,000	12/01/19	390,000	-	(25,000)	365,000	25,000
2000 - 5.2% to 5.6% Sewers & waterlines	1,560,000	12/01/20	1,180,000	-	(65,000)	1,115,000	70,000
2001 - 4.1% to 5.1% Sewers & waterlines	1,585,000	12/01/21	1,235,000	-	(65,000)	1,170,000	70,000
2002 - 2.75% to 4.6% Sewers & waterlines	1,050,000	12/01/22	860,000	-	(45,000)	815,000	45,000
2003 - 2.625% to 5% Sewers & waterlines	990,000	12/01/23	850,000	-	(40,000)	810,000	40,000
2004 - 3% to 5.25% Sewers & waterlines	1,545,000	12/01/24	1,380,000	-	(60,000)	1,320,000	60,000
2005 - 3.5% to 4.25% Sewers & waterlines	1,620,000	12/01/25	1,515,000	-	(60,000)	1,455,000	65,000
2005 - 3.5% to 4% Technology drive	765,000	12/01/25	635,000	-	(70,000)	565,000	75,000
2005 - 3.5% to 4.25% Technology drive	1,035,000	12/01/25	970,000	-	(40,000)	930,000	40,000
2006 - 4.1% to 4.35% Sewers & waterlines	1,230,000	12/01/26	1,205,000	-	(40,000)	1,165,000	40,000
2006 - 4.5% S.S. 772	936,100	09/01/26	904,000	-	(31,000)	873,000	32,500
2007 - 4.25% to 5.00% Water & Sewer	470,000	12/01/27	470,000	-	(15,000)	455,000	15,000
2008 - 3.0% to 4.7% SS758 Bond	730,394	12/01/28	-	730,394	-	730,394	17,642
2008 - 3.0% to 4.7% WL1569,1577,1609,1616	<u>304,606</u>	12/01/28	<u>-</u>	<u>304,606</u>	<u>-</u>	<u>304,606</u>	<u>7,358</u>
Total special assessment bonds	<u>26,242,420</u>		<u>17,254,000</u>	<u>1,035,000</u>	<u>(1,236,000)</u>	<u>17,053,000</u>	<u>1,287,500</u>

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 10 - LONG-TERM DEBT AND OTHER OBLIGATIONS - (Continued)

	Original Amount <u>Issued</u>	Maturity Date <u>Through</u>	Balance <u>12/31/07</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>12/31/08</u>	Amount Due in <u>One Year</u>
<u>Non-Tax Revenue Bonds:</u>							
2001 - 6.375% to 6.625% Baseball Stadium	\$ 20,000,000	12/01/21	\$ 16,550,000	\$ -	\$ (725,000)	\$ 15,825,000	\$ 780,000
Total Non-Revenue Bonds	<u>20,000,000</u>		<u>16,550,000</u>	<u>-</u>	<u>(725,000)</u>	<u>15,825,000</u>	<u>780,000</u>
<u>Revenue Bonds:</u>							
2006 - 4.5% S.S. 772	725,700	09/01/46	725,700	-	(7,100)	718,600	7,500
Total Revenue Bonds	<u>725,700</u>		<u>725,700</u>	<u>-</u>	<u>(7,100)</u>	<u>718,600</u>	<u>7,500</u>
<u>OWDA Loans:</u>							
1983-1984 - 7.38% to 7.67% Sewers	662,191	01/01/07	193,241	-	(50,462)	142,779	26,143
1991 - 6.16% to 7.45% Sewers	1,087,693	07/01/11	316,886	-	(82,778)	234,108	42,879
1994 - 6.72% Water	405,026	07/01/19	265,427	-	(16,046)	249,381	8,284
Total OWDA Loans	<u>2,154,910</u>		<u>775,554</u>	<u>-</u>	<u>(149,286)</u>	<u>626,268</u>	<u>77,306</u>
<u>OPWC Loans:</u>							
1999 - 0% Road improvements	439,339	07/01/10	96,868	-	(43,934)	52,934	21,967
2000 - 0% Road improvements	960,246	07/01/11	277,574	-	(96,023)	181,551	48,012
2001 - 0% Road improvements	419,866	01/01/11	142,110	-	(41,986)	100,124	20,993
2002 - 0% Road improvements	904,920	01/01/12	432,872	-	(90,492)	342,380	45,246
2003 - 0% Road improvements	540,000	01/01/13	351,000	-	(54,000)	297,000	27,000
2006 - 0% Road improvements	500,000	01/01/16	425,000	-	(50,000)	375,000	25,000
2008 - 0% Road improvements	186,756	01/01/27	-	186,756	(9,338)	177,418	4,669
2008 - 0% Road improvements	15,147	01/01/28	-	15,147	(757)	14,390	757
2008 - 0% Road improvements	99,404	01/01/28	-	99,404	-	99,404	2,485
2008 - 0% Road improvements	95,797	01/01/28	-	95,797	-	95,797	2,395
Total OPWC Loans:	<u>4,161,475</u>		<u>1,725,424</u>	<u>397,104</u>	<u>(386,530)</u>	<u>1,735,998</u>	<u>198,524</u>
<u>Other long-term obligations</u>							
Capital lease obligations			92,718	(1,983)	(63,206)	27,529	23,399
Compensated absences			20,906,821	19,717,448	(19,817,414)	20,806,855	13,537,616
Landfill obligation			12,428,650	-	-	12,428,650	165,000
Claims payable			12,502,172	10,462,769	(12,502,172)	10,462,769	6,293,044
Total governmental activities obligations			<u>\$ 110,886,039</u>	<u>\$ 34,475,338</u>	<u>\$ (26,854,708)</u>	<u>104,914,669</u>	<u>\$ 25,164,889</u>
Less: unamortized deferred charges on refundings						<u>(330,245)</u>	
Total on statement of net assets						<u>\$ 104,584,424</u>	

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 10 - LONG-TERM DEBT AND OTHER OBLIGATIONS - (Continued)

During the fiscal year 2008, the following changes occurred in the County's business-type activities:

	Original Amount Issued	Maturity Date Through	Balance 12/31/07	Additions	Reductions	Balance 12/31/08	Amount Due in One Year
<u>OWDA Loans:</u>							
1980-1984 - 6.24% to 6.25% Sewer system	\$ 6,125,715	07/01/13	\$ 1,181,937	\$ -	\$ (186,332)	\$ 995,605	\$ 95,989
1984 - 6.24-6.25% Wastewater treatment	incl. above	07/01/13	870,451	-	(137,160)	733,291	70,658
1990 - 7.76% Water supply system	597,764	01/01/10	105,623	-	(50,884)	54,739	26,403
1991 - 7.45% to 7.5% Water supply system	950,790	07/01/11	255,080	-	(74,511)	180,569	38,651
1993 - 6.16% Water supply system	1,128,300	07/01/18	677,777	-	(47,859)	629,918	24,644
1994 - 6.72% Sewer system	952,500	07/01/14	450,812	-	(57,668)	393,144	29,771
1994 - 5.77% Wastewater treatment	11,539,293	07/01/15	5,872,200	-	(648,522)	5,223,678	333,354
1995 - 6.35% Water supply system	501,750	01/01/21	351,875	-	(18,221)	333,654	9,400
1997 - 5.86% Water supply system	1,783,512	07/01/17	1,095,535	-	(89,533)	1,006,002	46,041
1997 - 5.86% Sanitary Engineer	1,650,000	07/01/17	1,013,529	-	(82,831)	930,698	42,594
2001 - 5.39% Water supply system	1,268,385	01/01/21	966,809	-	(52,996)	913,813	27,212
2003 - 4.40% Water supply system	290,000	01/01/13	160,715	-	(29,408)	131,307	15,027
2003 - 3.85% Water supply system	200,000	07/01/13	119,350	-	(19,881)	99,469	10,132
2004 - 3.85% Wastewater treatment	15,457,228	07/01/29	14,072,954	-	(430,647)	13,642,307	217,376
2008 - 5.65% Solid Waste Project	<u>1,082,403</u>	07/01/28	-	<u>1,082,403</u>	<u>(16,557)</u>	<u>1,065,846</u>	<u>15,333</u>
Total OWDA loans	<u>43,527,640</u>		<u>27,194,647</u>	<u>1,082,403</u>	<u>(1,943,010)</u>	<u>26,334,040</u>	<u>1,002,585</u>
<u>OPWC Loans:</u>							
1994 - 0% Wastewater	274,474	01/01/16	130,375	-	(13,724)	116,651	6,862
2004 - 0% Sewer system	97,025	07/01/14	63,066	-	(9,703)	53,363	4,851
2005 - 0% Sewer system	1,168,569	01/01/15	1,012,973	-	(58,428)	954,545	29,214
2006 - 0% Wastewater	1,215,159	01/01/26	1,124,022	-	(60,758)	1,063,264	30,379
2008 - 0% Sewer System	<u>71,487</u>	01/01/29	-	<u>71,487</u>	-	<u>71,487</u>	<u>1,787</u>
Total OPWC loans	<u>2,826,714</u>		<u>2,330,436</u>	<u>71,487</u>	<u>(142,613)</u>	<u>2,259,310</u>	<u>73,093</u>
<u>Other long-term obligations:</u>							
Compensated Absences			<u>627,064</u>	<u>470,926</u>	<u>(533,242)</u>	<u>564,748</u>	<u>470,598</u>
Total business-type activities on statement of net assets			<u>\$ 30,152,147</u>	<u>\$ 1,624,816</u>	<u>\$ (2,618,865)</u>	<u>\$ 29,158,098</u>	<u>\$ 1,546,276</u>

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 10 - LONG-TERM DEBT AND OTHER OBLIGATIONS - (Continued)

A summary of the County's future long-term debt funding requirements as of December 31, 2008 follows:

Fiscal Year Ended	Bonds					
	General Obligation		Special Assessment		Non-Tax Revenue	
	Principal	Interest	Government Commitment Principal	Interest	Principal	Interest
2009	\$ 2,795,000	\$ 1,091,150	\$ 1,287,500	\$ 821,560	\$ 780,000	\$ 1,055,569
2010	2,895,000	941,100	1,239,000	748,793	835,000	1,005,844
2011	3,000,000	815,250	1,260,500	689,180	895,000	952,613
2012	1,815,000	683,775	1,307,000	628,786	960,000	895,556
2013	1,540,000	604,250	1,273,800	563,778	1,025,000	834,356
2014 - 2018	7,495,000	2,108,500	5,686,700	1,913,721	6,340,000	3,043,065
2019 - 2023	5,690,000	607,547	3,571,100	778,586	4,990,000	694,280
2024 - 2028	-	-	1,427,400	138,929	-	-
Total	<u>\$ 25,230,000</u>	<u>\$ 6,851,572</u>	<u>\$ 17,053,000</u>	<u>\$ 6,283,333</u>	<u>\$ 15,825,000</u>	<u>\$ 8,481,283</u>

Fiscal Year Ended	Bonds	
	Revenue	
	Principal	Interest
2009	\$ 7,500	\$ 32,337
2010	7,800	31,999
2011	8,200	31,649
2012	8,500	31,365
2013	8,900	30,897
2014 - 2018	50,900	148,180
2019 - 2023	63,600	135,644
2024 - 2028	79,000	120,057
2029 - 2033	98,600	100,510
2034 - 2038	122,900	76,222
2039 - 2043	153,200	45,960
2044 - 2048	<u>109,500</u>	<u>10,013</u>
Total	<u>\$ 718,600</u>	<u>\$ 794,833</u>

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 10 - LONG-TERM DEBT AND OTHER OBLIGATIONS - (Continued)

Fiscal Year Ended	Loans			
	OWDA		OPWC	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2009	\$ 1,079,891	\$ 683,731	\$ 271,617	\$ -
2010	2,258,191	1,246,175	530,270	-
2011	2,325,242	1,119,359	427,874	-
2012	2,221,755	989,420	369,367	-
2013	2,332,448	859,169	296,457	-
2014 - 2018	7,069,723	2,815,437	985,464	-
2019 - 2023	4,133,770	1,559,352	709,293	-
2024 - 2028	4,594,013	702,166	398,297	-
2029 - 2033	945,275	27,260	6,669	-
Total	<u>\$ 26,960,308</u>	<u>\$ 10,002,069</u>	<u>\$ 3,995,308</u>	<u>\$ -</u>

Accrued Compensated Absences

Unpaid vested hours at December 31, 2008 representing this liability recorded in governmental activities are as follows:

	<u>Hours</u>
Vacation	475,160
Sick	330,634
Compensation	23,371

Capital Lease Obligations

The County has entered into certain agreements to lease equipment and other assets. Such agreements are, in substance, lease purchases (capital leases) and are classified as capital lease obligations in the financial statements.

The County's future minimum lease payments under capital lease obligations as of December 31, 2008 are as follows:

<u>Year Ending December 31,</u>	<u>Government Activities</u>	<u>Internal Service Activities</u>
2009	13,010	12,017
2010	-	4,055
2011	-	676
Total minimum lease payments	13,010	16,748
Less: amount representing interest	<u>617</u>	<u>1,612</u>
Present value of future minimum lease payments	<u>\$ 12,393</u>	<u>\$ 15,136</u>

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 10 - LONG-TERM DEBT AND OTHER OBLIGATIONS - (Continued)

The Toledo Mud Hens have a long term deferred compensation liability of \$70,110 and have also entered into certain agreements to lease equipment and other assets. Such agreements are, in substance, lease purchases (capital leases) and are classified as capital lease obligations in the financial statements.

The component units future minimum lease payments under capital lease obligations as of December 31, 2008 are as follows:

Year Ending December 31,	Toledo Mud Hens
2009	\$ 35,097
2010	35,097
Total minimum lease payments	70,194
Less: amount representing interest	7,944
Present value of future minimum lease payments	\$ 62,250

Conduit Debt Obligations

From time to time, the County has issued Industrial Revenue Bonds, Hospital Facilities Bonds and Commercial Housing Revenue Bonds to provide financial assistance to private, profit and non-profit sector entities for the acquisition and construction of industrial, hospital and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2008 there were 34 conduit obligations outstanding. The aggregate principal amount payable for all conduit obligations totaled \$665,705,000, including \$586,615,000 for hospital, \$53,170,000 for industrial development, and \$25,920,000 for housing.

NOTE 11 - PENSION PLAN

Ohio Public Employees Retirement System

Plan Description - The County 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% 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 that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan. While members in the

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 11 - PENSION PLAN – (continued)

State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the traditional pension plan.

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

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2008, member and contribution rates were consistent across all three plans. While members in the State and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Plan. The 2008 member contribution rates were 10.00% for members in State and local classifications. Public safety and law enforcement members contributed 10.10%.

The County's contribution rate for 2008 was 14.00%, except for those plan members in law enforcement or public safety, for whom the County's contribution was 17.40% of covered payroll. For 2008, a portion equal to 7.00% of covered payroll was allocated to fund the post-employment health care plan.

The County's contribution rate for pension benefits for 2008 was 7.00%, except for those plan members in law enforcement and public safety. For those classifications, the County's pension contributions were 10.40% of covered payroll. The County's required contributions to the Traditional Pension and Combined Plans for the years ended December 31, 2008, 2007, and 2006 were \$23.9 million, \$23.4 million, and \$25.2 million, respectively; 92.3% has been contributed for 2008 and 100% has been contributed for 2007 and 2006.

NOTE 12 - POST-EMPLOYMENT BENEFIT PLANS

Ohio Public Employees Retirement System

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

To qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have ten years or more of qualifying Ohio service credit. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 12 - POST-EMPLOYMENT BENEFIT PLANS – (continued)

Funding Policy - The post-employment healthcare plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). State statute requires that public employers fund post-employment healthcare through contributions to OPERS. A portion of each employer's contribution to the Traditional or Combined Plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2008, local government employers contributed 14.00% of covered payroll (17.40% for public safety and law enforcement). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The amount of the employer contributions which was allocated to fund post-employment healthcare for 2008 was 7.00% of covered payroll.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment healthcare plan.

The County's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2008, 2007, and 2006 were \$11,674,613, \$6,746,630, and \$7,800,000, respectively; 92.3% has been contributed for 2008 and 100% has been contributed for 2007 and 2006.

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

NOTE 13 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of GAAP, the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements and encumbrances.

The Statement of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) presented for the general fund and major special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to a reservation of fund balance for that portion of outstanding encumbrances not already recognized as payables (GAAP basis).

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 13 - BUDGETARY BASIS OF ACCOUNTING – (continued)

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund and major special revenue funds are as follows:

	General Fund	Children Services Board	Board of Mental Retardation	Job and Family Services	Mental Health & Recovery
Budget Basis	\$ (5,641,237)	\$ (6,105,462)	\$ (6,489,254)	\$ (7,936,577)	\$ (5,054,711)
Net adjustments for revenue accruals	1,288,146	3,178,927	(1,515,727)	(3,667,225)	3,252,507
Net adjustments for expenditure accruals	1,325,470	952,934	355,212	5,538,734	(856,290)
Net adjustment for encumbrances	1,341,604	1,176,792	3,247,610	1,642,547	1,320,177
Net adjustments for other financing sources (uses) accruals	<u>282,627</u>	<u>-</u>	<u>-</u>	<u>(41,513)</u>	<u>-</u>
GAAP Basis	<u>\$ (1,403,390)</u>	<u>\$ (796,809)</u>	<u>\$ (4,402,159)</u>	<u>\$ (4,464,034)</u>	<u>\$ (1,338,317)</u>

NOTE 14 - CONTINGENCIES

The County owns and operated a landfill site located in the western portion of the County. The site accepted solid waste from a number of private and industrial waste haulers from 1954 to its closure in 1976. A solid waste transfer station was operated from May, 1980 through July, 1991. This site is now closed and the County no longer operates a landfill. State and federal laws require the County to clean up, monitor and maintain the site.

The County engaged a consultant to complete a study regarding the cleanup, monitoring and maintenance of the site. This study will be subject to review by the Ohio Environmental Protection Agency. The study estimates approximately \$12,428,650 will be needed to enact the plan, of which approximately \$165,000 of the costs are to be incurred in the next year. The current liability of \$165,000 is included in long-term liability due within a year with the remaining \$12,263,650 recorded as a long-term liability due in more than one year. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. Funding is expected to be obtained from the issuance of General Obligation notes or bonds, and from the State Infrastructure Bond Fund. Other potential sources of revenue include indemnification by generators for response costs incurred.

The County is a defendant in a number of other claims and lawsuits which may be classified as routine litigation. In addition, the County is a defendant in numerous other claims and lawsuits ranging from tort liability to civil rights litigation. Management believes that any settlement related to these claims and lawsuits will not have a material adverse effect on the financial position of the County.

The County participates in a number of Federal and State assisted grant programs. These programs are subject to financial and compliance audits by grantors or their representatives. The ultimate obligations that may arise from cost disallowances or non-compliance with program requirements cannot be estimated.

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 15- RECEIVABLES

Receivables at December 31, 2008, consisted of taxes, accounts, accrued interest and intergovernmental receivables arising from grants, entitlements and shared revenue. Receivables have been recorded to the extent that they are measurable at December 31, 2008.

Fund	Amount
General Fund:	
Local Government Fund	\$ 4,260,342
State Public Defender Reimbursement	447,519
Various Grants and entitlements	439,603
Various Public Safety Reimbursements	291,633
Homestead Rollback	<u>1,020,917</u>
	<u>6,460,014</u>
Children's Services Board	
Grants and Entitlements	3,680,419
Homestead Rollback	<u>1,078,094</u>
	<u>4,758,513</u>
Board of Mental Retardation:	
Grants and Entitlements	7,149,151
Homestead Rollback	<u>2,144,787</u>
	<u>9,293,938</u>
Jobs and Family Services	
Grants and Entitlements	<u>518,365</u>
	<u>518,365</u>
Mental Health and Recovery:	
Grants and Entitlements	26,097,641
Homestead Rollback	<u>743,354</u>
	<u>26,840,995</u>
Capital Improvements	
Grants and Entitlements	<u>159,705</u>
	<u>159,705</u>
Other Governmental Funds:	
Grants and Entitlements	1,642,705
License, Gasoline and Permissive Taxes	5,312,639
Homestead Rollback	<u>1,401,584</u>
	<u>8,356,928</u>
Total Due from Other Governments	<u>\$ 56,388,458</u>

LUCAS COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 16 - RISK MANAGEMENT

Self-Funded Insurance: The County is self-funded for dental, prescription drug, and health benefits. The programs are administered by a third party, which provides claims review and processing services. Each County fund is charged for its proportionate share of the cost for covered employees. Payment of these benefits is accounted for in internal service funds. The County records a liability for incurred but unreported claims at year end based upon an actuarial estimate provided by Benefits Comprehensive, Inc. The County also maintains a Self-Funded Workers' Compensation fund and a Risk Retention fund to manage liability insurance County-wide. Settled claims have not materially exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

The claims liability of \$10,462,769 reported in the internal service funds at December 31, 2008, is based on the requirements of GASB Statement No. 10 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be reported (see table below). Changes in the funds' claims liability amounts for 2008 and 2007 were:

	Balance at Beginning of Year	Current Year Claims	Change in Provision for for Workers Compensation Claims	Claim Payments	Balance at End of Year
2008	\$ 12,502,172	\$ 33,651,190	\$ (240,000)	\$ 35,450,593	\$ 10,462,769
2007	\$ 11,185,000	\$ 35,384,015	\$ 436,000	\$ 34,502,843	\$ 12,502,172

NOTE 17 - SUBSEQUENT EVENT

On April 21, 2009, The County issued bond anticipation notes amounting to \$9,130,000 for the purpose of paying the costs of the refunding on the bond anticipation notes issued on April 22, 2008.

As of this writing, the County has reached an agreement, in principle, with Toledo Arena Sports, Incorporated (TASI) to provide regular tenants to the Lucas County Arena, which is currently under construction. The tenants include the Toledo Bullfrogs, an AF2 football team, and the Toledo Walleye, of the International Hockey League. The Arena is slated to open in the fall of 2009, and the progress of the project is on schedule. TASI's management team is substantially identical to that of the Toledo MudHens, Inc., a discretely presented component unit of the County. The final contract is expected to be signed no later than June 30, 2009.

LUCAS COUNTY, OHIO

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund
FOR THE YEAR ENDED DECEMBER 31, 2008

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues:				
Property Taxes	\$17,820,000	\$18,112,526	\$15,765,639	(\$2,346,887)
Sales Taxes	73,000,000	73,000,000	71,482,055	(1,517,945)
Charges for Services	13,266,800	13,266,800	11,312,416	(1,954,384)
Licenses and Permits	35,000	35,000	26,588	(8,412)
Fines and Forfeitures	545,000	545,000	549,210	4,210
Intergovernmental	25,696,545	25,696,545	27,191,387	1,494,842
Special Assessments	16,360	16,360	32,808	16,448
Investment Income	11,110,000	11,110,000	11,944,069	834,069
Rental Income	1,600,000	1,600,000	1,746,638	146,638
Other	4,429,000	4,429,000	5,104,433	675,433
<i>Total Revenues</i>	<u>147,518,705</u>	<u>147,811,231</u>	<u>145,155,243</u>	<u>(2,655,988)</u>
Expenditures:				
General Government - Legislative & Executive				
<i>Auditor</i>				
Personal Services	1,515,091	1,577,015	1,559,519	17,496
Materials and supplies	83,594	86,423	83,147	3,276
Charges and services	275,055	159,909	153,414	6,495
Other Expenditures	25,000	20,000	19,843	157
Capital outlay and equipment	10,000	8,259	8,166	93
<i>Auditor - Personal Property</i>				
Personal Services	427,515	322,006	306,260	15,746
Materials and supplies	3,080	2,308	2,231	77
Charges and services	31,050	31,361	27,013	4,348
Capital outlay and equipment	200	13,089	13,264	(175)
<i>Auditor - Real Property Evaluation</i>				
Personal Services	747,470	735,250	724,571	10,679
Materials and supplies	7,714	8,556	8,556	-
Charges and services	14,000	13,188	8,999	4,189
Other Expenditures	2,000	2,808	2,731	77
Capital outlay and equipment	5,000	4,335	-	4,335
<i>Budget Commission</i>				
Personal Services	97,035	88,445	84,813	3,632
Materials and supplies	100	100	-	100
<i>Board of Revision</i>				
Personal Services	171,946	181,185	178,779	2,406
Materials and supplies	25,185	36,252	31,871	4,381
Charges and services	5,000	-	-	-
Capital outlay and equipment	3,000	2,539	-	2,539
<i>Data Processing</i>				
Personal Services	2,339,145	2,339,145	2,294,326	44,819
Materials and supplies	37,777	37,677	28,701	8,976
Charges and services	1,419,407	1,332,353	1,209,316	123,037
Other Expenditures	21,000	21,000	13,276	7,724
Capital outlay and equipment	370,563	361,480	360,316	1,164

Continued

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
FOR THE YEAR ENDED DECEMBER 31, 2008*

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
Legislative & Executive - continued				
<i>Commissioners</i>				
Personal Services	530,622	529,975	525,922	4,053
Materials and supplies	10,455	9,038	6,274	2,764
Charges and services	15,100	18,882	10,511	8,371
Other Expenditures	21,000	19,660	17,338	2,322
Capital outlay and equipment	1,485	1,000	-	1,000
<i>County Administrator</i>				
Personal Services	704,613	712,205	710,569	1,636
Materials and supplies	4,284	4,091	1,906	2,185
Charges and services	11,551	13,896	10,212	3,684
Other Expenditures	2,000	2,500	2,340	160
Capital outlay and equipment	500	-	-	-
<i>Facilities</i>				
Personal Services	4,046,644	4,032,696	3,913,768	118,928
Materials and supplies	410,288	383,143	377,442	5,701
Charges and services	1,204,986	1,208,948	1,114,654	94,294
Other Expenditures	12,000	10,079	9,000	1,079
Capital outlay and equipment	36,569	43,285	39,449	3,836
			-	
<i>Department of Personnel</i>				
Personal Services	508,696	516,626	516,199	427
Materials and supplies	17,739	14,762	4,497	10,265
Charges and services	36,317	34,300	18,158	16,142
Other Expenditures	2,815	2,815	763	2,052
Capital outlay and equipment	3,000	2,011	22	1,989
<i>Treasurer</i>				
Personal Services	906,178	882,678	853,232	29,446
Materials and supplies	21,221	21,220	11,373	9,847
Charges and services	200,738	224,263	200,274	23,989
Other Expenditures	3,500	5,079	3,332	1,747
<i>Treasurer - Personal Property</i>				
Personal Services	140,815	145,244	142,658	2,586
Materials and supplies	4,314	4,390	4,275	115
Charges and services	15,730	10,676	7,775	2,901
<i>Management and Budget</i>				
Personal Services	406,409	516,211	513,162	3,049
Materials and supplies	5,642	4,596	4,557	39
Charges and services	31,481	27,808	27,522	286
Other Expenditures	4,000	3,730	3,729	1
Capital outlay and equipment	1,000	787	787	-

Continued

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
FOR THE YEAR ENDED DECEMBER 31, 2008*

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
Legislative & Executive - continued				
<i>Hotel Motel Administration</i>				
Personal Services	73,491	76,335	75,418	917
Materials and supplies	2,033	2,014	1,882	132
Charges and services	2,706	551	366	185
Other Expenditures	3,100	3,822	3,798	24
Capital outlay and equipment	2,500	2,040	775	1,265
<i>Board of Elections</i>				
Personal Services	1,743,629	1,903,074	1,887,349	15,725
Materials and supplies	250,000	501,546	501,756	(210)
Charges and services	956,714	1,467,374	1,467,276	98
Capital outlay and equipment	66,319	114,778	114,778	-
<i>Support Services</i>				
Personal Services	267,400	273,969	271,992	1,977
Materials and supplies	3,217	2,350	2,096	254
Charges and services	7,650	6,403	5,004	1,399
Other Expenditures	1,912	2,313	2,289	24
Capital outlay and equipment	3,000	-	-	-
<i>Centralized Records Center</i>				
Personal Services	119,776	149,706	146,891	2,815
Materials and supplies	30,334	7,050	6,632	418
Charges and services	286,027	251,092	218,121	32,971
Other Expenditures	1,600	456	277	179
Capital outlay and equipment	10,000	4,091	3,094	997
<i>Recorder</i>				
Personal Services	772,959	772,809	745,170	27,639
Materials and supplies	15,000	15,150	6,027	9,123
Charges and services	15,216	15,000	5,134	9,866
<i>Recorder - Housing Trust Fees</i>				
Personal Services	22,791	22,791	12,376	10,415
<i>Audit - Bureau of Inspection</i>				
Charges and services	236,780	277,302	247,168	30,134
<i>Planning Commission</i>				
Charges and services	460,000	460,000	460,000	-
<i>Capital Improvements</i>				
Charges and services	7,620,570	7,384,608	6,820,018	564,590
Capital outlay and equipment	25,000	25,000	358	24,642
<i>Real Estate Taxes</i>				
Charges and services	400,000	375,452	375,452	-

Continued

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
FOR THE YEAR ENDED DECEMBER 31, 2008*

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
Legislative & Executive - continued				
<i>Insurance</i>				
Personal Services	130,000	130,000	105,183	24,817
Charges and services	1,206,724	1,206,724	1,173,256	33,468
Other Expenditures	10,000	10,000	-	10,000
<hr/>				
<i>Total General Government- Legislative and Executive</i>	31,705,067	32,255,077	30,830,748	1,424,329
<hr/>				
Judicial				
<i>Juvenile Court</i>				
Personal Services	8,218,060	8,369,951	8,366,905	3,046
Materials and supplies	210,643	276,713	277,605	(892)
Charges and services	356,595	322,245	319,602	2,643
Other Expenditures	25,000	25,764	26,007	(243)
Capital outlay and equipment	142,971	75,788	75,787	1
<i>Juvenile Detention Center</i>				
Personal Services	3,784,026	3,907,749	3,905,559	2,190
Materials and supplies	190,299	178,196	178,540	(344)
Charges and services	439,279	449,389	449,389	-
Other Expenditures	42,845	11,703	11,703	-
Capital outlay and equipment	30,000	49,876	49,876	-
<i>Prosecutor</i>				
Personal Services	5,818,214	5,861,823	5,840,083	21,740
Materials and supplies	53,778	71,102	71,102	-
Charges and services	61,635	126,173	119,523	6,650
Other Expenditures	13,000	12,000	9,480	2,520
Capital outlay and equipment	20,214	16,001	16,001	-
<i>Domestic Relations Court</i>				
Personal Services	2,879,677	2,954,683	2,954,683	-
Materials and supplies	17,327	14,124	14,125	(1)
Charges and services	140,035	195,953	196,388	(435)
Other Expenditures	14,200	12,570	12,570	-
Capital outlay and equipment	3,000	8,664	8,664	-
<i>Clerk of Courts</i>				
Personal Services	2,258,918	2,336,096	2,319,332	16,764
Materials and supplies	358,217	367,796	383,011	(15,215)
Charges and services	68,757	64,470	62,402	2,068
Other Expenditures	6,000	8,895	8,895	-
Capital outlay and equipment	14,827	12,403	12,403	-

Continued

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
FOR THE YEAR ENDED DECEMBER 31, 2008*

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
Judicial - continued				
<i>Probate Court</i>				
Personal Services	2,144,575	2,188,084	2,180,343	7,741
Materials and supplies	18,523	28,198	26,433	1,765
Charges and services	34,736	20,919	18,873	2,046
Other Expenditures	11,000	9,410	8,776	634
<i>Common Pleas Court</i>				
Personal Services	3,545,285	3,603,024	3,560,794	42,230
Materials and supplies	79,155	81,720	72,003	9,717
Charges and services	321,218	288,505	233,512	54,993
Other Expenditures	16,915	39,777	34,796	4,981
Capital outlay and equipment	23,655	12,227	7,339	4,888
<i>Court Rehabilitation and Correction</i>				
Personal Services	409,958	413,041	412,289	752
Materials and supplies	15,310	11,310	8,263	3,047
Charges and services	37,581	36,398	26,668	9,730
Other Expenditures	5,500	4,000	2,655	1,345
Capital outlay and equipment	21,050	17,550	15,813	1,737
<i>Work Release</i>				
Personal Services	1,898,542	1,937,318	1,908,559	28,759
Materials and supplies	49,603	78,679	59,764	18,915
Charges and services	248,427	210,834	182,295	28,539
Other Expenditures	2,500	2,500	2,288	212
Capital outlay and equipment	32,628	23,048	21,826	1,222
<i>Jury Commission</i>				
Personal Services	103,610	102,445	101,562	883
Materials and supplies	27,364	27,231	21,042	6,189
Charges and services	348,723	296,874	231,435	65,439
Other Expenditures	17,100	16,900	4,379	12,521
Capital outlay and equipment	1,200	4,349	4,190	159
<i>Adult Probation</i>				
Personal Services	1,643,250	1,643,467	1,601,986	41,481
Materials and supplies	26,817	170,204	144,499	25,705
Charges and services	145,348	25,319	24,456	863
Other Expenditures	2,200	2,200	290	1,910
Capital outlay and equipment	-	-	-	-
<i>Pretrial Presentence Division</i>				
Personal Services	2,077,013	2,076,363	2,004,323	72,040
Materials and supplies	50,752	109,825	102,604	7,221
Charges and services	177,516	47,209	36,454	10,755
Other Expenditures	2,500	2,500	774	1,726
Capital outlay and equipment	37,802	38,069	38,079	(10)

Continued

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
FOR THE YEAR ENDED DECEMBER 31, 2008*

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
<i>Common Pleas Security</i>				
Personal Services	1,143,303	1,304,529	1,304,465	64
Materials and supplies	5,312	6,344	6,570	(226)
Charges and services	31,700	14,769	14,928	(159)
Other Expenditures	375	363	286	77
Capital outlay and equipment	4,373	1,554	1,554	-
<i>Community Supervision</i>				
Personal Services	799,736	798,836	785,775	13,061
Materials and supplies	10,794	11,694	11,380	314
Charges and services	112,916	131,029	126,368	4,661
Other Expenditures	900	672	364	308
Capital outlay and equipment	2,000	1,370	954	416
<i>Municipal Courts</i>				
Personal Services	753,421	750,624	696,926	53,698
Charges and services	121,445	129,248	122,970	6,278
<i>Integrated Justice System</i>				
Personal Services	206,087	221,937	218,969	2,968
Materials and supplies	1,057	1,207	949	258
Charges and services	259,587	273,232	259,523	13,709
Other Expenditures	500	350	139	211
Capital outlay and equipment	10,064	9,148	9,148	-
<i>Law Library</i>				
Personal Services	71,457	91,961	91,484	477
<i>Public Defenders</i>				
Charges and services	4,488,325	4,672,516	4,649,210	23,306
<i>Court of Appeals</i>				
Materials and supplies	40,200	41,500	39,341	2,159
Charges and services	204,562	157,797	132,153	25,644
Other Expenditures	297,255	328,324	312,325	15,999
Capital outlay and equipment	6,500	14,926	7,659	7,267
<i>Total General Government - Judicial</i>	<u>47,316,742</u>	<u>48,263,554</u>	<u>47,582,437</u>	<u>681,117</u>
Public Safety				
<i>Coroner</i>				
Personal Services	1,196,804	1,243,816	1,242,443	1,373
Materials and supplies	10,690	11,534	1,215	10,319
Charges and services	79,567	78,400	88,478	(10,078)
Other Expenditures	650	647	647	-
Capital outlay and equipment	500	364	500	(136)
<i>Public Safety - Court Security</i>				
Personal Services	3,830,285	3,955,273	3,955,067	206
Charges and services	40,194	21,185	21,185	-

Continued

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
FOR THE YEAR ENDED DECEMBER 31, 2008*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
Public Safety - continued				
<i>Sheriff - Law Enforcement</i>				
Personal Services	6,289,944	6,512,181	6,512,037	144
Materials and supplies	225,410	289,470	289,470	-
Charges and services	530,280	336,359	336,321	38
Other Expenditures	1,000	850	850	-
Capital outlay and equipment	10,000	4,885	4,885	-
<i>Sheriff - Administration</i>				
Personal Services	2,586,988	2,694,956	2,693,279	1,677
Materials and supplies	34,993	40,779	40,779	-
Charges and services	429,443	370,009	370,009	-
Other Expenditures	125,800	103,938	105,384	(1,446)
Capital outlay and equipment	5,000	4,615	4,615	-
<i>Sheriff - Corrections Center</i>				
Personal Services	20,350,845	20,914,943	20,888,576	26,367
Materials and supplies	282,715	306,542	314,360	(7,818)
Charges and services	1,216,081	1,217,348	1,215,915	1,433
Other Expenditures	700	300	300	-
Capital outlay and equipment	26,640	19,588	19,588	-
<i>Medical Corrections</i>				
Personal Services	1,020,102	1,036,563	1,035,933	630
Materials and supplies	25,077	24,938	24,938	-
Charges and services	211,474	194,717	194,707	10
Other Expenditures	180,000	263,201	262,660	541
Capital outlay and equipment	1,320	92	92	-
<i>Correctional Center NW Ohio</i>				
Charges and services	<u>4,774,050</u>	<u>4,774,050</u>	<u>4,533,800</u>	<u>240,250</u>
Total Public Safety	<u>43,486,552</u>	<u>44,421,543</u>	<u>44,158,033</u>	<u>263,510</u>
Public Works				
<i>Engineer</i>				
Personal Services	199,627	202,976	202,803	173
Materials and supplies	9,842	10,606	7,339	3,267
Charges and services	59,800	57,197	50,712	6,485
Other Expenditures	13,340	15,364	15,242	122
Capital outlay and equipment	1,000	565	-	565
<i>Ditch Maintenance</i>				
Charges and services	<u>106,526</u>	<u>103,000</u>	<u>24,253</u>	<u>78,747</u>
Total Public Works	<u>390,135</u>	<u>389,708</u>	<u>300,349</u>	<u>89,359</u>

Continued

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
FOR THE YEAR ENDED DECEMBER 31, 2008*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
Health				
<i>Health Services</i>				
Charges and services	995,494	1,022,378	902,470	119,908
<hr/>				
<i>Total Health</i>	<u>995,494</u>	<u>1,022,378</u>	<u>902,470</u>	<u>119,908</u>
Human Services				
<i>Veterans Services Commission</i>				
Personal Services	647,217	689,853	670,615	19,238
Materials and supplies	11,125	17,000	15,894	1,106
Charges and services	1,379,072	1,041,640	1,062,588	(20,948)
Other Expenditures	7,000	84,950	40,570	44,380
Capital outlay and equipment	58,421	50,000	57,290	(7,290)
<i>Veterans Service</i>				
Charges and services	25,000	25,000	20,914	4,086
<i>Total Human Services</i>	<u>2,127,835</u>	<u>1,908,443</u>	<u>1,867,871</u>	<u>40,572</u>
Conservation & Recreation				
<i>Recreation</i>				
Personal Services	198,151	198,151	173,362	24,789
Materials and supplies	11,092	11,627	4,795	6,832
Charges and services	487,887	463,249	435,059	28,190
Other Expenditures	55,000	59,941	56,855	3,086
Capital outlay and equipment	11,000	5,000	1,178	3,822
<i>Agriculture</i>				
Charges and services	325,970	325,970	320,615	5,355
<i>Total Conservation and Recreation</i>	<u>1,089,100</u>	<u>1,063,938</u>	<u>991,864</u>	<u>72,074</u>

Continued

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
FOR THE YEAR ENDED DECEMBER 31, 2008*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
Miscellaneous				
<i>Contingencies</i>				
Charges and services	216,358	16,357	16,357	-
<i>Other</i>				
Personal Services	-	75,000	-	75,000
Charges and services	679,641	954,347	909,751	44,596
Other Expenditures	1,660,000	2,072,810	2,000,832	71,978
Total Miscellaneous	<u>2,555,999</u>	<u>3,118,514</u>	<u>2,926,940</u>	<u>191,574</u>
 <i>Total Expenditures</i>	 <u>129,666,924</u>	 <u>132,443,155</u>	 <u>129,560,712</u>	 <u>2,882,443</u>
 Excess of Revenues Over Expenditures	 <u>17,851,781</u>	 <u>15,368,076</u>	 <u>15,594,531</u>	 <u>226,455</u>
 Other Financing Sources (Uses)				
Advance - Out	-	(444,090)	(444,090)	-
Transfers - Out	(20,601,526)	(20,914,388)	(20,791,678)	122,710
Total Other Financing Sources (Uses)	<u>(20,601,526)</u>	<u>(21,358,478)</u>	<u>(21,235,768)</u>	<u>122,710</u>
 <i>Net Change in Fund Balance</i>	 <u>(2,749,745)</u>	 <u>(5,990,402)</u>	 <u>(5,641,237)</u>	 <u>349,165</u>
 <i>Fund Balance Beginning of the Year</i>	 29,120,581	 29,120,581	 29,120,581	 -
 Prior encumbrances Appropriated	 <u>2,303,943</u>	 <u>2,303,943</u>	 <u>2,303,943</u>	 <u>-</u>
 <i>Fund Balance End of Year</i>	 <u>28,674,779</u>	 <u>25,434,122</u>	 <u>25,783,287</u>	 <u>349,165</u>

LUCAS COUNTY, OHIO

Nonmajor Governmental Funds – Fund Descriptions Nonmajor Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than for major capital projects or expendable trusts) that are legally restricted to expenditures for specific purposes. Following is a description of the County's nonmajor special revenue funds:

Real Estate Assessment Fund: To account for state mandated county-wide real estate reappraisals that are funded by charges to the County's political subdivisions.

Motor Vehicle and Gasoline Tax Fund: To account for revenues derived from the sale of motor vehicle licenses, and gasoline taxes. Expenditures are restricted by state law to county road and bridge repair/improvement programs.

Emergency Medical Services Fund: To account for emergency medical care financed by a county-wide sales tax.

Emergency Telephone System Fund: To account for a property tax levy used for emergency telephone assistance.

Child Support Enforcement Agency Fund (CSEA): To account for poundage fees on child support payments and other local, state, and federal revenues used to administer the County Child Support Enforcement Agency.

Zoo Operating Fund: To account for a property tax levy. Monies are distributed to the Toledo Zoological Society.

Senior Services Fund: To account for a property tax levy used for senior services.

Workforce Development Fund: To account for revenues and expenditures associated with the Workforce Investment Act of 1998.

Community Development Grant Fund: To account for grant revenues used for community development.

Economic Development Fund: To account for revenues and expenditures associated with county development.

Local Development Fund: To account for revenues and expenditures associated with local development.

Disaster Services - Emergency Management Association Fund: To account for state monies and local revenues used to operate the County emergency program.

Dog and Kennel Fund: To account for the dog warden's operation that is financed by sales of dog tags and kennel permits, and fine collections.

Hotel Lodging Tax Fund: To account for monies collected and distributed related to the "County Bed Tax".

Domestic Violence Fund: To account for monies collected for marriage licenses.

Indigent Guardianship Fund: To account for court fees charged according to Section 2101.16(B) of the Ohio Revised Code. These monies are used for attorney fees, evaluations, and investigation expenditures related to indigent individuals.

Domestic Relations Court Specials Fund: To account for monies collected for special projects.

Coroner Laboratory Fund: To account for revenues received and expenses associated with the laboratory.

Toxicology Laboratory Fund: To account for revenues received and expenses associated with the laboratory.

LUCAS COUNTY, OHIO

Nonmajor Special Revenue Funds (continued)

Sheriff Policing Fund: To account for contract fees collected for services which include patrols and dispatching.

Concealed Handgun Fund: To account for fees collected and expenses for the concealed handgun program.

Delinquent Real Estate Tax Collection Fund: To account for all fees collected for delinquent real estate taxes, personal property taxes, and manufactured home taxes for the purpose of collecting delinquent real estate taxes.

T.I.P.P. Fund: To account for revenues and expenses associated with the tax installment payment plan.

Community MR/RES Services Fund: To account for grant revenue of ODMH and HUD and all related expenses for providing rental housing to qualified clients.

Building Regulation Fund: To account for fee revenues for permits and inspections.

Certificate Title Administration Fund: To account for fees collected by the Clerk of Courts. These monies are used for costs associated with the processing of titles

Juvenile Treatment Center Fund: To account for state monies used for the treatment and rehabilitation of juvenile offenders.

Correction Treatment Facility Fund: To account for state monies used for the operating treatment facility.

Common Pleas Mediation Fund: To account for fee revenues and expenditures for mediation services.

Other Special Revenue Funds – smaller special revenue funds operated by the County and subsidized in part by local, state, and federal funds as well as miscellaneous sources. These funds are listed as follows:

Drug Enforcement	MV Enforcement and Education
Indigent Driver Treatment	Communication System
Tax Certificate Admin.-Treasurer	Recorder Equipment
Juvenile Indigent Driver Treatment	Juvenile Felony Delinquency Care
Probation Services	Felony Diversion Program Fund
Local Emergency Planning Fund	Administration of Justice
Foreclosure Magistrate Program	Other Special Revenue Fund

Nonmajor Capital Projects Funds

Capital Projects funds are established to account for financial resources used for the construction or acquisition of major capital facilities (other than those financed by proprietary funds). The following is the Capital fund which Lucas County operates:

Permanent Zoo Improvements Fund: To account for a property tax levy used for renovation and construction of buildings, facilities and infrastructure for the Toledo Zoo.

LUCAS COUNTY, OHIO

*Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2008*

	<u>Real Estate Assessment</u>	<u>Motor Vehicle and Gas Tax</u>	<u>Emergency Medical Service</u>	<u>Emergency Telephone Service</u>	<u>Child Support Enforcement Agency</u>
ASSETS:					
Equity In Pooled Cash and Investments	\$ 2,763,280	\$ 6,050,340	\$ 385,967	\$ 13,271,381	\$ 334,988
Materials and Supplies Inventory	-	993,072	-	-	-
Accounts Receivable	4	7,816	-	-	135,810
Interfund Receivable	-	-	-	-	-
Intergovernmental Receivable	-	5,312,639	-	327,210	8,480
Property Taxes Receivable	-	-	-	5,563,508	-
Loans Receivable	-	-	-	-	-
TOTAL ASSETS	<u>\$ 2,763,284</u>	<u>\$ 12,363,867</u>	<u>\$ 385,967</u>	<u>\$ 19,162,099</u>	<u>\$ 479,278</u>
LIABILITIES:					
Accounts Payable	\$ 45,230	\$ 2,190,197	\$ 68,843	\$ 67,402	\$ 13,963
Accrued Wages & Benefits Payable	69,047	151,914	40,706	15,681	209,721
Due to Other Funds	2,809	1,087	22,698	641	11,995
Intergovernmental Payable	31,870	69,631	5,699	7,446	103,349
Unearned Revenue	-	-	-	5,450,535	-
Deferred Revenue	-	3,541,759	-	577,537	-
TOTAL LIABILITIES	<u>148,956</u>	<u>5,954,588</u>	<u>137,946</u>	<u>6,119,242</u>	<u>339,028</u>
FUND BALANCES:					
Reserved For Encumbrances	191,011	1,178,152	49,068	469,546	28,069
Reserved For Inventory	-	993,072	-	-	-
Unreserved:					
Undesignated (Deficit)	<u>2,423,317</u>	<u>4,238,055</u>	<u>198,953</u>	<u>12,573,311</u>	<u>112,181</u>
TOTAL FUND BALANCES (DEFICIT)	<u>2,614,328</u>	<u>6,409,279</u>	<u>248,021</u>	<u>13,042,857</u>	<u>140,250</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,763,284</u>	<u>\$ 12,363,867</u>	<u>\$ 385,967</u>	<u>\$ 19,162,099</u>	<u>\$ 479,278</u>

<u>Zoo Operating</u>	<u>Senior Services</u>	<u>Workforce Development</u>	<u>Community Development Grant</u>	<u>Economic Development</u>	<u>Local Development</u>	<u>Disaster Services EMA</u>
\$ 473,228	\$ 368,609	\$ 77,326	\$ 4,990,191	\$ 378,612	\$ 181,247	\$ 188,819
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
397,326	209,605	-	111,984	-	-	35,722
6,354,505	3,896,676	-	-	-	-	-
-	-	-	2,674	-	-	-
<u>\$ 7,225,059</u>	<u>\$ 4,474,890</u>	<u>\$ 77,326</u>	<u>\$ 5,104,849</u>	<u>\$ 378,612</u>	<u>\$ 181,247</u>	<u>\$ 224,541</u>
\$ -	\$ -	\$ 937,133	\$ 383,763	\$ 540	\$ -	\$ 2,240
-	-	33,279	15,580	3,404	-	6,935
-	-	758	4,982	115	-	540
-	-	16,348	7,102	1,131	-	3,466
6,217,322	3,824,000	-	-	-	-	-
701,296	370,301	-	-	-	-	-
<u>6,918,618</u>	<u>4,194,301</u>	<u>987,518</u>	<u>411,427</u>	<u>5,190</u>	<u>-</u>	<u>13,181</u>
-	-	928,667	904,437	9,979	-	11,844
-	-	-	-	-	-	-
<u>306,441</u>	<u>280,589</u>	<u>(1,838,859)</u>	<u>3,788,985</u>	<u>363,443</u>	<u>181,247</u>	<u>199,516</u>
<u>306,441</u>	<u>280,589</u>	<u>(910,192)</u>	<u>4,693,422</u>	<u>373,422</u>	<u>181,247</u>	<u>211,360</u>
<u>\$ 7,225,059</u>	<u>\$ 4,474,890</u>	<u>\$ 77,326</u>	<u>\$ 5,104,849</u>	<u>\$ 378,612</u>	<u>\$ 181,247</u>	<u>\$ 224,541</u>

CONTINUED

LUCAS COUNTY, OHIO

*Combining Balance Sheet
Nonmajor Governmental Funds (continued)
December 31, 2008*

	<u>Dog & Kennel</u>	<u>Hotel Lodging Tax</u>	<u>Domestic Violence</u>	<u>Indigent Guardianship</u>	<u>Domestic Relations Court Specials</u>
ASSETS:					
Equity In Pooled Cash and Investments	\$ 575,679	\$ 828,333	\$ 61,839	\$ 133,545	\$ 32,751
Materials and Supplies Inventory	-	-	-	-	-
Accounts Receivable	4,984	483,138	8,221	4,600	7,440
Interfund Receivable	-	-	-	-	-
Intergovernmental Receivable	-	-	-	-	-
Property Taxes Receivable	-	-	-	-	-
Loans Receivable	-	-	-	-	-
TOTAL ASSETS	\$ 580,663	\$ 1,311,471	\$ 70,060	\$ 138,145	\$ 40,191
 LIABILITIES:					
Accounts Payable	\$ 40,742	\$ -	\$ 22,767	\$ 6,046	\$ 12,523
Accrued Wages & Benefits Payable	31,036	-	-	-	-
Due to Other Funds	2,737	-	-	-	-
Intergovernmental Payable	13,638	-	-	-	-
Unearned Revenue	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
TOTAL LIABILITIES	88,153	-	22,767	6,046	12,523
 FUND BALANCES:					
Reserved For Encumbrances	432	-	-	275	4,334
Reserved For Inventory	-	-	-	-	-
Unreserved:					
Undesignated (Deficit)	492,078	1,311,471	47,293	131,824	23,334
TOTAL FUND BALANCES (DEFICIT)	492,510	1,311,471	47,293	132,099	27,668
 TOTAL LIABILITIES AND FUND BALANCES	\$ 580,663	\$ 1,311,471	\$ 70,060	\$ 138,145	\$ 40,191

<u>Coroner Laboratory</u>	<u>Toxicology Lab</u>	<u>MV Enforcement and Education</u>	<u>Indigent Driver Treatment</u>	<u>Sheriff Policing</u>	<u>Concealed Handgun</u>	<u>Communication System</u>
\$ 151,496	\$ 20,894	\$ 56,032	\$ 514,003	\$ -	\$ 101,902	\$ 226,135
-	-	-	-	-	-	-
-	-	162	4,706	-	-	-
-	-	-	-	-	7,272	-
-	-	-	-	152,499	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 151,496</u>	<u>\$ 20,894</u>	<u>\$ 56,194</u>	<u>\$ 518,709</u>	<u>\$ 152,499</u>	<u>\$ 109,174</u>	<u>\$ 226,135</u>

\$ 24,483	\$ 4,976	\$ -	\$ -	\$ -	\$ 4,692	\$ 14,251
-	7,778	-	-	19,122	-	5,766
2,287	118	-	-	-	-	902
-	3,864	-	-	10,906	-	3,040
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>26,770</u>	<u>16,736</u>	<u>-</u>	<u>-</u>	<u>30,028</u>	<u>4,692</u>	<u>23,959</u>

292	6,570	-	-	-	-	2,802
-	-	-	-	-	-	-
<u>124,434</u>	<u>(2,412)</u>	<u>56,194</u>	<u>518,709</u>	<u>122,471</u>	<u>104,482</u>	<u>199,374</u>
<u>124,726</u>	<u>4,158</u>	<u>56,194</u>	<u>518,709</u>	<u>122,471</u>	<u>104,482</u>	<u>202,176</u>
<u>\$ 151,496</u>	<u>\$ 20,894</u>	<u>\$ 56,194</u>	<u>\$ 518,709</u>	<u>\$ 152,499</u>	<u>\$ 109,174</u>	<u>\$ 226,135</u>

CONTINUED

LUCAS COUNTY, OHIO

*Combining Balance Sheet
Nonmajor Governmental Funds (continued)
December 31, 2008*

	DETAC Fund	Tax Cert. Admin Treasurer	T.I.P.P.	Community MR/RES Services	Building Regulation
ASSETS:					
Equity In Pooled Cash and Investments	\$ 1,789,477	\$ 790,024	\$ 230,999	\$ 229,728	\$ 122,665
Materials and Supplies Inventory	-	-	-	-	-
Accounts Receivable	3,954	-	-	-	45,684
Interfund Receivable	-	-	-	-	-
Intergovernmental Receivable	-	-	-	-	-
Property Taxes Receivable	-	-	-	-	-
Loans Receivable	-	-	-	-	-
TOTAL ASSETS	\$ 1,793,431	\$ 790,024	\$ 230,999	\$ 229,728	\$ 168,349
LIABILITIES:					
Accounts Payable	\$ 62,196	\$ 1,141	\$ 1,417	\$ 828,862	\$ 9,955
Accrued Wages & Benefits Payable	33,797	6,923	-	-	26,223
Due to Other Funds	777	-	9	-	1,315
Intergovernmental Payable	15,990	3,413	-	-	13,589
Unearned Revenue	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
TOTAL LIABILITIES	112,760	11,477	1,426	828,862	51,082
FUND BALANCES:					
Reserved For Encumbrances	84,694	2,229	4,567	45,982	34,398
Reserved For Inventory	-	-	-	-	-
Unreserved:					
Undesignated (Deficit)	1,595,977	776,318	225,006	(645,116)	82,869
TOTAL FUND BALANCES (DEFICIT)	1,680,671	778,547	229,573	(599,134)	117,267
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,793,431	\$ 790,024	\$ 230,999	\$ 229,728	\$ 168,349

<u>Certificate Title Administration</u>	<u>Recorder Equipment</u>	<u>Juvenile Treatment Center</u>	<u>Juvenile Felony Delq Care</u>	<u>Juv Indigent Driver Treatment</u>	<u>Felony Diversion Program</u>	<u>Correction Treatment Facility</u>
\$ 440,494	\$ 1,060,502	\$ 97,645	\$ 4,972,712	\$ 5,541	\$ 34,446	\$ 478,111
-	-	-	-	-	-	-
98,931	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	65,006	146,201	-	241,746	881,067
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 539,425</u>	<u>\$ 1,060,502</u>	<u>\$ 162,651</u>	<u>\$ 5,118,913</u>	<u>\$ 5,541</u>	<u>\$ 276,192</u>	<u>\$ 1,359,178</u>

\$ 14,448	\$ -	\$ 2,031	\$ 221,962	\$ -	\$ 28,082	\$ 56,768
40,507	-	59,205	17,996	-	18,784	76,104
1,871	-	1,734	423	-	423	1,650
16,459	-	26,336	8,938	-	8,328	33,452
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>73,285</u>	<u>-</u>	<u>89,306</u>	<u>249,319</u>	<u>-</u>	<u>55,617</u>	<u>167,974</u>

9,477	3,610	749	911,871	-	13,628	30,697
-	-	-	-	-	-	-
<u>456,663</u>	<u>1,056,892</u>	<u>72,596</u>	<u>3,957,723</u>	<u>5,541</u>	<u>206,947</u>	<u>1,160,507</u>
<u>466,140</u>	<u>1,060,502</u>	<u>73,345</u>	<u>4,869,594</u>	<u>5,541</u>	<u>220,575</u>	<u>1,191,204</u>
<u>\$ 539,425</u>	<u>\$ 1,060,502</u>	<u>\$ 162,651</u>	<u>\$ 5,118,913</u>	<u>\$ 5,541</u>	<u>\$ 276,192</u>	<u>\$ 1,359,178</u>

CONTINUED

LUCAS COUNTY, OHIO

*Combining Balance Sheet
Nonmajor Governmental Funds (continued)
December 31, 2008*

	Common Pleas Mediation	Admin of Justice	Probation Services	Foreclosure Magistrate Program
<u>ASSETS:</u>				
Equity In Pooled Cash and Investments	\$ 267,149	\$ 10,529	\$ 691,681	\$ 45,059
Materials and Supplies Inventory	-	-	-	-
Accounts Receivable	13,520	-	-	-
Interfund Receivable	-	-	-	-
Intergovernmental Receivable	-	-	-	-
Property Taxes Receivable	-	-	-	-
Loans Receivable	-	-	-	-
TOTAL ASSETS	\$ 280,669	\$ 10,529	\$ 691,681	\$ 45,059
 <u>LIABILITIES:</u>				
Accounts Payable	\$ 89	\$ -	\$ 13,462	\$ 38
Accrued Wages & Benefits Payable	2,387	-	1,363	2,892
Due to Other Funds	84	-	-	184
Intergovernmental Payable	1,162	-	668	1,356
Unearned Revenue	-	-	-	-
Deferred Revenue	-	-	-	-
TOTAL LIABILITIES	3,722	-	15,493	4,470
 <u>FUND BALANCES:</u>				
Reserved For Encumbrances	208	51	106,250	3,243
Reserved For Inventory	-	-	-	-
Unreserved:				
Undesignated	276,739	10,478	569,938	37,346
TOTAL FUND BALANCES (DEFICIT)	276,947	10,529	676,188	40,589
 TOTAL LIABILITIES AND FUND BALANCES	\$ 280,669	\$ 10,529	\$ 691,681	\$ 45,059

<u>Other Special Revenue Fund</u>	<u>Total All Special Revenue</u>	<u>Zoo Capital Improvement</u>	<u>TOTAL</u>
\$ 7,369,064	\$ 50,802,423	\$ 556,830	\$ 51,359,253
-	993,072	-	993,072
5,000	823,970	-	823,970
-	7,272	-	7,272
-	7,889,485	467,443	8,356,928
-	15,814,689	8,525,256	24,339,945
-	2,674	-	2,674
<u>\$ 7,374,064</u>	<u>\$ 76,333,585</u>	<u>\$ 9,549,529</u>	<u>\$ 85,883,114</u>

\$ 6,054	\$ 5,086,296	\$ -	5,086,296
-	896,150	-	896,150
-	60,139	-	60,139
-	407,181	-	407,181
-	15,491,857	8,361,000	23,852,857
-	5,190,893	827,918	6,018,811
<u>6,054</u>	<u>27,132,516</u>	<u>9,188,918</u>	<u>36,321,434</u>

-	5,037,132	70,330	5,107,462
-	993,072	-	993,072
<u>7,368,010</u>	<u>43,170,865</u>	<u>290,281</u>	<u>43,461,146</u>
<u>7,368,010</u>	<u>49,201,069</u>	<u>360,611</u>	<u>49,561,680</u>
<u>\$ 7,374,064</u>	<u>\$ 76,333,585</u>	<u>\$ 9,549,529</u>	<u>\$ 85,883,114</u>

LUCAS COUNTY, OHIO

*Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2008*

	Real Estate Assessment	Motor Vehicle and Gas Tax	Emergency Medical Service	Emergency Telephone Service	Child Support Enforcement Agency
REVENUES:					
Property Taxes	\$ -	\$ -	\$ -	\$ 4,963,989	\$ -
Charges For Services	4,504,622	447,922	-	-	1,741,594
Fines & Forfeitures	-	47,273	-	-	-
Intergovernmental	128,819	17,321,441	-	1,178,319	9,189,118
Special Assessments	-	-	-	-	-
Interest	-	109,115	-	-	-
Other	10,440	273,899	26,980	811,344	45,570
Total Revenues	4,643,881	18,199,650	26,980	6,953,652	10,976,282
EXPENDITURES:					
Current:					
General Government:					
Legislative & Executive	3,531,706	-	-	-	-
Judicial	-	-	-	-	11,972,810
Public Safety	-	-	9,789,703	5,892,330	-
Public Works	-	16,339,405	-	-	-
Health	-	-	-	-	-
Human Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Conservation and Recreation	-	-	-	-	-
Total Expenditures	3,531,706	16,339,405	9,789,703	5,892,330	11,972,810
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,112,175	1,860,245	(9,762,723)	1,061,322	(996,528)
OTHER FINANCING SOURCES (USES):					
Proceeds of Loans	-	210,348	-	-	-
Advances In	-	-	-	-	-
Transfers In	-	-	9,450,000	-	708,711
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	210,348	9,450,000	-	708,711
Net Change in Fund Balance	1,112,175	2,070,593	(312,723)	1,061,322	(287,817)
Fund Balances (Deficits), January 1	1,502,153	4,338,686	560,744	11,981,535	428,067
Fund Balances (Deficits), December 31, 2008	\$ 2,614,328	\$ 6,409,279	\$ 248,021	\$ 13,042,857	\$ 140,250

<u>Zoo Operating</u>	<u>Senior Services</u>	<u>Workforce Development</u>	<u>Community Development Grant</u>	<u>Economic Development</u>	<u>Local Development</u>	<u>Disaster Services EMA</u>	<u>Dog & Kennel</u>
\$ 6,033,417	\$ 3,183,036	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	1,196,992	-	-	-	1,630,849
-	-	-	-	-	-	-	86,621
1,352,000	740,289	6,892,131	4,501,057	-	-	148,106	-
-	-	-	-	-	-	-	184,833
-	-	-	-	-	-	-	-
-	-	21,207	1,251,021	3,000	353,504	149,175	3,347
<u>7,385,417</u>	<u>3,923,325</u>	<u>6,913,338</u>	<u>6,949,070</u>	<u>3,000</u>	<u>353,504</u>	<u>297,281</u>	<u>1,905,650</u>
-	-	-	484,957	406,028	185,197	-	-
-	-	-	822,706	-	-	-	-
-	-	-	619,750	-	-	426,768	-
-	-	-	54,620	-	-	-	-
-	-	-	-	-	-	-	1,627,755
-	3,687,297	7,082,147	1,979,320	-	-	-	-
-	-	-	-	-	-	-	-
7,164,240	-	-	51,682	-	-	-	-
<u>7,164,240</u>	<u>3,687,297</u>	<u>7,082,147</u>	<u>4,013,035</u>	<u>406,028</u>	<u>185,197</u>	<u>426,768</u>	<u>1,627,755</u>
221,177	236,028	(168,809)	2,936,035	(403,028)	168,307	(129,487)	277,895
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	100,000	100,000	-	168,132	-
-	-	-	-	-	-	-	-
-	-	-	100,000	100,000	-	168,132	-
221,177	236,028	(168,809)	3,036,035	(303,028)	168,307	38,645	277,895
85,264	44,561	(741,383)	1,657,387	676,450	12,940	172,715	214,615
<u>\$ 306,441</u>	<u>\$ 280,589</u>	<u>\$ (910,192)</u>	<u>\$ 4,693,422</u>	<u>\$ 373,422</u>	<u>\$ 181,247</u>	<u>\$ 211,360</u>	<u>\$ 492,510</u>

CONTINUED

LUCAS COUNTY, OHIO

*Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (continued)
For the Year Ended December 31, 2008*

	Hotel Lodging Tax	Domestic Violence	Indigent Guardianship	Domestic Relations Court Specials	Coroner Laboratory	Toxicology Lab
REVENUES:						
Property Taxes	\$ 6,393,238	\$ -	\$ -	\$ -	\$ -	\$ -
Charges For Services	-	127,023	12,155	58,830	588,945	440,914
Fines & Forfeitures	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Other	697,566	-	61,094	-	-	-
Total Revenues	7,090,804	127,023	73,249	58,830	588,945	440,914
EXPENDITURES:						
Current:						
General Government:						
Legislative & Executive	4,097,348	-	-	-	-	-
Judicial	-	-	41,840	31,162	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Health	-	155,937	-	-	491,211	502,978
Human Services	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Conservation and Recreation	-	-	-	-	-	-
Total Expenditures	4,097,348	155,937	41,840	31,162	491,211	502,978
EXCESS OF REVENUES OVER EXPENDITURES	2,993,456	(28,914)	31,409	27,668	97,734	(62,064)
OTHER FINANCING SOURCES (USES):						
Proceeds of Loans	-	-	-	-	-	-
Advances In	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	(936)	-
Total Other Financing Sources (Uses)	-	-	-	-	(936)	-
Net Change in Fund Balance	2,993,456	(28,914)	31,409	27,668	96,798	(62,064)
Fund Balances (Deficits), January 1	(1,681,985)	76,207	100,690	-	27,928	66,222
Fund Balances (Deficits), December 31, 2008	\$ 1,311,471	\$ 47,293	\$ 132,099	\$ 27,668	\$ 124,726	\$ 4,158

<u>Drug Enforcement</u>	<u>MV Enforcement and Education</u>	<u>Indigent Driver Treatment</u>	<u>Sheriff Policing</u>	<u>Concealed Handgun</u>	<u>Communication System</u>	<u>DETAC Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	162	4,706	-	86,334	-	1,885,567
-	3,236	56,918	-	-	-	-
-	-	-	72,753	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	753,217	-	501,922	503,924
-	3,398	61,624	825,970	86,334	501,922	2,389,491
-	-	-	-	-	-	2,010,755
-	-	-	-	-	-	-
12,516	-	-	839,951	47,300	471,579	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
12,516	-	-	839,951	47,300	471,579	2,010,755
(12,516)	3,398	61,624	(13,981)	39,034	30,343	378,736
-	-	-	-	-	-	-
-	-	-	153,793	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	(3,160)
-	-	-	153,793	-	-	(3,160)
(12,516)	3,398	61,624	139,812	39,034	30,343	375,576
12,516	52,796	457,085	(17,341)	65,448	171,833	1,305,095
<u>\$ -</u>	<u>\$ 56,194</u>	<u>\$ 518,709</u>	<u>\$ 122,471</u>	<u>\$ 104,482</u>	<u>\$ 202,176</u>	<u>\$ 1,680,671</u>

CONTINUED

LUCAS COUNTY, OHIO

*Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (continued)
For the Year Ended December 31, 2008*

	Tax Cert. Admin Treasurer	T.I.P.P.	Community MR/RES Services	Building Regulation	Certificate Title Administration
REVENUES:					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Charges For Services	183,365	-	-	783,936	1,491,921
Fines & Forfeitures	-	-	-	-	-
Intergovernmental	-	-	8,750,000	-	-
Special Assessments	-	-	-	-	-
Interest	-	45,019	-	-	-
Other	-	-	-	45,684	-
Total Revenues	183,365	45,019	8,750,000	829,620	1,491,921
EXPENDITURES:					
Current:					
General Government:					
Legislative & Executive	323,268	61,798	-	1,545,437	-
Judicial	-	-	-	-	1,692,657
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Health	-	-	9,311,893	-	-
Human Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Conservation and Recreation	-	-	-	-	-
Total Expenditures	323,268	61,798	9,311,893	1,545,437	1,692,657
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(139,903)	(16,779)	(561,893)	(715,817)	(200,736)
OTHER FINANCING SOURCES (USES):					
Proceeds of Loans	-	-	-	-	-
Advances In	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balance	(139,903)	(16,779)	(561,893)	(715,817)	(200,736)
Fund Balances (Deficits), January 1	918,450	246,352	(37,241)	833,084	666,876
Fund Balances (Deficits), December 31, 2008	\$ 778,547	\$ 229,573	\$ (599,134)	\$ 117,267	\$ 466,140

<u>Recorder Equipment</u>	<u>Juvenile Treatment Center</u>	<u>Juvenile Felony Delq Care</u>	<u>Juv Indigent Driver Treatment</u>	<u>Felony Diversion Program</u>	<u>Correction Treatment Facility</u>	<u>Common Pleas Mediation</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
237,492	-	-	-	-	-	156,420
-	-	-	324	-	-	-
-	2,733,640	2,481,605	-	1,215,875	4,417,584	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	195,059	-	-	-	-
<u>237,492</u>	<u>2,733,640</u>	<u>2,676,664</u>	<u>324</u>	<u>1,215,875</u>	<u>4,417,584</u>	<u>156,420</u>
104,984	-	-	-	-	-	-
-	-	-	-	-	-	115,551
-	2,740,493	3,383,837	-	1,025,668	3,552,124	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>104,984</u>	<u>2,740,493</u>	<u>3,383,837</u>	<u>-</u>	<u>1,025,668</u>	<u>3,552,124</u>	<u>115,551</u>
132,508	(6,853)	(707,173)	324	190,207	865,460	40,869
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>132,508</u>	<u>(6,853)</u>	<u>(707,173)</u>	<u>324</u>	<u>190,207</u>	<u>865,460</u>	<u>40,869</u>
<u>927,994</u>	<u>80,198</u>	<u>5,576,767</u>	<u>5,217</u>	<u>30,368</u>	<u>325,744</u>	<u>236,078</u>
<u>\$ 1,060,502</u>	<u>\$ 73,345</u>	<u>\$ 4,869,594</u>	<u>\$ 5,541</u>	<u>\$ 220,575</u>	<u>\$ 1,191,204</u>	<u>\$ 276,947</u>

CONTINUED

LUCAS COUNTY, OHIO

*Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (continued)
For the Year Ended December 31, 2008*

	Admin of Justice	Probation Services	Foreclosure Magistrate Program	Other Special Revenue Fund	Emergency Planning
REVENUES:					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Charges For Services	-	252,533	-	4,154,575	-
Fines & Forfeitures	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Special Assessments	-	-	-	-	-
Interest	-	-	-	-	-
Other	832	-	100,000	-	-
Total Revenues	832	252,533	100,000	4,154,575	-
EXPENDITURES:					
Current:					
General Government:					
Legislative & Executive	-	-	-	6,054	-
Judicial	1,614	233,683	59,411	-	-
Public Safety	-	-	-	-	15,722
Public Works	-	-	-	-	-
Health	-	-	-	-	-
Human Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Conservation and Recreation	-	-	-	-	-
Total Expenditures	1,614	233,683	59,411	6,054	15,722
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(782)	18,850	40,589	4,148,521	(15,722)
OTHER FINANCING SOURCES (USES):					
Proceeds of Loans	-	-	-	-	-
Advances In	-	-	-	-	-
Transfers In	-	-	-	450,000	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	450,000	-
Net Change in Fund Balance	(782)	18,850	40,589	4,598,521	(15,722)
Fund Balances (Deficits), January 1	11,311	657,338	-	2,769,489	15,722
Fund Balances (Deficits), December 31, 2008	\$ 10,529	\$ 676,188	\$ 40,589	\$ 7,368,010	\$ -

CONTINUED

Combined Miscellaneous Trusts	Total All Special Revenue	Zoo Capital Improvement	TOTAL Nonmajor funds
\$ -	\$ 20,573,680	7,084,458	\$ 27,658,138
-	19,986,857	-	19,986,857
-	194,372	-	194,372
-	61,122,737	1,616,012	62,738,749
-	184,833	-	184,833
-	154,134	-	154,134
-	5,808,785	-	5,808,785
-	108,025,398	8,700,470	116,725,868
-	12,757,532	-	12,757,532
6,639,198	21,610,632	-	21,610,632
-	28,817,741	-	28,817,741
-	16,394,025	-	16,394,025
-	12,089,774	-	12,089,774
-	12,748,764	-	12,748,764
-	-	8,438,719	8,438,719
-	7,215,922	-	7,215,922
6,639,198	111,634,390	8,438,719	120,073,109
(6,639,198)	(3,608,992)	261,751	(3,347,241)
-	210,348	-	210,348
-	153,793	-	153,793
-	10,976,843	-	10,976,843
-	(4,096)	-	(4,096)
-	11,336,888	-	11,336,888
(6,639,198)	7,727,896	261,751	7,989,647
6,639,198	41,473,173	98,860	41,572,033
\$ -	\$ 49,201,069	\$ 360,611	\$ 49,561,680

Green Elements Garner LEED Points



The main entrance to the arena at the intersection of Huron and Jefferson streets.

In addition to the arena's close proximity to mass transit, the principal architect listed other green elements which are incorporated into the structure. These include the light-colored roof membrane that reflects sunlight, and underground cisterns collecting rainwater to re-use for landscaping around the facility; examples of green elements used to gain LEED (Leadership in Energy and Environmental Design program) points.

Two Toledo-based companies — Pilkington, a glass maker, and Owens Corning — are principally involved in the green effort and are contributing materials to help get the arena LEED certified.

Source: Don Muret, Sports Business Journal, June 23, 2008, p. 15.

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Real Estate Assessment
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 4,550,000	\$ 4,504,622	\$ (45,378)
Intergovernmental	-	128,819	128,819
Other	50,000	10,436	(39,564)
Total Revenues	4,600,000	4,643,877	43,877
EXPENDITURES:			
Current:			
General Government:			
<i>Legislative and Executive</i>			
Personal Services	3,277,270	3,100,269	177,001
Materials and Supplies	40,000	26,216	13,784
Charges and Services	838,477	485,679	352,798
Other Expenditures	150,000	71,605	78,395
Capital Outlays and Equipment	400,000	45,063	354,937
<i>Total legislative and executive</i>	4,705,747	3,728,832	976,915
Total Expenditures	4,705,747	3,728,832	976,915
 Net Change in Fund Balance	 (105,747)	 915,045	 1,020,792
 Fund Balance, January 1	 1,410,943	 1,410,943	 -
Prior year encumbrances appropriated	211,671	211,671	-
Fund Balance, December 31	\$ 1,516,867	\$ 2,537,659	\$ 1,020,792

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Motor Vehicle and Gas Tax
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance: Favorable (Unfavorable)
<u>REVENUES:</u>			
Charges for Services	\$ 120,000	\$ 440,106	\$ 320,106
Fines and Forfeitures	55,000	47,273	(7,727)
Intergovernmental	15,833,552	17,269,776	1,436,224
Investment Income	200,000	109,115	(90,885)
Other	125,000	273,899	148,899
Total Revenues	16,333,552	18,140,169	1,806,617
<u>EXPENDITURES:</u>			
Current:			
General Government:			
<i>Public Works</i>			
Personal Services	5,816,083	5,521,997	294,086
Materials and Supplies	1,596,386	1,340,625	255,761
Charges and Services	8,396,432	9,886,824	(1,490,392)
Other Expenditures	23,913	22,865	1,048
Capital Outlays and Equipment	322,942	47,059	275,883
<i>Total public works</i>	16,155,756	16,819,370	(663,614)
Total Expenditures	16,155,756	16,819,370	(663,614)
Excess of Revenues Over Expenditures	177,796	1,320,799	1,143,003
<u>OTHER FINANCING SOURCES (USES):</u>			
Proceeds of OPWC Loans	460,000	210,348	(249,652)
Total Other Sources (Uses)	460,000	210,348	(249,652)
Net Change in Fund Balance	637,796	1,531,147	893,351
Fund Balance, January 1	1,030,469	1,030,469	-
Prior year encumbrances appropriated	1,819,662	1,819,662	-
Fund Balance, December 31	\$ 3,487,927	\$ 4,381,278	\$ 893,351

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Emergency Medical Services
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Other	\$ 461,219	\$ 26,980	\$ (434,239)
Total Revenues	461,219	26,980	(434,239)
EXPENDITURES:			
Current:			
<i>Public Safety</i>			
Personal Services	1,581,692	1,510,691	71,001
Materials and Supplies	973,167	881,063	92,104
Charges and Services	8,352,687	8,086,665	266,022
Other Expenditures	21,417	14,995	6,422
Capital Outlays and Equipment	9,434	2,135	7,299
<i>Total public safety</i>	10,938,397	10,495,549	442,848
Total Expenditures	10,938,397	10,495,549	442,848
Excess of Revenues (Under) Expenditures	(10,477,178)	(10,468,569)	8,609
OTHER FINANCING SOURCES (USES):			
Transfers - In	9,802,362	9,450,000	(352,362)
Total Other Financing Sources	9,802,362	9,450,000	(352,362)
Net Change in Fund Balance	(674,816)	(1,018,569)	(343,753)
Fund Balance, January 1	136,615	136,615	-
Prior year encumbrances appropriated	1,158,144	1,158,144	-
Fund Balance, December 31	\$ 619,943	\$ 276,190	\$ (343,753)

LUCAS COUNTY, OHIO

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Emergency Telephone
For the Year Ended December 31, 2008

	Final Budget	Actual	Variance: Favorable (Unfavorable)
REVENUES:			
Taxes	\$ 5,700,888	\$ 5,033,439	\$ (667,449)
Charges for Services	1,000,000	-	(1,000,000)
Intergovernmental	566,800	1,178,319	611,519
Other	-	811,344	811,344
Total Revenues	7,267,688	7,023,102	(244,586)
EXPENDITURES:			
Current:			
<i>Public Safety</i>			
Personal Services	923,850	705,339	218,511
Materials and Supplies	25,053	24,049	1,004
Charges and Services	6,874,854	1,983,392	4,891,462
Other Expenditures	7,950,872	3,553,641	4,397,231
Capital Outlays and Equipment	159,135	91,237	67,898
<i>Total public safety</i>	15,933,764	6,357,658	9,576,106
Total Expenditures	15,933,764	6,357,658	9,576,106
Net Change in Fund Balance	(8,666,076)	665,444	9,331,520
Fund Balance, January 1	9,245,715	9,245,715	-
Prior year encumbrances appropriated	2,708,099	2,708,099	-
Fund Balance, December 31	\$ 3,287,738	\$ 12,619,258	\$ 9,331,520

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Child Support Enforcement Agency
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 1,591,350	\$ 1,607,462	\$ 16,112
Intergovernmental	9,969,194	9,315,493	(653,701)
Other	778,711	45,537	(733,174)
Total Revenues	12,339,255	10,968,492	(1,370,763)
EXPENDITURES:			
Current:			
General Government:			
<i>Judicial</i>			
Personal Services	10,062,659	9,615,034	447,625
Materials and Supplies	1,377,668	1,172,572	205,096
Charges and Services	700,217	654,532	45,685
Other Expenditures	569,469	424,567	144,902
Capital Outlays and Equipment	30,000	3,527	26,473
<i>Total judicial</i>	12,740,013	11,870,232	869,781
Total Expenditures	12,740,013	11,870,232	869,781
Excess of Revenues			
(Under) Expenditures	(400,758)	(901,740)	(500,982)
OTHER FINANCING SOURCES (USES):			
Transfers - In	708,711	708,711	-
Total Other Sources (Uses)	708,711	708,711	-
Net Change in Fund Balance	307,953	(193,029)	(500,982)
Fund Balance, January 1	198,340	198,340	-
Prior year encumbrances appropriated	300,594	300,594	-
Fund Balance, December 31	\$ 806,887	\$ 305,905	\$ (500,982)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Zoo Operating
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
<u>REVENUES:</u>			
Taxes	\$ 7,085,688	\$ 6,117,749	\$ (967,939)
Intergovernmental	648,970	1,352,000	703,030
Other	220	-	(220)
Total Revenues	7,734,878	7,469,749	(265,129)
<u>EXPENDITURES:</u>			
Current:			
General Government:			
<i>Conservation and Recreation</i>			
Charges and Services	7,612,845	7,053,110	559,735
Other Expenditures	122,033	111,130	10,903
<i>Total conservation and recreation</i>	7,734,878	7,164,240	570,638
Total Expenditures	7,734,878	7,164,240	570,638
Net Change in Fund Balance	-	305,509	305,509
Fund Balance, January 1	932	932	-
Prior year encumbrances appropriated	-	-	-
Fund Balance, December 31	\$ 932	\$ 306,441	\$ 305,509

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Senior Services
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
<u>REVENUES:</u>			
Taxes	\$ 3,861,426	\$ 3,227,599	\$ (633,827)
Intergovernmental	359,037	740,289	381,252
Total Revenues	4,220,463	3,967,888	(252,575)
<u>EXPENDITURES:</u>			
Current:			
<i>Human Services</i>			
Charges and Services	4,167,397	4,167,397	-
Other Expenditures	53,066	53,066	-
<i>Total human services</i>	4,220,463	4,220,463	-
Total Expenditures	4,220,463	4,220,463	-
Net Change in Fund Balance	-	(252,575)	(252,575)
Fund Balance, January 1	533,166	533,166	-
Prior year encumbrances appropriated	-	-	-
Fund Balance, December 31	\$ 533,166	\$ 280,591	\$ (252,575)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Workforce Development
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Intergovernmental	\$ 10,580,480	\$ 6,892,131	\$ (3,688,349)
Other	10,000	21,207	11,207
Total Revenues	10,590,480	6,913,338	(3,677,142)
EXPENDITURES:			
Current:			
<i>Human Services</i>			
Personal Services	1,425,805	1,409,030	16,775
Materials and Supplies	55,927	47,951	7,976
Charges and Services	8,046,194	6,970,952	1,075,242
Other Expenditures	10,130	10,080	50
Capital Outlays and Equipment	30,782	7,486	23,296
<i>Total human services</i>	9,568,838	8,445,499	1,123,339
Total Expenditures	9,568,838	8,445,499	1,123,339
 Net Change in Fund Balance	 1,021,642	 (1,532,161)	 (2,553,803)
 Fund Balance (deficit), January 1	 (3,412,208)	 (3,412,208)	 -
Prior year encumbrances appropriated	3,398,725	3,398,725	-
Fund Balance (deficit), December 31	\$ 1,008,159	\$ (1,545,644)	\$ (2,553,803)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Community Development Grant
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance: Favorable (Unfavorable)
REVENUES:			
Charges for Services	\$ -	\$ 1,203,850	\$ 1,203,850
Intergovernmental	-	5,090,007	5,090,007
Other	26,500,000	1,273,687	(25,226,313)
Total Revenues	26,500,000	7,567,544	(18,932,456)
EXPENDITURES:			
Current:			
General Government:			
<i>Legislative and Executive</i>			
Charges and Services	398,832	398,832	-
Other Expenditures	187,394	187,394	-
Capital Outlays and Equipment	203,759	203,759	-
<i>Total legislative and executive</i>	<i>789,985</i>	<i>789,985</i>	<i>-</i>
<i>Judicial</i>			
Personal Services	86,594	86,594	-
Materials and Supplies	32,509	32,509	-
Charges and Services	1,005,966	1,005,966	-
Other Expenditures	17,577	17,577	-
Capital Outlays and Equipment	106,000	106,000	-
<i>Total judicial</i>	<i>1,248,646</i>	<i>1,248,646</i>	<i>-</i>
<i>Public Safety</i>			
Personal Services	121,511	121,511	-
Materials and Supplies	5,536	5,536	-
Charges and Services	211,774	211,774	-
Other Expenditures	52,976	52,976	-
Capital Outlays and Equipment	386,800	386,800	-
<i>Total public safety</i>	<i>778,597</i>	<i>778,597</i>	<i>-</i>
<i>Public Works</i>			
Charges and Services	54,620	54,620	-
<i>Total public works</i>	<i>54,620</i>	<i>54,620</i>	<i>-</i>
<i>Human Services</i>			
Personal Services	502,540	502,540	-
Materials and Supplies	8,849	8,849	-
Charges and Services	986,744	986,744	-
Other Expenditures	561,677	561,677	-
Capital Outlays and Equipment	24,649	24,649	-
<i>Total human services</i>	<i>2,084,459</i>	<i>2,084,459</i>	<i>-</i>

continued

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Community Development Grant
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance: Favorable (Unfavorable)
<u>EXPENDITURES:</u> continued			
Current:			
General Government:			
<i>Conservation and Recreation</i>			
Charges and Services	50,081	50,081	-
Capital Outlays and Equipment	4,016	4,016	-
<i>Total conservation and recreation</i>	54,097	54,097	-
Total Expenditures	5,010,404	5,010,404	-
Excess of Revenues Over Expenditures	21,489,596	2,557,140	(18,932,456)
<u>OTHER FINANCING SOURCES (USES):</u>			
Transfers - In	-	100,000	100,000
Total Other Financing Sources (Uses)	-	100,000	100,000
Net Change in Fund Balance	21,489,596	2,657,140	(18,832,456)
Fund Balance, January 1	329,870	329,870	-
Prior year encumbrances appropriated	792,320	792,320	-
Fund Balance, December 31	\$ 22,611,786	\$ 3,779,330	\$ (18,832,456)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Economic Development
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
<u>REVENUES:</u>			
Other	\$ -	\$ 3,000	\$ 3,000
Total Revenues	-	3,000	3,000
<u>EXPENDITURES:</u>			
Current:			
General Government:			
<i>Legislative and Executive</i>			
Personal Services	82,871	82,717	154
Materials and Supplies	6,543	5,307	1,236
Charges and Services	36,092	35,801	291
Other Expenditures	280,962	289,691	(8,729)
<i>Total legislative and executive</i>	406,468	413,516	(7,048)
Total Expenditures	406,468	413,516	(7,048)
Excess of Revenues (Under)			
Expenditures	(406,468)	(410,516)	(4,048)
<u>OTHER FINANCING SOURCES (USES):</u>			
Transfers - In	100,000	100,000	-
Total Other Sources (Uses)	100,000	100,000	-
Net Change in Fund Balance	(306,468)	(310,516)	(4,048)
Fund Balance, January 1	668,674	668,674	-
Prior year encumbrances appropriated	9,972	9,972	-
Fund Balance, December 31	\$ 372,178	\$ 368,130	\$ (4,048)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Local Development
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Other	\$ 500,000	\$ 353,504	\$ (146,496)
Total Revenues	500,000	353,504	(146,496)
 EXPENDITURES:			
Current:			
General Government:			
<i>Legislative and Executive</i>			
Charges and Services	512,939	185,197	327,742
<i>Total legislative and executive</i>	512,939	185,197	327,742
 Total Expenditures	 512,939	 185,197	 327,742
 Net Change in Fund Balance	 (12,939)	 168,307	 181,246
Fund Balance, January 1	12,940	12,940	-
Prior year encumbrances appropriated	-	-	-
Fund Balance, December 31	\$ 1	\$ 181,247	\$ 181,246

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Emergency Management Association
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Intergovernmental	\$ 129,922	\$ 112,384	\$ (17,538)
Other	184,132	149,175	(34,957)
Total Revenues	314,054	261,559	(52,495)
EXPENDITURES:			
Current:			
General Government:			
Public Safety			
Personal Services	339,532	324,246	15,286
Materials and Supplies	6,875	5,480	1,395
Charges and Services	49,525	30,807	18,718
Other Expenditures	88,000	69,429	18,571
Capital Outlays and Equipment	11,500	4,561	6,939
<i>Total public safety</i>	495,432	434,523	60,909
Total Expenditures	495,432	434,523	60,909
Excess of Revenues			
(Under) Expenditures	(181,378)	(172,964)	8,414
OTHER FINANCING SOURCES (USES):			
Transfers - In	168,132	168,132	0
Total Other Sources (Uses)	168,132	168,132	0
Net Change in Fund Balance	(13,246)	(4,832)	8,414
Fund Balance, January 1	178,637	178,637	0
Prior year encumbrances appropriated	3,038	3,038	0
Fund Balance, December 31	\$ 168,429	\$ 176,843	\$ 8,414

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Dog and Kennel
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance: Favorable (Unfavorable)
REVENUES:			
Charges for Services	\$ 1,522,000	\$ 1,629,212	\$ 107,212
Fines and Forfeitures	65,000	86,621	21,621
Other	155,000	184,833	29,833
Total Revenues	1,742,000	1,900,666	158,666
EXPENDITURES:			
Current:			
General Government:			
<i>Health</i>			
Personal Services	1,336,722	1,328,940	7,782
Materials and Supplies	164,066	157,158	6,908
Charges and Services	131,649	115,769	15,880
Other Expenditures	33,414	26,550	6,864
Capital Outlays and Equipment	6,371	5,358	1,013
<i>Total health</i>	1,672,222	1,633,775	38,447
Total Expenditures	1,672,222	1,633,775	38,447
Net Change in Fund Balance	69,778	266,891	197,113
Fund Balance, January 1	254,835	254,835	-
Prior year encumbrances appropriated	28,765	28,765	-
Fund Balance, December 31	\$ 353,378	\$ 550,491	\$ 197,113

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Hotel Lodging Tax
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Taxes	\$ 6,070,000	\$ 6,393,238	\$ 323,238
Other	-	214,428	214,428
Total Revenues	6,070,000	6,607,666	537,666
EXPENDITURES:			
Current:			
General Government:			
<i>Legislative and Executive</i>			
Charges and Services	4,910,000	4,719,488	190,512
<i>Total legislative and executive</i>	4,910,000	4,719,488	190,512
Total Expenditures	4,910,000	4,719,488	190,512
Net Change in Fund Balance	1,160,000	1,888,178	728,178
Fund Balance (deficit), January 1	(1,059,845)	(1,059,845)	-
Prior year encumbrances appropriated	-	-	-
Fund Balance, December 31	\$ 100,155	\$ 828,333	\$ 728,178

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Domestic Violence Prevention
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 175,000	\$ 118,802	\$ (56,198)
Total Revenues	175,000	118,802	(56,198)
EXPENDITURES:			
Current:			
<i>Health</i>			
Other Expenditures	175,000	133,170	41,830
<i>Total health</i>	175,000	133,170	41,830
Total Expenditures	175,000	133,170	41,830
Net Change in Fund Balance	-	(14,368)	(14,368)
Fund Balance, January 1	76,207	76,207	-
Prior year encumbrances appropriated	-	-	-
Fund Balance, December 31	\$ 76,207	\$ 61,839	\$ (14,368)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Indigent Guardianship
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
<u>REVENUES:</u>			
Charges for Services	\$ -	\$ 12,155	\$ 12,155
Other	62,500	56,494	(6,006)
Total Revenues	62,500	68,649	6,149
<u>EXPENDITURES:</u>			
Current:			
General Government:			
<i>Judicial</i>			
Other Expenditures	63,880	40,360	23,520
<i>Total judicial</i>	63,880	40,360	23,520
 Total Expenditures	 63,880	 40,360	 23,520
 Net Change in Fund Balance	 (1,380)	 28,289	 29,669
Fund Balance, January 1	102,701	102,701	-
Prior year encumbrances appropriated	1,530	1,530	-
Fund Balance, December 31	\$ 102,851	\$ 132,520	\$ 29,669

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Domestic Relations Court Specials
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 30,000	\$ 51,390	\$ 21,390
Total Revenues	30,000	51,390	21,390
EXPENDITURES:			
Current:			
General Government:			
<i>Judicial</i>			
Other Expenditures	30,000	27,306	2,694
<i>Total judicial</i>	30,000	27,306	2,694
Total Expenditures	30,000	27,306	2,694
Net Change in Fund Balance	-	24,084	24,084
Fund Balance, January 1	-	-	-
Prior year encumbrances appropriated	-	-	-
Fund Balance, December 31	\$ -	\$ 24,084	\$ 24,084

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Coroner Laboratory
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 525,000	\$ 588,945	\$ 63,945
Total Revenues	525,000	588,945	63,945
EXPENDITURES:			
Current:			
<i>Health</i>			
Materials and Supplies	48,991	49,259	(268)
Charges and Services	477,740	464,340	13,400
Other Expenditures	15,741	15,720	21
Capital Outlays and Equipment	17,284	16,213	1,071
<i>Total health</i>	559,756	545,532	14,224
Total Expenditures	559,756	545,532	14,224
Net Change in Fund Balance	(34,756)	43,413	78,169
Fund Balance, January 1	52,738	52,738	-
Prior year encumbrances appropriated	35,238	35,238	-
Fund Balance, December 31	\$ 53,220	\$ 131,389	\$ 78,169

LUCAS COUNTY, OHIO

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Toxicology Lab
For the Year Ended December 31, 2008

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 480,000	\$ 440,914	\$ (39,086)
Total Revenues	480,000	440,914	(39,086)
EXPENDITURES:			
Current:			
<i>Health</i>			
Personal Services	370,811	327,383	43,428
Materials and Supplies	67,691	69,171	(1,480)
Charges and Services	96,035	89,388	6,647
Other Expenditures	5,476	5,476	-
Capital Outlays and Equipment	20,159	19,914	245
<i>Total health</i>	560,172	511,332	48,840
Total Expenditures	560,172	511,332	48,840
Net Change in Fund Balance	(80,172)	(70,418)	9,754
Fund Balance, January 1	77,294	77,294	-
Prior year encumbrances appropriated	4,457	4,457	-
Fund Balance, December 31	\$ 1,579	\$ 11,333	\$ 9,754

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Law Enforcement Drug Fund
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Total Revenues	\$ -	\$ -	\$ -
EXPENDITURES:			
Current:			
<i>Public Safety</i>			
Other	12,516	12,516	-
Total public safety	12,516	12,516	-
Total Expenditures	12,516	12,516	-
Net Change in Fund Balance	(12,516)	(12,516)	-
Fund Balance, January 1	12,516	12,516	-
Prior year encumbrances appropriated	-	-	-
Fund Balance, December 31	\$ -	\$ -	\$ -

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
MV Enforcement and Education
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Fines and Forfeitures	\$ 5,000	\$ 3,236	\$ (1,764)
Total Revenues	5,000	3,236	(1,764)
EXPENDITURES:			
Current:			
General Government:			
<i>Judicial</i>			
Other	5,000	-	5,000
<i>Total judicial</i>	5,000	-	5,000
Total Expenditures	5,000	-	5,000
Net Change in Fund Balance	-	3,236	3,236
Fund Balance, January 1	52,796	52,796	-
Prior year encumbrances appropriated	-	-	-
Fund Balance, December 31	\$ 52,796	\$ 56,032	\$ 3,236

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Indigent Driver Treatment
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
<u>REVENUES:</u>			
Fines and Forfeitures	\$ 60,000	\$ 56,918	\$ (3,082)
Total Revenues	60,000	56,918	(3,082)
 <u>EXPENDITURES:</u>			
Current:			
General Government:			
<i>Judicial</i>			
Charges and Services	60,000	-	60,000
<i>Total judicial</i>	60,000	-	60,000
Total Expenditures	60,000	-	60,000
 Net Change in Fund Balance	 -	 56,918	 56,918
Fund Balance, January 1	457,085	457,085	-
Prior year encumbrances appropriated	-	-	-
Fund Balance, December 31	\$ 457,085	\$ 514,003	\$ 56,918

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Sheriff Policing
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Other	\$ 912,013	\$ 753,217	\$ (158,796)
Total Revenues	912,013	753,217	(158,796)
EXPENDITURES:			
Current:			
<i>Public Safety</i>			
Personal Services	846,920	841,918	5,002
<i>Total public safety</i>	846,920	841,918	5,002
Total Expenditures	846,920	841,918	5,002
Excess of Revenues (Under) Expenditures	65,093	(88,701)	(153,794)
OTHER FINANCING SOURCES (USES):			
Advances - In	-	153,793	153,793
Total Other Sources (Uses)	-	153,793	153,793
Net Change in Fund Balance	65,093	65,092	(1)
Fund Balance (deficit), January 1	(65,092)	(65,092)	-
Prior year encumbrances appropriated	-	-	-
Fund Balance, December 31	\$ 1	\$ -	\$ (1)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Concealed Handgun
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 22,000	\$ 79,062	\$ 57,062
Total Revenues	22,000	79,062	57,062
EXPENDITURES:			
Current:			
<i>Public Safety</i>			
Other Expenditures	60,000	44,508	15,492
<i>Total public safety</i>	60,000	44,508	15,492
Total Expenditures	60,000	44,508	15,492
Net Change in Fund Balance	(38,000)	34,554	72,554
Fund Balance, January 1	67,348	67,348	-
Prior year encumbrances appropriated	-	-	-
Fund Balance, December 31	\$ 29,348	\$ 101,902	\$ 72,554

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Countywide Communication System
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Other	\$ 700,073	\$ 501,922	\$ (198,151)
Total Revenues	700,073	501,922	(198,151)
EXPENDITURES:			
Current:			
<i>Public Safety</i>			
Personal Services	198,997	189,342	9,655
Materials and Supplies	13,500	7,573	5,927
Charges and Services	453,876	264,107	189,769
Other Expenditures	7,500	4,417	3,083
Capital Outlays and Equipment	30,000	561	29,439
<i>Total public safety</i>	703,873	466,000	237,873
Total Expenditures	703,873	466,000	237,873
Net Change in Fund Balance	(3,800)	35,922	39,722
Fund Balance, January 1	166,952	166,952	-
Prior year encumbrances appropriated	9,312	9,312	-
Fund Balance, December 31	\$ 172,464	\$ 212,186	\$ 39,722

LUCAS COUNTY, OHIO

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
DETAC - Treasurer / Prosecutor
For the Year Ended December 31, 2008

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 1,575,000	\$ 1,888,734	\$ 313,734
Other	550,000	499,970	(50,030)
Total Revenues	2,125,000	2,388,704	263,704
EXPENDITURES:			
Current:			
General Government:			
<i>Legislative and Executive</i>			
Personal Services	1,567,961	1,520,640	47,321
Materials and Supplies	55,890	32,477	23,413
Charges and Services	392,659	250,281	142,378
Other Expenditures	277,995	270,445	7,550
Capital Outlays and Equipment	13,000	15,381	(2,381)
<i>Total legislative and executive</i>	2,307,505	2,089,224	218,281
Total Expenditures	2,307,505	2,089,224	218,281
 Net Change in Fund Balance	 (182,505)	 299,480	 481,985
Fund Balance, January 1	1,247,572	1,247,572	-
Prior year encumbrances appropriated	151,771	151,771	-
Fund Balance, December 31	\$ 1,216,838	\$ 1,698,823	\$ 481,985

LUCAS COUNTY, OHIO

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Tax Certificate Admin. - Treasurer / Prosecutor
For the Year Ended December 31, 2008

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 310,000	\$ 183,365	\$ (126,635)
Total Revenues	310,000	183,365	(126,635)
 EXPENDITURES:			
Current:			
General Government:			
<i>Legislative and Executive</i>			
Personal Services	417,014	300,592	116,422
Materials and Supplies	7,290	6,323	967
Charges and Services	19,700	6,291	13,409
Other Expenditures	4,042	3,480	562
Capital Outlays and Equipment	8,200	7,149	1,051
<i>Total legislative and executive</i>	456,246	323,835	132,411
Total Expenditures	456,246	323,835	132,411
Net Change in Fund Balance	(146,246)	(140,470)	5,776
Fund Balance, January 1	925,136	925,136	-
Prior year encumbrances appropriated	1,988	1,988	-
Fund Balance, December 31	\$ 780,878	\$ 786,654	\$ 5,776

LUCAS COUNTY, OHIO

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
T.I.P.P.
For the Year Ended December 31, 2008

	Final Budget	Actual	Variance With Final Budget Over (Under)
-			
REVENUES:			
Investment Income	\$ 65,000	\$ 45,019	\$ (19,981)
Total Revenues	65,000	45,019	(19,981)
EXPENDITURES:			
Current:			
General Government:			
<i>Legislative and Executive</i>			
Personal Services	50,000	50,000	-
Materials and Supplies	6,500	5,698	802
Charges and Services	24,726	14,250	10,476
Other Expenditures	2,125	375	1,750
Capital Outlays and Equipment	1,800	1,699	101
<i>Total legislative and executive</i>	85,151	72,022	13,129
Total Expenditures	85,151	72,022	13,129
Net Change in Fund Balance	(20,151)	(27,003)	(6,852)
Fund Balance, January 1	239,332	239,332	-
Prior year encumbrances appropriated	12,686	12,686	-
Fund Balance, December 31	\$ 231,867	\$ 225,015	\$ (6,852)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Community MR/RES Services
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Intergovernmental	\$ 12,226,520	\$ 8,750,000	\$ (3,476,520)
Total Revenues	12,226,520	8,750,000	(3,476,520)
EXPENDITURES:			
Current:			
Health			
Charges and Services	12,226,520	8,657,688	3,568,832
<i>Total health</i>	12,226,520	8,657,688	3,568,832
Total Expenditures	12,226,520	8,657,688	3,568,832
Net Change in Fund Balance	-	92,312	92,312
Fund Balance, January 1	56,947	56,947	-
Prior year encumbrances appropriated	34,485	34,485	-
Fund Balance, December 31	\$ 91,432	\$ 183,744	\$ 92,312

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Building Regulation
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 1,000,000	\$ 958,371	\$ (41,629)
Total Revenues	1,000,000	958,371	(41,629)
 EXPENDITURES:			
Current:			
General Government:			
<i>Legislative and Executive</i>			
Personal Services	1,270,547	1,267,849	2,698
Materials and Supplies	61,101	50,047	11,054
Charges and Services	142,888	140,252	2,636
Other Expenditures	130,700	106,788	23,912
Capital Outlays and Equipment	2,300	1,005	1,295
<i>Total legislative and executive</i>	1,607,536	1,565,941	41,595
Total Expenditures	1,607,536	1,565,941	41,595
Net Change in Fund Balance	(607,536)	(607,570)	(34)
Fund Balance, January 1	663,903	663,903	-
Prior year encumbrances appropriated	29,826	29,826	-
Fund Balance, December 31	\$ 86,193	\$ 86,159	\$ (34)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Certificate Title Administration
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 1,658,000	\$ 1,490,106	\$ (167,894)
Total Revenues	1,658,000	1,490,106	(167,894)
EXPENDITURES:			
Current:			
General Government:			
<i>Judicial</i>			
Personal Services	1,508,290	1,468,817	39,473
Materials and Supplies	79,295	51,723	27,572
Charges and Services	130,067	117,723	12,344
Other Expenditures	57,776	40,014	17,762
Capital Outlays and Equipment	13,027	10,304	2,723
<i>Total judicial</i>	1,788,455	1,688,581	99,874
Total Expenditures	1,788,455	1,688,581	99,874
Net Change in Fund Balance	(130,455)	(198,475)	(68,020)
Fund Balance, January 1	607,224	607,224	-
Prior year encumbrances appropriated	18,119	18,119	-
Fund Balance, December 31	\$ 494,888	\$ 426,868	\$ (68,020)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Recorder Equipment
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 360,000	\$ 236,613	\$ (123,387)
Other	-	1,963	1,963
Total Revenues	360,000	238,576	(121,424)
EXPENDITURES:			
Current:			
General Government:			
<i>Legislative and Executive</i>			
Materials and Supplies	36,279	16,089	20,190
Charges and Services	503,103	94,638	408,465
Capital Outlays and Equipment	26,635	2,987	23,648
<i>Total legislative and executive</i>	566,017	113,714	452,303
Total Expenditures	566,017	113,714	452,303
Net Change in Fund Balance	(206,017)	124,862	330,879
Fund Balance, January 1	921,183	921,183	-
Prior year encumbrances appropriated	10,847	10,847	-
Fund Balance, December 31	\$ 726,013	\$ 1,056,892	\$ 330,879

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Juvenile Treatment Center
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Intergovernmental	\$ 2,603,600	\$ 2,668,634	\$ 65,034
Total Revenues	2,603,600	2,668,634	65,034
EXPENDITURES:			
Current:			
<i>Public Safety</i>			
Personal Services	2,364,321	2,364,321	-
Materials and Supplies	189,017	189,017	-
Charges and Services	137,280	136,980	300
Other Expenditures	26,216	26,516	(300)
Capital Outlays and Equipment	1,324	1,324	-
<i>Total public safety</i>	2,718,158	2,718,158	-
Total Expenditures	2,718,158	2,718,158	-
Net Change in Fund Balance	(114,558)	(49,524)	65,034
Fund Balance, January 1	140,555	140,555	-
Prior year encumbrances appropriated	5,411	5,411	-
Fund Balance, December 31	\$ 31,408	\$ 96,442	\$ 65,034

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Juvenile Felony Delinquency Care
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Intergovernmental	\$ 3,091,294	\$ 2,562,611	\$ (528,683)
Other	-	195,059	195,059
Total Revenues	3,091,294	2,757,670	(333,624)
EXPENDITURES:			
Current:			
<i>Public Safety</i>			
Personal Services	758,586	758,586	-
Materials and Supplies	15,554	15,554	-
Charges and Services	3,738,059	3,738,059	-
Capital Outlays and Equipment	3,142	3,142	-
<i>Total public safety</i>	4,515,341	4,515,341	-
Total Expenditures	4,515,341	4,515,341	-
 Net Change in Fund Balance	 (1,424,047)	 (1,757,671)	 (333,624)
 Fund Balance, January 1	 4,502,130	 4,502,130	 -
Prior year encumbrances appropriated	1,131,175	1,131,175	-
Fund Balance, December 31	\$ 4,209,258	\$ 3,875,634	\$ (333,624)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Juvenile Indigent Driver Treatment
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Fines and Forfeitures	\$ 1,000	\$ 324	\$ (676)
Total Revenues	1,000	324	(676)
EXPENDITURES:			
Current:			
General Government:			
<i>Judicial</i>			
Other Expenditures	5,000	-	5,000
<i>Total judicial</i>	5,000	-	5,000
Total Expenditures	5,000	-	5,000
Net Change in Fund Balance	(4,000)	324	4,324
Fund Balance, January 1	5,217	5,217	-
Prior year encumbrances appropriated	-	-	-
Fund Balance, December 31	\$ 1,217	\$ 5,541	\$ 4,324

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Felony Diversion Program
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance: Favorable (Unfavorable)
REVENUES:			
Intergovernmental	\$ 995,564	\$ 974,129	\$ (21,435)
Total Revenues	995,564	974,129	(21,435)
 EXPENDITURES:			
Current:			
General Government:			
<i>Public Safety</i>			
Personal Services	780,427	780,427	-
Materials and Supplies	7,542	7,542	-
Charges and Services	208,443	209,030	(587)
Other Expenditures	18,413	31,454	(13,041)
Capital Outlays and Equipment	-	-	-
<i>Total public safety</i>	1,014,825	1,028,453	(13,628)
Total Expenditures	1,014,825	1,028,453	(13,628)
Net Change in Fund Balance	(19,261)	(54,324)	(35,063)
 Fund Balance, January 1			
Prior year encumbrances appropriated	61,816	61,816	-
Fund Balance, December 31	13,325	13,325	-
	\$ 55,880	\$ 20,817	\$ (35,063)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Correction Treatment Facility
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Intergovernmental	\$ 3,548,766	\$ 3,536,517	\$ (12,249)
Total Revenues	3,548,766	3,536,517	(12,249)
EXPENDITURES:			
Current:			
<i>Public Safety</i>			
Personal Services	2,949,066	2,949,066	-
Materials and Supplies	253,267	253,267	-
Charges and Services	307,342	307,342	-
Other Expenditures	9,400	9,400	-
Capital Outlays and Equipment	28,242	28,242	-
<i>Total public safety</i>	3,547,317	3,547,317	-
Total Expenditures	3,547,317	3,547,317	-
Net Change in Fund Balance	1,449	(10,800)	(12,249)
Fund Balance, January 1	305,619	305,619	-
Prior year encumbrances appropriated	134,991	134,991	-
Fund Balance, December 31	\$ 442,059	\$ 429,810	\$ (12,249)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Common Pleas Mediation
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 127,000	\$ 142,900	\$ 15,900
Total Revenues	127,000	142,900	15,900
 EXPENDITURES:			
Current:			
General Government:			
<i>Judicial</i>			
Personal Services	123,267	113,007	10,260
Materials and Supplies	2,175	789	1,386
Charges and Services	1,500	828	672
Other Expenditures	175	33	142
Capital Outlays and Equipment	3,555	-	3,555
<i>Total judicial</i>	130,672	114,657	16,015
Total Expenditures	130,672	114,657	16,015
Net Change in Fund Balance	(3,672)	28,243	31,915
Fund Balance, January 1	238,646	238,646	-
Prior year encumbrances appropriated	10	10	-
Fund Balance, December 31	\$ 234,984	\$ 266,899	\$ 31,915

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Administration of Justice
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Other	\$ 3,800	\$ 832	\$ (2,968)
Total Revenues	3,800	832	(2,968)
 EXPENDITURES:			
Current:			
<i>Judicial</i>			
Other Expenditures	2,500	1,875	625
<i>Total judicial</i>	2,500	1,875	625
 Total Expenditures	 2,500	 1,875	 625
 Net Change in Fund Balance	 1,300	 (1,043)	 (2,343)
Fund Balance, January 1	11,521	11,521	-
Prior year encumbrances appropriated	-	-	-
Fund Balance, December 31	\$ 12,821	\$ 10,478	\$ (2,343)

LUCAS COUNTY, OHIO

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Probation Services
For the Year Ended December 31, 2008

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 234,600	\$ 252,533	\$ 17,933
Total Revenues	234,600	252,533	17,933
 EXPENDITURES:			
Current:			
General Government:			
<i>Judicial</i>			
Personal Services	64,464	63,719	745
Charges and Services	94,357	120,835	(26,478)
Capital Outlays and Equipment	115,500	164,000	(48,500)
<i>Total judicial</i>	274,321	348,554	(74,233)
Total Expenditures	274,321	348,554	(74,233)
Net Change in Fund Balance	(39,721)	(96,021)	(56,300)
Fund Balance, January 1	447,002	447,002	-
Prior year encumbrances appropriated	224,188	224,188	-
Fund Balance, December 31	\$ 631,469	\$ 575,169	\$ (56,300)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Foreclosure Magistrate Program
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Other	\$ 100,000	\$ 100,000	\$ -
Total Revenues	100,000	100,000	-
EXPENDITURES:			
Current:			
General Government:			
<i>Judicial</i>			
Personal Services	67,126	45,323	21,803
Materials and Supplies	2,920	2,373	547
Charges and Services	1,789	1,059	730
Other Expenditures	500	458	42
Capital Outlays and Equipment	10,530	9,009	1,521
<i>Total judicial</i>	82,865	58,222	24,643
Total Expenditures	82,865	58,222	24,643
Net Change in Fund Balance	17,135	41,778	24,643
Fund Balance, January 1	-	-	-
Prior year encumbrances appropriated	-	-	-
Fund Balance, December 31	\$ 17,135	\$ 41,778	\$ 24,643

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Other Special Revenue
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
<u>REVENUES:</u>			
Total Revenues	\$ -	\$ -	\$ -
<u>EXPENDITURES:</u>			
Total Expenditures	-	-	-
<u>OTHER FINANCING SOURCES (USES):</u>			
Transfers - In	-	450,000	450,000
Total Other Sources (Uses)	-	450,000	450,000
Net Change in Fund Balance	-	450,000	450,000
Fund Balance, January 1	-	-	-
Prior year encumbrances appropriated	-	-	-
Fund Balance, December 31	\$ -	\$ 450,000	\$ 450,000

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Capital Improvements Fund
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Special Assessments	\$ -	\$ 2,946,149	\$ 2,946,149
Investment Income		1,309,319	1,309,319
Other	87,000,000	11,291,054	(75,708,946)
Total Revenues	87,000,000	15,546,522	(71,453,478)
EXPENDITURES:			
Current:			
General Government:			
<i>Miscellaneous</i>			
Capital Outlay	83,932,250	83,932,250	-
<i>Total miscellaneous</i>	83,932,250	83,932,250	-
<i>Debt Service</i>			
Principal retirement	9,094,287	9,094,287	-
Interest and fiscal charges	1,299,198	1,299,198	-
<i>Total debt service</i>	10,393,485	10,393,485	-
Total Expenditures	94,325,735	94,325,735	-
Excess of Revenues			
(Under) Expenditures	(7,325,735)	(78,779,213)	(71,453,478)
OTHER FINANCING SOURCES (USES):			
Advances - In	-	1,632,326	1,632,326
Proceeds of notes	-	78,257,354	78,257,354
Proceeds of bonds	-	1,039,253	(1,039,253)
Transfers - In	-	2,162,141	2,162,141
Total Other Sources (Uses)	-	83,091,074	83,091,074
Excess (deficiency) of revenues and			
Net Change in Fund Balance	(7,325,735)	4,311,861	11,637,596
Fund Balance, January 1	14,844,790	14,844,790	-
Prior year encumbrances appropriated	10,073,994	10,073,994	-
Fund Balance, December 31	\$ 17,593,049	\$ 29,230,645	\$ 11,637,596

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Zoo Capital Improvements
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
<u>REVENUES:</u>			
Taxes	\$ 8,465,971	\$ 7,183,673	\$ (1,282,298)
Intergovernmental	-	1,616,012	1,616,012
Total Revenues	8,465,971	8,799,685	333,714
 <u>EXPENDITURES:</u>			
Current:			
General Government:			
<i>Miscellaneous</i>			
Other	8,465,971	8,509,049	(43,078)
<i>Total miscellaneous</i>	8,465,971	8,509,049	(43,078)
Total Expenditures	8,465,971	8,509,049	(43,078)
 Net Change in Fund Balance	 -	 290,636	 290,636
 Fund Balance (deficit), January 1	 (70,050)	 (70,050)	 -
Prior year encumbrances appropriated	70,330	70,330	-
Fund Balance, December 31	\$ 280	\$ 290,916	\$ 290,636

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Bond Retirement Fund
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
<u>REVENUES:</u>			
Special Assessments	-	248,727	\$248,727
Other Revenue	12,292,854	1,710,233	(10,582,621)
Total Revenues	12,292,854	1,958,960	(10,333,894)
<u>EXPENDITURES:</u>			
Current:			
General Government:			
<i>Debt Service</i>			
Principle retirement	6,810,000	6,810,000	-
Miscellaneous	1,399	1,399	-
Interest and fiscal charge	2,929,716	2,929,716	-
<i>Total miscellaneous</i>	9,741,115	9,741,115	-
Total Expenditures	9,741,115	9,741,115	-
Excess of Revenues Over (Under) Expenditures	2,551,739	(7,782,155)	(10,333,894)
<u>OTHER FINANCING SOURCES (USES):</u>			
Proceeds of Bonds	-	2,876,772	2,876,772
Proceeds of Notes	-	7,700	7,700
Transfers - In	-	4,768,995	4,768,995
Total Other Sources (Uses)	-	7,653,467	7,653,467
Net Change in Fund Balance	2,551,739	(128,688)	(2,680,427)
Fund Balance, January 1	5,124,585	5,124,585	-
Prior year encumbrances appropriated	-	-	-
Fund Balance, December 31	\$7,676,324	\$4,995,897	(\$2,680,427)

LUCAS COUNTY, OHIO

Enterprise Funds – Fund Descriptions

Enterprise funds are established to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public be financed or recovered primarily through user charges. The following are the *Enterprise Funds* which Lucas County operates:

Sanitary Engineer Fund: To account for the administrative costs of operating water supply system, wastewater treatment system, and sewer system.

Storm Water Utility: To account for the administrative costs of storm water utility system.

Water Supply System Fund: To account for the distribution of treated water to individuals and commercial users of Lucas County.

Wastewater Treatment Fund: To account for the wastewater treatment services provided to the Sanitary Engineer, Cities of Maumee and Sylvania, Village of Waterville, Sylvania Township, and other portions of Lucas County and portions of Wood County.

Sewer System Fund: To account for the sanitary sewer services provided to individuals and commercial users in Lucas County and portions of Wood County.

Solid Waste Fund: To account for the administrative costs of county-wide solid waste disposal.

Parking Facilities Fund: To account for the operation of the parking facilities.

LUCAS COUNTY, OHIO

Combining Statement of Net Assets
Nonmajor Enterprise Funds
DECEMBER 31, 2008

	Sanitary Engineer	Stormwater Utility	Solid Waste	Parking Facilities	Total
<u>ASSETS:</u>					
Current Assets:					
Equity In Pooled Cash and Investments	\$ 1,438,234	\$ -	\$ 1,311,524	\$ 1,712,050	\$ 4,461,808
Receivables (net of allowance for uncollectibles):					
Accounts	1,882,048	-	269,251	42,858	2,194,157
Due from other funds	1,632,326	-	-	-	1,632,326
Total Current Assets	4,952,608	-	1,580,775	1,754,908	8,288,291
Noncurrent Assets:					
Capital Assets:					
Nondepreciable Capital Assets	153,244	-	340,091	-	493,335
Depreciable Capital Assets, Net Accumulated Depreciation	5,122,774 (3,118,688)	- -	2,007,873 (594,714)	- -	7,130,647 (3,713,402)
Total Noncurrent Assets	2,157,330	-	1,753,250	-	3,910,580
Total Assets	7,109,938	-	3,334,025	1,754,908	12,198,871
<u>LIABILITIES:</u>					
Current Liabilities:					
Accounts Payable	81,543	150,151	258,503	-	490,197
Wages Payable	92,175	-	22,144	-	114,319
Compensated Absences Payable	345,190	-	53,772	-	398,962
Due To Other Funds	3,287	99,754	610	-	103,651
Intergovernmental Payable	42,995	-	8,638	-	51,633
OWDA / OPWC Loans Payable	42,594	-	15,333	-	57,927
Total Current Liabilities	607,784	249,905	359,000	-	1,216,689
Long-Term Liabilities:					
Compensated Absences Payable	69,060	-	10,758	-	79,818
OPWC Loans Payable	888,104	-	1,050,513	-	1,938,617
Total Long-Term Liabilities	957,164	-	1,061,271	-	2,018,435
Total Liabilities	1,564,948	249,905	1,420,271	-	3,235,124
<u>NET ASSETS:</u>					
Invested in Capital Assets, Net of Related Debt	1,226,632	-	687,404	-	1,914,036
Unrestricted	4,318,358	(249,905)	1,226,350	1,754,908	7,049,711
Total Net Assets	\$ 5,544,990	\$ (249,905)	\$ 1,913,754	\$ 1,754,908	\$ 8,963,747

LUCAS COUNTY, OHIO

*Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Nonmajor Enterprise Funds
For the Year Ended December 31, 2008*

<u>OPERATING REVENUES:</u>	Sanitary Engineer	Stormwater Utility	Solid Waste	Parking Facilities	Total
Charges For Services	\$ 4,952,463	\$ -	\$ 1,632,946	\$ 316,661	\$ 6,902,070
Other	546,747	-	269,251	10,452	826,450
<i>Total Operating Revenue</i>	<u>5,499,210</u>	<u>-</u>	<u>1,902,197</u>	<u>327,113</u>	<u>7,728,520</u>
<u>OPERATING EXPENSES:</u>					
Personal Services	3,734,314	-	682,127	-	4,416,441
Contract Services	245,468	249,905	259,244	122,657	877,274
Materials and Supplies	536,283	-	182,597	18,550	737,430
Heat, Light and Power	28,267	-	-	-	28,267
Depreciation and Amortization	207,522	-	146,567	-	354,089
Other Operating Expenses	215,399	-	885,067	-	1,100,466
<i>Total Operating Expenses</i>	<u>4,967,253</u>	<u>249,905</u>	<u>2,155,602</u>	<u>141,207</u>	<u>7,513,967</u>
<i>Operating Income (Loss)</i>	531,957	(249,905)	(253,405)	185,906	214,553
<u>NON-OPERATING (EXPENSES):</u>					
Interest and Fiscal Charges	(59,393)	-	(29,096)	-	(88,489)
<i>Change in Net Assets</i>	472,564	(249,905)	(282,501)	185,906	126,064
<i>Net Assets, January 1</i>	<u>5,072,426</u>	<u>-</u>	<u>2,196,255</u>	<u>1,569,002</u>	<u>8,837,683</u>
<i>Net Assets, December 31</i>	<u>\$ 5,544,990</u>	<u>\$ (249,905)</u>	<u>\$ 1,913,754</u>	<u>\$ 1,754,908</u>	<u>\$ 8,963,747</u>

LUCAS COUNTY, OHIO

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2008

	Sanitary Engineer	Stormwater Utility	Solid Waste	Parking Facilities	Total
Cash flows from operating activities:					
Cash received from sales/service charges.....	\$ 5,473,552	\$ -	\$ 1,757,129	\$ 306,220	\$ 7,536,901
Cash payments to suppliers for services.....	(996,800)	(99,754)	(1,360,501)	(461,042)	(2,918,097)
Cash payments to employees.....	(3,704,594)	-	(668,013)	-	(4,372,607)
Cash payments received (issued) for advances.....	(1,632,326)	99,754	-	-	(1,532,572)
<i>Net Cash Provided (Used) by Operating Activities</i>	(860,168)	-	(271,385)	(154,822)	(1,286,375)
Cash flows from capital and related financing activities:					
Purchase of capital assets.....	-	-	(1,361,155)	-	(1,361,155)
Issuance of Debt.....	-	-	1,082,403	-	1,082,403
Principal retirement - debt.....	(82,831)	-	(16,557)	-	(99,388)
Interest and fiscal charges.....	(59,393)	-	(29,096)	-	(88,489)
<i>Net Cash Provided (Used) by Capital and Related Financing Activities</i>	(142,224)	-	(324,405)	-	(466,629)
Net decrease in cash and cash equivalents.....	(1,002,392)	-	(595,790)	(154,822)	(1,753,004)
Cash and cash equivalents, January 1.....	2,440,626	-	1,907,314	1,866,872	6,214,812
Cash and cash equivalents, December 31.....	1,438,234	-	1,311,524	1,712,050	4,461,808
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss).....	531,957	(249,905)	(253,405)	185,906	214,553
Adjustments to reconcile operating loss to net cash provided (used) in operating activities:					
Depreciation and amortization.....	207,522	-	146,567	-	354,089
Changes in assets and liabilities:					
Accounts receivable.....	(25,658)	-	(139,116)	(20,893)	(185,667)
Contracts payable.....	27,807	150,151	(39,598)	(319,835)	(181,475)
Accrued wages and benefits.....	39,191	-	9,667	-	48,858
Compensated absences payable.....	(13,809)	-	2,562	-	(11,247)
Due from/(to) other funds.....	(1,631,516)	99,754	53	-	(1,531,709)
Due to other governments.....	4,338	-	1,885	-	6,223
Net cash provided (used) by operating activities.....	\$ (860,168)	\$ -	\$ (271,385)	\$ (154,822)	\$ (1,286,375)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Water Supply System
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 230,000	\$ 69,248	\$ (160,752)
Other	1,460,000	1,423,220	(36,780)
Total Operating Revenues	1,690,000	1,492,468	(197,532)
EXPENSES:			
Material and Supplies	17,256	14,768	2,488
Contractual Services	1,325,236	1,293,346	31,890
Miscellaneous	90,000	-	90,000
Total Expenses	1,432,492	1,308,114	124,378
Operating income	257,508	184,354	(73,154)
NONOPERATING REVENUES (EXPENSES):			
Principal - OWDA	(384,000)	(383,292)	708
Interest & Fiscal Charges	(217,000)	(216,106)	894
Total nonoperating revenues (expenses)	(601,000)	(599,398)	1,602
Net loss	(343,492)	(415,044)	(71,552)
Fund Balance, January 1	1,733,918	1,733,918	-
Prior year encumbrances appropriated	136,354	136,354	-
Fund Balance, December 31	\$ 1,526,780	\$ 1,455,228	\$ (71,552)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Wastewater Treatment
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 2,813,865	\$ 2,861,735	\$ 47,870
Other	3,370,200	3,056,272	(313,928)
Total Operating Revenues	6,184,065	5,918,007	(266,058)
EXPENSES:			
Personal Services	1,604,887	1,475,148	129,739
Material and Supplies	487,531	490,407	(2,876)
Contractual Services	1,807,555	1,524,944	282,611
Miscellaneous	140,662	131,052	9,610
Capital Outlay and Equipment	76,265	55,342	20,923
Total Expenses	4,116,900	3,676,893	440,007
Operating income	2,067,165	2,241,114	173,949
NONOPERATING REVENUES (EXPENSES):			
Principal - OWDA	(1,341,508)	(1,290,812)	50,696
Interest & Fiscal Charges	(956,925)	(930,917)	26,008
Total nonoperating revenues (expenses)	(2,298,433)	(2,221,729)	76,704
Net Income (loss)	(231,268)	19,385	250,653
Fund Balance, January 1	5,007,502	5,007,502	-
Prior year encumbrances appropriated	492,785	492,785	-
Fund Balance, December 31	\$ 5,269,019	\$ 5,519,672	\$ 250,653

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Sewer System
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 450,000	\$ 183,738	\$ (266,262)
Other	1,305,000	1,294,242	(10,758)
Total Operating Revenues	1,755,000	1,477,980	(277,020)
EXPENSES:			
Material and Supplies	36,774	31,669	5,105
Contractual Services	1,436,187	1,285,898	150,289
Miscellaneous	271,500	218,257	53,243
Total Expenses	1,744,461	1,535,824	208,637
Operating income (loss)	10,539	(57,844)	(68,383)
NONOPERATING REVENUES (EXPENSES):			
Principal - OWDA	(262,000)	(312,131)	(50,131)
Interest & Fiscal Charges	(108,000)	(104,181)	3,819
Total nonoperating revenues (expenses)	(370,000)	(416,312)	(46,312)
Net (loss)	(359,461)	(474,156)	(114,695)
Fund Balance, January 1	3,527,502	3,527,502	-
Prior year encumbrances appropriated	113,967	113,967	-
Fund Balance, December 31	\$ 3,282,008	\$ 3,167,313	\$ (114,695)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Sanitary Engineer
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 100,000	\$ 43,205	\$ (56,795)
Other	5,436,000	5,430,347	(5,653)
Total Operating Revenues	5,536,000	5,473,552	(62,448)
EXPENSES:			
Personal Services	4,348,501	3,704,594	643,907
Material and Supplies	507,778	427,157	80,621
Contractual Services	349,741	261,407	88,334
Miscellaneous	250,000	215,859	34,141
Capital Outlay and Equipment	136,543	128,055	8,488
Total Expenses	5,592,563	4,737,072	855,491
Operating income (loss)	(56,563)	736,480	793,043
NONOPERATING REVENUES (EXPENSES):			
Advances Out	(1,632,326)	(1,632,326)	-
Principal - OWDA Loans	(83,000)	(82,831)	169
Interest & Fiscal Charges	(60,000)	(59,393)	607
Total nonoperating revenues (expenses)	(1,775,326)	(1,774,550)	776
Net income (loss)	(1,831,889)	(1,038,070)	793,819
Fund Balance, January 1	2,377,156	2,377,156	-
Prior year encumbrances appropriated	\$ 63,470	63,470	-
Fund Balance, December 31	\$ 608,737	\$ 1,402,556	\$ 793,819

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Stormwater Utility
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Other	\$ 650,000	\$ -	\$ (650,000)
Total Operating Revenues	650,000	-	(650,000)
EXPENSES:			
Contractual Services	650,000	547,966	102,034
Total Expenses	650,000	547,966	102,034
Operating loss	-	(547,966)	(547,966)
NONOPERATING REVENUES (EXPENSES):			
Advances In	-	99,754	99,754
Total nonoperating revenues (expenses)	-	99,754	99,754
Net loss	-	(448,212)	(448,212)
Fund Balance, January 1	-	-	-
Prior year encumbrances appropriated	-	-	-
Fund Balance, December 31	\$ -	\$ (448,212)	\$ (448,212)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Solid Waste
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 2,823,214	\$ 2,839,532	\$ 16,318
Total Operating Revenues	2,823,214	2,839,532	16,318
EXPENSES:			
Personal Services	677,168	668,013	9,155
Material and Supplies	212,253	185,911	26,342
Contractual Services	1,999,778	1,855,179	144,599
Miscellaneous	941,500	894,611	46,889
Capital Outlay and Equipment	149,078	147,485	1,593
Total Expenses	3,979,777	3,751,199	228,578
Operating income (loss)	(1,156,563)	(911,667)	244,896
NONOPERATING REVENUES (EXPENSES):			
Principal - OWDA	(16,556)	(16,556)	-
Interest & Fiscal Charges	(23,127)	(23,127)	-
Total nonoperating revenues (expenses)	(39,683)	(39,683)	-
Net income (loss)	(1,196,246)	(951,350)	244,896
Fund Balance, January 1	1,316,891	1,316,891	-
Prior year encumbrances appropriated	590,423	590,423	-
Fund Balance, December 31	\$ 711,068	\$ 955,964	\$ 244,896

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Parking Facility
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 350,000	\$ 295,768	\$ (54,232)
Other	-	10,452	10,452
Total Operating Revenues	350,000	306,220	(43,780)
EXPENSES:			
Material and Supplies	25,000	-	25,000
Contractual Services	684,753	443,009	241,744
Capital Outlay and Equipment	25,000	18,550	6,450
Total Expenses	734,753	461,559	273,194
Net income (loss)	(384,753)	(155,339)	229,414
Fund Balance, January 1	1,581,602	1,581,602	-
Prior year encumbrances appropriated	285,270	285,270	-
Fund Balance, December 31	\$ 1,482,119	\$ 1,711,533	\$ 229,414

Arena Renderings



*An artist's rendering of the downtown city scape
from the arena's club level outdoor terrace.*

LUCAS COUNTY, OHIO

Internal Service Funds – Fund Descriptions

Internal Service Funds account for the financing of goods or services provided by one department to other departments of the government unit, or to other governmental units and agencies on a cost reimbursement basis. The following are the *Internal Service Funds* which Lucas County operates:

Central Supplies Fund: To account for supplies, mailing and copying services provided to various county departments and other governmental units. Users are billed for costs incurred.

Vehicle Maintenance Fund: To account for vehicle maintenance services provided to various County departments and other governmental units. Users are billed for costs incurred.

Telecommunications Fund: To account for interdepartmental charges for the use of the telephone system. Users are billed for costs incurred.

Self-Funded Health Insurance Fund: To account for claims and administration of the health insurance program for covered County employees and eligible dependents. County departments are billed according to the employee's coverage selection.

Self-Funded Dental Insurance Fund: To account for claims and administration of the dental insurance program for covered County employees and eligible dependents. County departments are billed according to the employee's coverage selection.

Risk Retention Insurance Fund: To account for the claims and administration of liability insurance for county departments. The departments are billed based on the cost of the insurance policies.

Self-Funded Workers' Compensation Fund: To account for the claims and administration of workers' compensation for county departments. The departments are billed based on their portion of total covered payroll and usage of the program.

Self-Funded Prescription Drug Fund: To account for claims and administration of the prescription drug program for covered County employees and eligible dependents. County departments are billed according to the employee's coverage selection.

Centralized Drug Testing Fund: To account for drug testing charges incurred by the jail and other criminal justice system departments.

LUCAS COUNTY, OHIO

Combining Statement of Net Assets
Internal Service Funds
DECEMBER 31, 2008

	Central Supply	Vehicle Maintenance	Telecommu- nications	Self Funded Health Insurance
ASSETS:				
Current Assets:				
Equity In Pooled Cash and Investments	\$ -	\$ -	\$ 1,436,898	\$ 11,475,823
Receivables (net of allowance for uncollectibles):				
Accounts	2,984	3,871	106,828	2,355
Due from other funds	31,050	53,704	111,174	-
Materials & Supplies Inventory	20,068	19,573	-	-
Prepaid Items	75,195	-	-	-
Total Current Assets	129,297	77,148	1,654,900	11,478,178
Noncurrent Assets:				
Capital Assets:				
Nondepreciable Capital Assets	-	82,786	-	-
Depreciable Capital Assets, Net	121,534	184,877	838,621	34,817
Accumulated Depreciation	(102,786)	(171,450)	(833,600)	(29,507)
Total Noncurrent Assets	18,748	96,213	5,021	5,310
TOTAL ASSETS	148,045	173,361	1,659,921	11,483,488
LIABILITIES:				
Current Liabilities:				
Accounts Payable	84,597	46,083	18,222	802,149
Wages Payable	971	7,900	2,470	6,394
Compensated Absences Payable	354	31,422	3,011	20,637
Due To Other Funds	125,831	44,962	-	1,126
Intergovernmental Payable	477	3,872	1,282	3,133
Claims Payable - Current	-	-	-	4,473,100
Capital Lease Payable-short term	12,741	-	-	-
Total Current Liabilities	224,971	134,239	24,985	5,306,539
Long-Term Liabilities:				
Compensated Absences Payable	10	917	88	603
Claims Payable - Non-Current	-	-	-	-
Capital Lease Payable	1,328	-	-	-
Total Long-Term Liabilities	1,338	917	88	603
TOTAL LIABILITIES	226,309	135,156	25,073	5,307,142
NET ASSETS:				
Invested in Capital Assets, Net of Related Debt	4,679	96,213	5,021	5,310
Unrestricted	(82,943)	(58,008)	1,629,827	6,171,036
Total Net Assets	\$ (78,264)	\$ 38,205	\$ 1,634,848	\$ 6,176,346

<u>Self Funded Dental Insurance</u>	<u>Risk Retention Insurance</u>	<u>Self Funded Workers' Compensation</u>	<u>Self Funded Prescription Drugs</u>	<u>Centralized Drug Testing</u>	<u>Total</u>
\$ 3,031,309	\$ 8,774,829	\$ 12,837,515	\$ 4,005,093	\$ 435,063	\$ 41,996,530
250	-	-	771	-	117,059
-	-	-	-	-	195,928
-	-	-	-	-	39,641
-	-	-	-	-	75,195
<u>3,031,559</u>	<u>8,774,829</u>	<u>12,837,515</u>	<u>4,005,864</u>	<u>435,063</u>	<u>42,424,353</u>
-	-	-	-	-	82,786
-	-	-	-	-	1,179,849
-	-	-	-	-	(1,137,343)
-	-	-	-	-	125,292
<u>3,031,559</u>	<u>8,774,829</u>	<u>12,837,515</u>	<u>4,005,864</u>	<u>435,063</u>	<u>42,549,645</u>
176,750	53,017	2,187,745	152,586	6,760	3,527,909
-	1,540	1,540	-	8,410	29,225
-	3,883	9,665	-	40,702	109,674
-	89	70	-	192	172,270
-	755	775	-	4,077	14,371
233,700	-	919,344	666,900	-	6,293,044
-	-	-	-	-	12,741
<u>410,450</u>	<u>59,284</u>	<u>3,119,139</u>	<u>819,486</u>	<u>60,141</u>	<u>10,159,234</u>
-	113	282	-	1,189	3,202
-	-	4,169,725	-	-	4,169,725
-	-	-	-	-	1,328
-	113	4,170,007	-	1,189	4,174,255
<u>410,450</u>	<u>59,397</u>	<u>7,289,146</u>	<u>819,486</u>	<u>61,330</u>	<u>14,333,489</u>
-	-	-	-	-	111,223
2,621,109	8,715,432	5,548,369	3,186,378	373,733	28,104,933
<u>\$ 2,621,109</u>	<u>\$ 8,715,432</u>	<u>\$ 5,548,369</u>	<u>\$ 3,186,378</u>	<u>\$ 373,733</u>	<u>\$ 28,216,156</u>

LUCAS COUNTY, OHIO

*Combining Statement of Revenues, Expenses, and Changes in Net Assets
Internal Service Funds
For the Year Ended December 31, 2008*

<u>OPERATING REVENUES:</u>	<u>Central Supply</u>	<u>Vehicle Maintenance</u>	<u>Telecommu- nications</u>	<u>Self Funded Health Insurance</u>
Charges For Services	\$ 892,810	\$ 778,572	\$ 1,614,592	\$ 26,847,097
Other	-	708	-	-
<i>Total Operating Revenues</i>	<u>892,810</u>	<u>779,280</u>	<u>1,614,592</u>	<u>26,847,097</u>
<u>OPERATING EXPENSES:</u>				
Personal Services	80,794	348,360	110,836	260,101
Contract Services	164,723	98,636	1,219,471	1,220,486
Materials and Supplies	789,180	615,599	157	4,593
Depreciation and Amortization	11,731	2,464	386	3,540
Employee Medical Benefits	-	-	-	26,093,206
Other Operating Expenses	-	3,782	22,722	40,150
<i>Total Operating Expenses</i>	<u>1,046,428</u>	<u>1,068,841</u>	<u>1,353,572</u>	<u>27,622,076</u>
<i>OPERATING INCOME (LOSS)</i>	(153,618)	(289,561)	261,020	(774,979)
<i>Net Assets, January 1</i>	<u>75,354</u>	<u>327,766</u>	<u>1,373,828</u>	<u>6,951,325</u>
<i>Net Assets, December 31</i>	<u>\$ (78,264)</u>	<u>\$ 38,205</u>	<u>\$ 1,634,848</u>	<u>\$ 6,176,346</u>

<u>Self Funded Dental Insurance</u>	<u>Risk Retention Insurance</u>	<u>Self Funded Workers' Compensation</u>	<u>Self Funded Prescription Drugs</u>	<u>Centralized Drug Testing</u>	<u>Total</u>
\$ 2,369,416	\$ 2,120,582	\$ 3,689,604	\$ 7,499,966	\$ 540,324	\$ 46,352,963
-	-	-	-	-	708
<u>2,369,416</u>	<u>2,120,582</u>	<u>3,689,604</u>	<u>7,499,966</u>	<u>540,324</u>	<u>46,353,671</u>
-	103,982	82,200	-	378,609	1,364,882
2,140,215	3,200,343	70,842	232,077	29,552	8,376,345
-	13,715	777	-	252,748	1,676,769
-	-	-	-	-	18,121
171,058	6,424	2,635,466	6,544,439	-	35,450,593
-	-	1,547	-	1,080	69,281
<u>2,311,273</u>	<u>3,324,464</u>	<u>2,790,832</u>	<u>6,776,516</u>	<u>661,989</u>	<u>46,955,991</u>
58,143	(1,203,882)	898,772	723,450	(121,665)	(602,320)
<u>2,562,966</u>	<u>9,919,314</u>	<u>4,649,597</u>	<u>2,462,928</u>	<u>495,398</u>	<u>28,818,476</u>
<u>\$ 2,621,109</u>	<u>\$ 8,715,432</u>	<u>\$ 5,548,369</u>	<u>\$ 3,186,378</u>	<u>\$ 373,733</u>	<u>\$ 28,216,156</u>

LUCAS COUNTY, OHIO

*Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2008*

	<u>Central Supply</u>	<u>Vehicle Maintenance</u>	<u>Telecommu- nications</u>	<u>Self Funded Health Insurance</u>
Cash flows from operating activities:				
Cash received from sales/service charges.....	\$ 909,358	\$ 782,859	\$ 1,518,370	\$ 26,845,977
Cash payments to suppliers for services.....	(844,755)	(454,824)	(1,259,749)	(26,701,032)
Cash payments to employees.....	(81,476)	(345,162)	(109,011)	(251,393)
Cash payments received from advances.....	125,652	44,891	-	-
<i>Net Cash Provided (Used) by Operating Activities</i>	108,779	27,764	149,610	(106,448)
Cash flows from capital and related financing activities:				
Purchase of capital assets.....	-	(7,117)	-	(8,850)
Principal retirement - Capital Lease.....	(12,741)	-	-	-
<i>Net Cash Used In Capital and Related Financing Activities.....</i>	(12,741)	(7,117)	-	(8,850)
Net increase (decrease) in cash and cash equivalents.....	96,038	20,647	149,610	(115,298)
Cash and cash equivalents, January 1.....	(96,038)	(20,647)	1,287,288	11,591,121
Cash and cash equivalents, December 31.....	<u>-</u>	<u>-</u>	<u>1,436,898</u>	<u>11,475,823</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss).....	(153,618)	(289,561)	261,020	(774,979)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:				
Depreciation and amortization.....	11,731	2,464	386	3,540
Changes in assets and liabilities:				
Supplies inventory and other current assets....	18,143	262,496	-	-
Accounts receivable.....	709	(2,053)	(101,641)	(1,120)
Prepayments.....	10,098	-	-	-
Accounts payable.....	80,841	703	(17,399)	656,599
Accrued wages and benefits.....	(113)	3,261	1,140	2,825
Compensated absences payable.....	(319)	(589)	335	5,333
Due from/(to) other funds.....	141,557	50,517	5,419	804
Due from/to other governments.....	(250)	526	350	550
Net cash provided (used) by operating activities.....	\$ 108,779	\$ 27,764	\$ 149,610	\$ (106,448)

<u>Self Funded Dental Insurance</u>	<u>Risk Retention Insurance</u>	<u>Self Funded Workers' Compensation</u>	<u>Self Funded Prescription Drugs</u>	<u>Centralized Drug Testing</u>	<u>Total</u>
\$ 2,369,166	\$ 2,120,582	\$ 3,689,604	\$ 7,499,195	\$ 678,870	\$ 46,413,981
(2,140,215)	(3,169,801)	(3,501,749)	(6,894,613)	(277,897)	(45,244,635)
-	(108,969)	(92,262)	-	(377,078)	(1,365,351)
-	-	-	-	-	170,543
228,951	(1,158,188)	95,593	604,582	23,895	(25,462)
-	-	-	-	-	(15,967)
-	-	-	-	-	(12,741)
-	-	-	-	-	(28,708)
228,951	(1,158,188)	95,593	604,582	23,895	(54,170)
<u>2,802,358</u>	<u>9,933,017</u>	<u>12,741,922</u>	<u>3,400,511</u>	<u>411,168</u>	<u>42,050,700</u>
<u>3,031,309</u>	<u>8,774,829</u>	<u>12,837,515</u>	<u>4,005,093</u>	<u>435,063</u>	<u>41,996,530</u>
58,143	(1,203,882)	898,772	723,450	(121,665)	(602,320)
-	-	-	-	-	18,121
-	-	-	-	-	280,639
(250)	-	-	(771)	138,546	33,420
-	-	-	-	-	10,098
171,058	51,198	(793,116)	(118,097)	5,495	37,282
-	130	(170)	-	3,235	10,308
-	(4,865)	(9,482)	-	(2,272)	(11,859)
-	(517)	(1)	-	(12)	197,767
-	(252)	(410)	-	568	1,082
\$ 228,951	\$ (1,158,188)	\$ 95,593	\$ 604,582	\$ 23,895	\$ (25,462)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Central Supplies
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 1,090,847	\$ 909,358	\$ (181,489)
Other	-	-	-
Total Operating Revenues	1,090,847	909,358	(181,489)
EXPENSES:			
Personal Services	90,708	81,476	9,232
Material and Supplies	819,623	772,226	47,397
Contractual Services	101,955	105,638	(3,683)
Capital Outlay and Equipment	300	20	280
Total Expenses	1,012,586	959,360	53,226
Operating income (loss)	78,261	(50,002)	(128,263)
NONOPERATING REVENUES (EXPENSES):			
Advances In	-	125,652	125,652
Net income	78,261	75,650	(2,611)
Fund Balance (deficit), January 1	(110,677)	(110,677)	-
Prior year encumbrances appropriated	14,639	14,639	-
Fund Balance (deficit), December 31	\$ (17,777)	\$ (20,388)	\$ (2,611)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Vehicle Maintenance
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 942,037	\$ 782,151	\$ (159,886)
Other	500	708	208
Total Operating Revenues	942,537	782,859	(159,678)
EXPENSES:			
Personal Services	345,243	345,162	81
Material and Supplies	505,732	433,995	71,737
Contractual Services	49,885	43,733	6,152
Miscellaneous	3,896	3,782	114
Capital Outlay and Equipment	17,121	17,615	(494)
Total Expenses	921,877	844,287	77,590
Operating income (loss)	20,660	(61,428)	(82,088)
NONOPERATING REVENUES (EXPENSES):			
Advances In	-	44,891	44,891
Net Income (loss)	20,660	(16,537)	(82,088)
Fund Balance (deficit), January 1	(63,937)	(63,937)	-
Prior year encumbrances appropriated	43,290	43,290	-
Fund Balance (deficit), December 31	\$ 13	\$ (37,184)	\$ (82,088)

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Telecommunications
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 1,535,130	\$ 1,518,370	\$ (16,760)
Total Operating Revenues	1,535,130	1,518,370	(16,760)
EXPENSES:			
Personal Services	113,898	109,011	4,887
Material and Supplies	450	541	(91)
Contractual Services	1,951,106	1,289,662	661,444
Miscellaneous	23,485	22,722	763
Capital Outlay and Equipment	700	25	675
Total Expenses	2,089,639	1,421,961	667,678
Net income (loss)	(554,509)	96,409	650,918
Fund Balance, January 1	985,318	985,318	-
Prior year encumbrances appropriated	301,970	301,970	-
Fund Balance, December 31	\$ 732,779	\$ 1,383,697	\$ 650,918

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Self Funded Health Insurance
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 27,211,432	\$ 26,845,977	\$ (365,455)
Total Operating Revenues	27,211,432	26,845,977	(365,455)
EXPENSES:			
Personal Services	291,293	251,393	39,900
Material and Supplies	27,300	18,235	9,065
Contractual Services	34,318,842	32,351,089	1,967,753
Miscellaneous	43,447	40,591	2,856
Total Expenses	34,680,882	32,661,308	2,019,574
Net income (loss)	(7,469,450)	(5,815,331)	1,654,119
Fund Balance, January 1	4,294,919	4,294,919	-
Prior year encumbrances appropriated	7,296,202	7,296,202	-
Fund Balance, December 31	\$ 4,121,671	\$ 5,775,790	\$ 1,654,119

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Self Funded Dental Insurance
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 2,382,181	\$ 2,369,166	\$ (13,015)
Total Operating Revenues	2,382,181	2,369,166	(13,015)
EXPENSES:			
Contractual Services	3,135,054	3,077,999	57,055
Total Expenses	3,135,054	3,077,999	57,055
Net income (loss)	(752,873)	(708,833)	44,040
Fund Balance, January 1	2,054,092	2,054,092	-
Prior year encumbrances appropriated	748,266	748,266	-
Fund Balance, December 31	\$ 2,049,485	\$ 2,093,525	\$ 44,040

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Risk Retention Insurance
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Other	\$ 2,300,000	\$ 2,120,582	\$ (179,418)
Total Operating Revenues	2,300,000	2,120,582	(179,418)
EXPENSES:			
Personal Services	124,433	108,969	15,464
Material and Supplies	4,618	1,941	2,677
Contractual Services	3,758,470	3,301,128	457,342
Miscellaneous	26,100	6,510	19,590
Capital Outlay and Equipment	5,000	774	4,226
Total Expenses	3,918,621	3,419,322	499,299
Net income (loss)	(1,618,621)	(1,298,740)	319,881
Fund Balance, January 1	8,125,844	8,125,844	-
Prior year encumbrances appropriated	1,807,173	1,807,173	-
Fund Balance, December 31	\$ 8,314,396	\$ 8,634,277	\$ 319,881

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Self Funded Worker's Compensation
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 3,773,125	\$ 3,689,604	\$ (83,521)
Total Operating Revenues	3,773,125	3,689,604	(83,521)
EXPENSES:			
Personal Services	119,155	92,262	26,893
Material and Supplies	3,049	1,537	1,512
Contractual Services	4,107,092	3,503,579	603,513
Miscellaneous	7,950	1,900	6,050
Capital Outlay and Equipment	2,150	-	2,150
Total Expenses	4,239,396	3,599,278	640,118
Net income (loss)	(466,271)	90,326	556,597
Fund Balance, January 1	12,734,763	12,734,763	-
Prior year encumbrances appropriated	7,159	7,159	-
Fund Balance, December 31	\$ 12,275,651	\$ 12,832,248	\$ 556,597

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Self Funded Prescription Drugs
For the Year Ended December 31, 2008*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
REVENUES:			
Charges for Services	<u>\$ 7,554,555</u>	<u>\$ 7,499,195</u>	<u>\$ (55,360)</u>
Total Operating Revenues	<u>7,554,555</u>	<u>7,499,195</u>	<u>(55,360)</u>
EXPENSES:			
Contractual Services	<u>9,744,642</u>	<u>9,338,098</u>	<u>406,544</u>
Total Expenses	<u>9,744,642</u>	<u>9,338,098</u>	<u>406,544</u>
Net income (loss)	(2,190,087)	(1,838,903)	351,184
Fund Balance, January 1	1,369,560	1,369,560	-
Prior year encumbrances appropriated	<u>2,030,951</u>	<u>2,030,951</u>	<u>-</u>
Fund Balance, December 31	<u>\$ 1,210,424</u>	<u>\$ 1,561,608</u>	<u>\$ 351,184</u>

LUCAS COUNTY, OHIO

*Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Centralized Drug Testing
For the Year Ended December 31, 2008*

	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES:			
Charges for Services	\$ 649,658	\$ 678,870	\$ 29,212
Total Operating Revenues	649,658	678,870	29,212
EXPENSES:			
Personal Services	378,363	377,078	1,285
Material and Supplies	286,419	256,572	29,847
Contractual Services	30,080	46,084	(16,004)
Miscellaneous	258	1,307	(1,049)
Capital Outlay and Equipment	1,500	-	1,500
Total Expenses	696,620	681,041	15,579
Net income (loss)	(46,962)	(2,171)	44,791
Fund Balance, January 1	407,882	407,882	-
Prior year encumbrances appropriated	3,286	3,286	-
Fund Balance, December 31	\$ 364,206	\$ 408,997	\$ 44,791

LUCAS COUNTY, OHIO
Nonmajor Fiduciary Funds – Fund Descriptions

Agency Funds

Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds are purely custodial and thus do not involve the measurement of operations.

Payroll Fund: To maintain and account for the accumulation of payroll withholdings until payment is remitted to third parties.

Undivided Taxes: To account for the collection of various taxes. These taxes are periodically distributed to local governments in the County including Lucas County itself.

Subdivision Advance Fund: To maintain and account for tax advance distributions to subdivisions within Lucas County.

Estate Tax Fund: To account for the collection of estate taxes. These taxes are periodically distributed to local governments in the County including Lucas County itself.

Hotel Lodging Fund: To account for the collection and distribution of the hotel lodging excise tax.

Local Government Fund: To maintain and account for the accumulation and disbursement of state revenue sharing monies.

Auto License Fund: To account for the collection and distribution of the Automobile license and registration fees..

Gasoline Tax Fund: To account for the collection and distribution of the gasoline tax collections.

Trailer Tax Fund: To account for the collection and distribution of the mobile home tax collections.

Undivided Interest Fund: To account for the collection and distribution of the County investment earnings.

Segregated Cash Funds: Maintain agency bank accounts outside of the County treasury. These are established for Clerk of Courts, Common Pleas Court, Common Pleas-Probate Court, Juvenile Court, Child Support Enforcement Agency, Sheriff Children Services, and Prosecutor.

Tax Installment Payment Plan (T.I.P.P.) Fund: To account for real estate taxes paid on an installment basis until they can be applied to a current tax bill.

Family and Children Council: To process the accounting transactions as the administrative agent for the council.

Other Agency Funds: To maintain and account for resources and uses for: taxes, research, deposits, licenses, and estate. Other Agency funds include

Payment in lieu of Taxes	Computer Legal Research
Grain Tax	Cigarette Licenses
Escheated Estates	Law Library
Coroner Escrow	Mileage Reimbursement
Recorder's Housing Trust Fee	Metro Park
Candidacy Fees	Bankruptcy Claims
Security and Annexation Deposits	Children's Trust
Intangibles	Advance Payments
Miscellaneous	

LUCAS COUNTY, OHIO

Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 2008

	<u>Balance 12/31/2007</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2008</u>
<u>Payroll Fund</u>				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 5,546,502	\$ 195,210,197	\$ 195,466,861	\$ 5,289,838
Total Assets	\$ 5,546,502	\$ 195,210,197	\$ 195,466,861	\$ 5,289,838
<u>Liabilities:</u>				
Undistributed Assets	\$ 5,546,502	\$ 195,210,197	\$ 195,466,861	\$ 5,289,838
Total Liabilities	\$ 5,546,502	\$ 195,210,197	\$ 195,466,861	\$ 5,289,838

Undivided Taxes including Gas, License and Trailer

Assets:

Equity in Pooled Cash and Cash Equivalents	\$ 21,219,128	\$ 577,141,325	\$ 580,271,277	\$ 18,089,176
Intergovernmental Receivable	4,143,429	3,775,282	4,143,429	3,775,282
Taxes Receivable	882,170,706	875,453,051	882,170,706	875,453,051
Total Assets	\$ 907,533,263	\$ 1,456,369,658	\$ 1,466,585,412	\$ 897,317,509

Liabilities:

Undistributed Assets	\$ 907,533,263	\$ 1,456,369,658	\$ 1,466,585,412	\$ 897,317,509
Total Liabilities	\$ 907,533,263	\$ 1,456,369,658	\$ 1,466,585,412	\$ 897,317,509

Subdivision Advance

Assets:

Equity in Pooled Cash and Cash Equivalents	\$ 540	\$ 428,666,981	\$ 428,667,521	\$ -
Total Assets	\$ 540	\$ 428,666,981	\$ 428,667,521	\$ -

Liabilities:

Undistributed Assets	\$ 540	\$ 428,666,981	\$ 428,667,521	\$ -
Total Liabilities	\$ 540	\$ 428,666,981	\$ 428,667,521	\$ -

Other Agency Fund

Assets:

Equity in Pooled Cash and Cash Equivalents	\$ 141,356	\$ 8,490,003	\$ 8,020,747	\$ 610,612
Segregated Cash	1,622	-	-	\$ 1,622
Total Assets	\$ 142,978	\$ 8,490,003	\$ 8,020,747	\$ 612,234

Liabilities:

Deposits held due to others	\$ 62,246	\$ -	\$ -	\$ 62,246
Undistributed Assets	80,732	8,490,003	8,020,747	\$ 549,988
Total Liabilities	\$ 142,978	\$ 8,490,003	\$ 8,020,747	\$ 612,234

CONTINUED

LUCAS COUNTY, OHIO

Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 2008

	Balance 12/31/2007	Additions	Reductions	Balance 12/31/2008
<u>Recorder's Housing Trust Fees</u>				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 395,692	\$ 1,294,699	\$ 1,451,644	\$ 238,747
Total Assets	\$ 395,692	\$ 1,294,699	\$ 1,451,644	\$ 238,747
<u>Liabilities:</u>				
Deposits	\$ 395,692	\$ 1,294,699	\$ 1,451,644	\$ 238,747
Total Liabilities	\$ 395,692	\$ 1,294,699	\$ 1,451,644	\$ 238,747
<u>Estate Tax Fund</u>				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 4,134,161	\$ 10,487,794	\$ 11,924,810	\$ 2,697,145
Total Assets	\$ 4,134,161	\$ 10,487,794	\$ 11,924,810	\$ 2,697,145
<u>Liabilities:</u>				
Undistributed Assets	\$ 4,134,161	\$ 10,487,794	\$ 11,924,810	\$ 2,697,145
Total Liabilities	\$ 4,134,161	\$ 10,487,794	\$ 11,924,810	\$ 2,697,145
<u>Hotel Lodging Fund</u>				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 1,382,564	\$ (1,382,564)	\$ -	\$ -
Total Assets	\$ 1,382,564	\$ (1,382,564)	\$ -	\$ -
<u>Liabilities:</u>				
Undistributed Assets	\$ 1,382,564	\$ (1,382,564)	\$ -	\$ -
Total Liabilities	\$ 1,382,564	\$ (1,382,564)	\$ -	\$ -
<u>Local Government Fund</u>				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ (3,061,936)	\$ 38,232,614	\$ 38,180,851	\$ (3,010,173)
Due from other governments	11,213,024	10,082,091	11,213,024	\$ 10,082,091
Total Assets	\$ 8,151,088	\$ 48,314,705	\$ 49,393,875	\$ 7,071,918
<u>Liabilities:</u>				
Due to other governments	\$ 3,934,615	\$ 48,314,705	\$ 49,393,875	\$ 2,855,445
Undistributed Assets	4,216,473	-	-	\$ 4,216,473
Total Liabilities	\$ 8,151,088	\$ 48,314,705	\$ 49,393,875	\$ 7,071,918

CONTINUED

LUCAS COUNTY, OHIO

Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 2008

	Balance 12/31/2007	Additions	Reductions	Balance 12/31/2008
<u>Undivided Interest Fund</u>				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 1,224,912	\$ 11,908,952	\$ 13,133,864	\$ -
Total Assets	\$ 1,224,912	\$ 11,908,952	\$ 13,133,864	\$ -
<u>Liabilities:</u>				
Undistributed Assets	\$ 1,224,912	\$ 11,908,952	\$ 13,133,864	\$ -
Total Liabilities	\$ 1,224,912	\$ 11,908,952	\$ 13,133,864	\$ -
<u>Clerk of Courts-segr. Cash</u>				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 1,200,000	\$ 150,000	\$ -	\$ 1,350,000
Segregated cash	2,842,311	2,454,808	216,147	5,080,972
Total Assets	\$ 4,042,311	\$ 2,604,808	\$ 216,147	\$ 6,430,972
<u>Liabilities:</u>				
Deposits	\$ 4,042,311	\$ 2,604,808	\$ 216,147	\$ 6,430,972
Total Liabilities	\$ 4,042,311	\$ 2,604,808	\$ 216,147	\$ 6,430,972
<u>Common Pleas Court-Probate</u>				
<u>Assets:</u>				
Segregated cash	\$ 140,148	\$ 41,360	\$ -	\$ 181,508
Total Assets	\$ 140,148	\$ 41,360	\$ -	\$ 181,508
<u>Liabilities:</u>				
Deposits	\$ 140,148	\$ 41,360	\$ -	\$ 181,508
Total Liabilities	\$ 140,148	\$ 41,360	\$ -	\$ 181,508

CONTINUED

LUCAS COUNTY, OHIO

Combining Statement of Changes in Assets and Liabilities

All Agency Funds

For the Year Ended December 31, 2008

	Balance 12/31/2007	Additions	Reductions	Balance 12/31/2008
<u>Child Support Enforcement Agency</u>				
<u>Assets:</u>				
Segregated cash	\$ 2,073	\$ 9,749	\$ -	\$ 11,822
Total Assets	\$ 2,073	\$ 9,749	\$ -	\$ 11,822
<u>Liabilities:</u>				
Deposits	\$ 2,073	\$ 9,749	\$ -	\$ 11,822
Total Liabilities	\$ 2,073	\$ 9,749	\$ -	\$ 11,822
<u>Juvenile Court</u>				
<u>Assets:</u>				
Segregated cash	\$ 180,195	\$ 9,578	\$ 5,523	\$ 184,250
Total Assets	\$ 180,195	\$ 9,578	\$ 5,523	\$ 184,250
<u>Liabilities:</u>				
Deposits	\$ 180,195	\$ 9,578	\$ 5,523	\$ 184,250
Total Liabilities	\$ 180,195	\$ 9,578	\$ 5,523	\$ 184,250
<u>Sheriff</u>				
<u>Assets:</u>				
Segregated cash	\$ 66,195	\$ -	\$ 15,612	\$ 50,583
Total Assets	\$ 66,195	\$ -	\$ 15,612	\$ 50,583
<u>Liabilities:</u>				
Deposits	\$ 66,195	\$ -	\$ 15,612	\$ 50,583
Total Liabilities	\$ 66,195	\$ -	\$ 15,612	\$ 50,583
<u>Children Services</u>				
<u>Assets:</u>				
Segregated cash	\$ 190,110	\$ 11,412	\$ 713	\$ 200,809
Total Assets	\$ 190,110	\$ 11,412	\$ 713	\$ 200,809
<u>Liabilities:</u>				
Deposits	\$ 190,110	\$ 11,412	\$ 713	\$ 200,809
Total Liabilities	\$ 190,110	\$ 11,412	\$ 713	\$ 200,809

CONTINUED

LUCAS COUNTY, OHIO

Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 2008

	Balance 12/31/2007	Additions	Reductions	Balance 12/31/2008
<u>T.I.P.P. Program</u>				
<u>Assets:</u>				
Segregated cash	\$ -	\$ 10,560,435	\$ 10,560,435	\$ -
Total Assets	\$ -	\$ 10,560,435	\$ 10,560,435	\$ -
<u>Liabilities:</u>				
Deposits	\$ -	\$ 10,560,435	\$ 10,560,435	\$ -
Total Liabilities	\$ -	\$ 10,560,435	\$ 10,560,435	\$ -
<u>Family & Children Council</u>				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 486,553	\$ 3,921,634	\$ 3,790,373	\$ 617,814
Total Assets	\$ 486,553	\$ 3,921,634	\$ 3,790,373	\$ 617,814
<u>Liabilities:</u>				
Deposits	\$ 486,553	\$ 3,921,634	\$ 3,790,373	\$ 617,814
Total Liabilities	\$ 486,553	\$ 3,921,634	\$ 3,790,373	\$ 617,814
<u>Total Agency Funds</u>				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 32,669,472	\$ 1,274,121,635	\$ 1,280,907,948	\$ 25,883,159
Segregated Cash	3,422,654	13,087,342	10,798,430	5,711,566
Due from other governments	15,356,453	13,857,373	15,356,453	13,857,373
Taxes Receivable	882,170,706	875,453,051	882,170,706	875,453,051
Total Assets	\$ 933,619,285	\$ 2,176,519,401	\$ 2,189,233,537	\$ 920,905,149
<u>Liabilities:</u>				
Due to other governments	\$ 3,934,615	\$ 48,314,705	\$ 49,393,875	\$ 2,855,445
Deposits	5,565,523	18,453,675	16,040,447	7,978,751
Payroll withholding	5,546,502	195,210,197	195,466,861	5,289,838
Undistributed Assets	918,572,645	1,914,540,824	1,928,332,354	904,781,115
Total Liabilities	\$ 933,619,285	\$ 2,176,519,401	\$ 2,189,233,537	\$ 920,905,149

Statistical Section

This part of the Lucas County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

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Financial Trends	196
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
Revenue Capacity	206
These schedules contain information to help the reader assess the affordability of the County's most significant local revenue source, the property tax.	
Debt Capacity	220
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	
Demographic and Economic Information	228
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	
Operating Information	230
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial reports relates to the services the County provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual reports for the relevant year. The County implemented GASB Statement 34 for the year ended December 31, 2001; schedules presenting government wide information include information beginning in that year. Additionally, data in tables 19 and 20 was unavailable prior to the initial years listed in these tables. Additional information will be added to these tables until a ten year threshold is reached.

TABLE 1
LUCAS COUNTY, OHIO
NET ASSETS BY COMPONENT
LAST EIGHT FISCAL YEARS
(Amounts in 000's)

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Governmental Activities			
Invested in capital assets, net of related debt	\$ 204,927	\$ 183,349	\$ 154,881
Restricted	96,492	104,995	14,946
Unrestricted	<u>41,146</u>	<u>75,573</u>	<u>332,722</u>
<i>Total Governmental Activities Net Assets</i>	<u>342,565</u>	<u>363,917</u>	<u>502,549</u>
Business-Type Activities			
Invested in capital assets, net of related debt	79,799	82,117	80,269
Unrestricted	<u>21,893</u>	<u>22,034</u>	<u>22,109</u>
<i>Total Business-Type Activities Net Assets</i>	<u>101,692</u>	<u>104,151</u>	<u>102,378</u>
Primary Government			
Invested in capital assets, net of related debt	284,726	265,466	235,150
Restricted	96,492	104,995	14,946
Unrestricted	<u>63,039</u>	<u>97,607</u>	<u>354,831</u>
<i>Total Primary Government Net Assets</i>	<u>\$ 444,257</u>	<u>\$ 468,068</u>	<u>\$ 604,927</u>

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
\$ 163,910	\$ 166,931	\$ 167,654	\$ 160,498	\$ 144,625
18,027	21,302	18,599	13,461	30,315
<u>298,662</u>	<u>299,322</u>	<u>296,783</u>	<u>298,174</u>	<u>258,280</u>
<u>480,599</u>	<u>487,555</u>	<u>483,036</u>	<u>472,133</u>	<u>433,220</u>
80,389	75,052	73,119	71,495	68,850
21,533	18,333	16,747	15,787	13,505
<u>101,922</u>	<u>93,385</u>	<u>89,866</u>	<u>87,282</u>	<u>82,355</u>
244,299	241,983	240,773	231,993	213,475
18,027	21,302	18,599	13,461	30,315
<u>320,195</u>	<u>317,655</u>	<u>313,530</u>	<u>313,961</u>	<u>271,785</u>
<u>\$ 582,521</u>	<u>\$ 580,940</u>	<u>\$ 572,902</u>	<u>\$ 559,415</u>	<u>\$ 515,575</u>

TABLE 2
LUCAS COUNTY, OHIO
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS
(Amounts in 000's)

Program Revenues	<u>2008</u>	<u>2007</u>	<u>2006</u>
Primary Government:			
Governmental activities: Charges for Services			
General government -			
Legislative and executive	\$ 20,758	\$ 19,788	\$ 21,278
Judicial	8,759	5,879	4,206
Public safety	1,462	4,888	1,354
Public works	684	313	262
Health	3,795	2,439	1,815
Human services	181	1,382	969
Conservation and recreation	600	639	532
Operating grants and contributions	175,781	184,269	204,563
Capital grants and contributions	1,743	796	5,342
<i>Total Governmental Activities Program Revenues</i>	<u>213,763</u>	<u>220,393</u>	<u>240,321</u>
Business-type activities: Charges for Services			
Water supply	434	478	724
Wastewater treatment	5,794	4,224	4,294
Sewer	179	75	199
Sanitary engineer	4,953	4,076	4,729
Solid waste	1,633	2,003	1,828
Parking facilities	317	293	391
Operating grants and contributions	-	4,225	2,304
<i>Total Business-Type Activities Program Revenues</i>	<u>13,310</u>	<u>15,374</u>	<u>14,469</u>
<i>Total Primary Government Program Revenues</i>	<u>227,073</u>	<u>235,767</u>	<u>254,790</u>
Expenses			
Governmental activities: Charges for Services			
General government -			
Legislative and executive	31,148	56,377	48,609
Judicial	82,097	71,276	60,813
Public safety	83,361	76,505	84,697
Public works	17,837	21,206	23,047
Health	150,952	139,540	113,676
Human services	151,938	158,935	132,907
Conservation and recreation	9,293	10,026	7,090
Other	-	-	-
Interest and fiscal charges	5,805	4,584	4,189
<i>Total Governmental Activities Expense</i>	<u>532,431</u>	<u>538,449</u>	<u>475,028</u>
Business-type activities:			
Water supply	3,251	3,109	2,703
Wastewater treatment	4,884	4,772	4,876
Sewer	3,315	3,351	2,692
Sanitary engineer	5,027	4,868	4,852
Stormwater Utility	250	-	-
Solid waste	2,185	1,959	1,930
Parking facilities	141	779	167
<i>Total Business-Type Activities Program Expense</i>	<u>19,053</u>	<u>18,838</u>	<u>17,220</u>
<i>Total Primary Government Program Expense</i>	<u>551,484</u>	<u>557,287</u>	<u>492,248</u>

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
\$ 19,776	\$ 20,481	\$ 19,770	\$ 18,822	\$ 17,189
4,249	4,014	3,894	3,437	5,579
1,403	1,387	853	690	2
247	214	191	148	233
1,845	1,545	1,491	1,473	1,370
444	69	-	-	-
539	595	308	567	649
191,932	183,172	175,913	176,357	187,560
3,856	2,549	1,839	734	5,467
<u>224,291</u>	<u>214,026</u>	<u>204,259</u>	<u>202,228</u>	<u>218,049</u>
1,043	1,016	840	930	799
5,000	4,802	5,025	4,501	3,592
524	597	625	572	507
4,466	4,234	3,951	4,216	3,015
1,978	2,141	1,908	1,942	1,970
310	319	297	373	300
2,652	2,902	1,575	1,785	3,014
<u>15,973</u>	<u>16,011</u>	<u>14,221</u>	<u>14,319</u>	<u>13,197</u>
<u>240,264</u>	<u>230,037</u>	<u>218,480</u>	<u>216,547</u>	<u>231,246</u>
47,238	44,370	41,924	40,040	45,568
59,625	55,222	54,861	54,451	56,599
69,737	64,095	59,439	57,112	61,840
31,922	36,273	35,167	27,746	29,134
106,157	100,803	89,542	92,265	91,586
119,321	108,666	119,365	111,321	123,391
6,686	6,766	8,950	6,052	7,794
-	13,215	18,732	15,832	13,858
4,706	5,269	5,840	6,809	6,975
<u>445,392</u>	<u>434,679</u>	<u>433,820</u>	<u>411,628</u>	<u>436,745</u>
2,768	2,459	2,511	2,369	2,565
4,412	4,833	4,339	3,869	3,360
2,885	3,025	2,126	2,182	2,847
4,297	4,106	4,005	3,751	3,600
-	-	-	-	-
1,476	1,907	1,730	1,754	1,551
191	149	110	100	76
<u>16,029</u>	<u>16,479</u>	<u>14,821</u>	<u>14,025</u>	<u>13,999</u>
<u>461,421</u>	<u>451,158</u>	<u>448,641</u>	<u>425,653</u>	<u>450,744</u>

Continued

TABLE 2
LUCAS COUNTY, OHIO
CHANGES IN NET ASSETS (continued)
LAST EIGHT FISCAL YEARS
(Amounts in 000's)

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Net (Expense)/Revenue			
Governmental Activities	(318,669)	(318,056)	(234,707)
Business-Type Activities	<u>(5,743)</u>	<u>(3,464)</u>	<u>(2,751)</u>
<i>Total Primary Government Net Expense</i>	<u><u>(324,412)</u></u>	<u><u>(321,520)</u></u>	<u><u>(237,458)</u></u>
General Revenues:			
Property Tax	95,888	100,635	110,923
Sales Tax	70,512	71,418	71,271
Other Tax	3,415	7,580	18,954
Grant and Entitlements not restricted to specific programs	96,278	55,371	24,624
Investment Income	15,050	14,158	11,576
Other	16,175	67,033	19,309
Gain on early extinguishment of debt	-	-	-
Capital contributions not restricted to specific programs	-	-	-
Transfers	<u>-</u>	<u>-</u>	<u>-</u>
Total Governmental Activities	<u>297,318</u>	<u>316,195</u>	<u>256,657</u>
Business-Type Activities			
Other	3,284	5,240	3,207
Transfers	<u>-</u>	<u>-</u>	<u>-</u>
Total Business-Type Activities	<u>3,284</u>	<u>5,240</u>	<u>3,207</u>
Total Primary Government	<u>300,602</u>	<u>321,435</u>	<u>259,864</u>
Change in Net Assets			
Governmental Activities	(21,351)	(1,861)	21,950
Business-Type Activities	<u>(2,459)</u>	<u>1,776</u>	<u>456</u>
<i>Total Primary Government Change in Net Assets</i>	<u><u>\$ (23,810)</u></u>	<u><u>\$ (85)</u></u>	<u><u>\$ 22,406</u></u>

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
(221,101)	(220,653)	(229,561)	(209,400)	(218,696)
<u>(56)</u>	<u>(468)</u>	<u>(600)</u>	<u>294</u>	<u>(802)</u>
<u>(221,157)</u>	<u>(221,121)</u>	<u>(230,161)</u>	<u>(209,106)</u>	<u>(219,498)</u>
100,445	106,433	106,578	106,090	192,534
70,827	70,107	67,087	75,328	73,740
8,742	8,092	6,496	18,270	17,034
5,965	10,950	7,541	1,482	2,012
7,061	3,171	4,124	9,339	12,468
19,837	25,211	47,504	(871)	1,346
-	1,208	-	38,580	43,382
-	-	1,134	-	-
<u>1,268</u>	<u>-</u>	<u>-</u>	<u>95</u>	<u>(47)</u>
<u>214,145</u>	<u>225,172</u>	<u>240,464</u>	<u>248,313</u>	<u>342,469</u>
9,861	3,987	4,318	4,728	5,790
<u>(1,268)</u>	<u>-</u>	<u>(1,134)</u>	<u>(95)</u>	<u>47</u>
<u>8,593</u>	<u>3,987</u>	<u>3,184</u>	<u>4,633</u>	<u>5,837</u>
<u>222,738</u>	<u>229,159</u>	<u>243,648</u>	<u>252,946</u>	<u>348,306</u>
(6,956)	4,519	10,903	38,913	123,773
<u>8,537</u>	<u>3,519</u>	<u>2,584</u>	<u>4,927</u>	<u>5,035</u>
<u>\$ 1,581</u>	<u>\$ 8,038</u>	<u>\$ 13,487</u>	<u>\$ 43,840</u>	<u>\$ 128,808</u>

TABLE 3
LUCAS COUNTY, OHIO
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Amounts in 000's)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Fund				
Reserved	\$ 1,289	\$ 1,380	\$ 1,503	\$ 1,429
Unreserved	<u>41,672</u>	<u>42,984</u>	<u>40,597</u>	<u>37,023</u>
<i>Total General Fund</i>	<u>42,961</u>	<u>44,364</u>	<u>42,100</u>	<u>38,452</u>
All Other Governmental Funds				
Reserved	45,765	32,221	26,985	25,559
Unreserved, Undesignated, Reported in:				
Special Revenue funds	82,542	80,206	86,249	83,586
Debt Service funds	(4,042)	5,762	5,140	7,682
Capital Projects funds	<u>(70,091)</u>	<u>(10,212)</u>	<u>9,806</u>	<u>10,345</u>
<i>Total All Other Governmental Funds</i>	<u>54,174</u>	<u>107,977</u>	<u>128,180</u>	<u>127,172</u>
Total Governmental Funds	<u>\$ 97,135</u>	<u>\$ 152,341</u>	<u>\$ 170,280</u>	<u>\$ 165,624</u>

<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
\$ 434	\$ 692	\$ 1,579	\$ 2,290	\$ 1,963	\$ 1,615
35,663	35,678	35,985	33,722	31,007	22,749
<u>36,097</u>	<u>36,370</u>	<u>37,564</u>	<u>36,012</u>	<u>32,970</u>	<u>24,364</u>
33,993	26,446	23,924	23,055	20,480	28,411
78,226	79,750	81,059	75,798	72,314	67,259
9,689	16,542	12,907	10,542	6,139	5,986
5,693	2,057	554	19,672	1,717	15,015
<u>127,601</u>	<u>124,795</u>	<u>118,444</u>	<u>129,067</u>	<u>100,650</u>	<u>116,671</u>
<u>\$ 163,698</u>	<u>\$ 161,165</u>	<u>\$ 156,008</u>	<u>\$ 165,079</u>	<u>\$ 133,620</u>	<u>\$ 141,035</u>

TABLE 4
LUCAS COUNTY, OHIO
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Amounts in 000's)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Revenues:				
Taxes	\$ 165,920	\$ 172,141	\$ 178,489	\$ 182,826
Charges for services	33,722	34,618	29,579	28,503
Licenses and permits	26	30	30	33
Fines and forfeits	744	679	807	724
Special assessments	3,415	7,580	2,370	2,525
Intergovernmental revenue	260,776	229,917	234,084	201,485
Investment income	15,050	14,158	11,576	7,061
Net change in fair value of investment	-	-	-	-
Rental income and other revenue	18,339	66,563	19,606	19,837
<i>Total revenues</i>	<u>497,992</u>	<u>525,686</u>	<u>476,541</u>	<u>442,994</u>
Expenditures:				
Current:				
General government:				
Legislative and executive	41,678	44,335	44,859	41,594
Judicial	68,786	62,620	58,831	57,563
Public safety	73,069	69,598	82,034	66,032
Public works	16,706	17,675	14,442	16,027
Health	132,314	130,848	110,574	103,788
Human services	133,884	145,021	128,676	117,751
Conservation and recreation	8,112	10,070	6,900	6,524
Miscellaneous	2,856	45,395	7,148	7,382
Capital outlay	50,562	10,217	9,553	14,357
Debt service:				
Principal retirement	15,954	5,701	8,071	10,285
Interest and fiscal charges	4,232	3,705	4,189	4,706
Bond Issue Cost	-	143	-	-
<i>Total expenditures</i>	<u>548,153</u>	<u>545,328</u>	<u>475,277</u>	<u>446,009</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(50,162)</u>	<u>(19,642)</u>	<u>1,264</u>	<u>(3,015)</u>
Other Financing Sources (Uses):				
OPWC loans	-	-	500	-
Payment to refund bonds	(9,130)	(11,597)	-	(2,925)
Bonds issued, net of premium/(discount)	2,837	11,740	2,892	6,425
Special Assessment bonds issued	1,039	470	-	-
Proceeds of notes	210	1,089	-	-
Capital leases	-	-	-	173
Transfers in	20,845	20,791	23,688	24,944
Transfers out	(20,845)	(20,791)	(23,688)	(23,676)
<i>Total other financing sources (uses)</i>	<u>(5,044)</u>	<u>1,702</u>	<u>3,392</u>	<u>4,941</u>
Net change in fund balances	<u>\$ (55,206)</u>	<u>\$ (17,940)</u>	<u>\$ 4,656</u>	<u>\$ 1,926</u>
Debt service as a percentage of noncapital expenditures	3.8%	1.8%	2.6%	3.5%

2004	2003	2002	2001	2000	1999
\$ 180,615	\$ 176,430	\$ 175,855	\$ 164,396	\$ 160,829	\$ 157,224
28,383	25,809	24,727	24,608	20,673	22,641
72	54	37	34	44	44
648	677	601	666	687	808
2,035	1,763	2,303	2,581	2,344	2,122
196,518	184,601	178,345	194,753	172,665	153,378
3,171	4,016	9,192	12,179	13,221	10,809
-	-	(871)	1,346	4,707	(3,282)
22,456	47,504	38,431	43,382	23,170	22,110
<u>433,898</u>	<u>440,854</u>	<u>428,620</u>	<u>443,945</u>	<u>398,340</u>	<u>365,854</u>

38,169	36,018	36,299	33,864	32,797	32,366
54,428	54,682	53,891	52,245	49,814	46,927
60,969	57,037	58,201	57,947	51,138	46,504
16,638	16,828	13,337	14,679	15,772	17,153
100,119	88,949	92,448	88,096	87,651	81,167
107,677	120,302	112,106	117,364	97,555	82,275
6,761	8,876	6,002	7,631	6,276	6,131
13,224	18,804	15,947	13,833	7,607	7,317
17,752	24,778	32,022	48,311	41,516	12,562
12,176	12,319	11,980	10,846	10,233	10,342
5,269	5,839	6,809	6,975	5,360	5,748
-	-	-	-	-	-
<u>433,182</u>	<u>444,432</u>	<u>439,042</u>	<u>451,791</u>	<u>405,719</u>	<u>348,492</u>

716	(3,578)	(10,422)	(7,846)	(7,379)	17,362
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121	441	920	746	1,560	535
-	-	(2,015)	-	-	-
1,545	7,250	1,050	38,585	-	-
-	-	-	-	-	-
-	-	-	-	-	-
30	60	1,790	21	-	681
30,836	25,108	27,535	34,330	34,524	37,544
(30,715)	(24,124)	(27,629)	(34,377)	(36,120)	(38,293)
<u>1,817</u>	<u>8,735</u>	<u>1,651</u>	<u>39,305</u>	<u>(36)</u>	<u>467</u>
<u>\$ 2,533</u>	<u>\$ 5,157</u>	<u>\$ (8,771)</u>	<u>\$ 31,459</u>	<u>\$ (7,415)</u>	<u>\$ 17,829</u>

4.2%	4.3%	4.5%	4.1%	4.0%	4.8%
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**TABLE 5
LUCAS COUNTY, OHIO
REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(Amounts in 000's)**

Fiscal Year	General & Tangible Personal	Sales	Investment	Charges	Fines &	Licenses	Special	Intergov-	Other	Total
	Property Tax ¹	Tax	Income	for	Forfeitures	& Permits	Assessments	ernmental Revenue		
1999	\$86,783	70,441	7,527	22,641	808	44	2,122	153,378	22,110	365,854
2000	\$89,255	71,574	17,928	20,673	687	44	2,344	172,665	23,170	398,340
2001	\$93,916	70,480	13,525	24,608	666	34	2,581	194,753	43,382	443,945
2002	\$107,644	68,211	8,321	24,727	601	37	2,303	178,345	38,431	428,620
2003	\$109,423	67,007	4,016	25,809	677	54	1,763	184,601	47,504	440,854
2004	\$110,657	69,958	3,171	28,383	648	72	2,035	196,518	22,456	433,898
2005	\$112,225	70,601	7,061	28,503	724	33	2,525	201,485	19,837	442,994
2006	\$107,665	70,824	11,576	29,579	807	30	2,370	234,084	19,606	476,541
2007	\$100,764	71,377	14,158	34,618	679	30	7,580	229,917	66,563	525,686
2008	\$94,586	71,333	15,050	33,722	744	27	3,415	260,776	18,338	497,991

¹ General and Tangible Personal Property taxes included rollbacks, homestead, and other revenues from the State of Ohio prior to 2007. These have been reclassified as intergovernmental revenues in 2007.

Lucas County Team Logos



Lucas County Arena, with 8,000 seats, will be the home of a new not-for-profit corporation, Toledo Arena Sports, Inc., which has been established to operate the Toledo Bullfrogs arenafootball2 Club and the Toledo Walleye Hockey Club (a minor league hockey team operated by the Toledo Mud Hens). As with the Toledo Mud Hens (the Class AAA baseball team in town) and Fifth Third Field, net profits from the franchise operations will be dedicated to the debt service on the Lucas County Arena.

TABLE 6
LUCAS COUNTY, OHIO
ASSESSED AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(Amounts in 000's)

<u>Tax/Levy Collection Year</u>	<u>Residential Property Assessed Value</u>	<u>Commercial and Industrial Property Assessed Value</u>	<u>Total Taxable Assessed Value</u>
1998/1999	3,673,967	1,417,507	5,091,474
1999/2000	3,746,207	1,444,292	5,190,499
2000/2001	4,720,515	1,660,866	6,381,381
2001/2002	4,783,532	1,682,507	6,466,039
2002/2003	4,863,806	1,710,232	6,574,038
2003/2004	5,640,311	1,790,334	7,430,645
2004/2005	5,745,949	1,840,983	7,586,932
2005/2006	5,853,133	1,865,396	7,718,529
2006/2007	6,551,449	2,156,662	8,708,111
2007/2008	6,583,147	2,073,612	8,656,759

<u>Total Direct Tax Rate Residential Effective</u>	<u>Total Direct Tax Rate Commercial Effective</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value</u>	<u>Tax/Levy Collection Year</u>
12.641625	14.446247	14,547,069	35.0%	1998/1999
11.570639	13.132412	14,829,997	35.0%	1999/2000
9.696105	12.055300	18,232,517	35.0%	2000/2001
11.665575	12.746417	18,474,397	35.0%	2001/2002
11.849857	12.850388	18,782,966	35.0%	2002/2003
10.583016	12.529699	21,230,414	35.0%	2003/2004
10.964267	12.783644	21,676,949	35.0%	2004/2005
10.355142	12.005686	22,052,940	35.0%	2005/2006
10.760284	12.055420	24,880,317	35.0%	2006/2007
10.805811	12.198706	24,733,596	35.0%	2007/2008

**TABLE 7
LUCAS COUNTY, OHIO
PROPERTY RATES-DIRECT AND OVERLAPPING GOVERNMENTS¹
LAST TEN FISCAL YEARS
(Per \$1,000 of Assessed Valuation)**

Taxable Year:	2007	2006	2005	2004
Collection Year:	2008	2007	2006	2005
<u>Lucas County Entities:</u>				
General Fund	2.00	2.00	2.00	2.00
Board of Mental Retardation	5.00	5.00	5.00	5.00
Children Sevices Board	2.40	2.40	2.40	2.40
Community Mental Health	1.50	1.50	1.50	1.50
Senior Services	0.45	0.45	0.45	0.45
9-1-1 Emergency Telephone Sys.	0.70	0.70	0.70	0.70
Zoo Improvement	1.00	1.00	0.00	0.95
Zoo Operating	0.85	0.85	0.70	0.70
<i>Total Lucas County Entities</i>	13.90	13.90	12.75	13.70
<u>Other Countywide Entities:</u>				
Metroparks	1.70	1.70	1.70	1.70
Toledo-Lucas County Port Authority	0.40	0.40	0.40	0.40
Toledo-Lucas County Library	2.00	2.00	2.00	2.20
<i>Total Countywide Rates</i>	18.00	18.00	16.85	18.00
Toledo Area Regional Transportation Authority (TARTA) ²	2.50	2.50	2.50	2.50

¹Represents gross property tax rates, with totals determined by a combination of the county-wide rates and the applicable tax rates for the school district, township and municipality in which property is located.

² TARTA is not levied in every county taxing district, but is levied in:

City of Maumee
Village of Ottawa Hills
City of Sylvania
City of Toledo
Village of Waterville
Spencer Township
Sylvania Township

<u>2002 2003</u>	<u>2001 2002</u>	<u>2000 2001</u>	<u>1999 2000</u>	<u>1998 1999</u>
2.00	2.00	2.00	2.00	2.00
5.00	5.00	4.50	4.50	4.50
2.65	2.65	3.50	3.50	3.50
1.50	1.50	1.50	1.50	1.50
0.45	0.45	0.45	0.45	0.25
0.70	0.70	0.70	0.70	0.70
0.95	0.95	0.95	0.95	0.95
0.70	0.70	0.70	0.70	0.70
<u>13.95</u>	<u>13.95</u>	<u>14.30</u>	<u>14.30</u>	<u>14.10</u>
1.70	1.40	1.40	1.40	1.40
0.40	0.40	0.40	0.40	0.40
<u>1.70</u>	<u>1.70</u>	<u>1.70</u>	<u>1.85</u>	<u>1.85</u>
<u>17.75</u>	<u>17.45</u>	<u>17.80</u>	<u>17.95</u>	<u>17.75</u>
<u>2.50</u>	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>

TABLE 7
LUCAS COUNTY, OHIO
PROPERTY TAX RATES-DIRECT AND OVERLAPPING GOVERNMENTS-continued
LAST TEN FISCAL YEARS
(per \$1,000 of Assessed Valuation)

Taxable Year:	2007	2006	2005	2004
Collection Year:	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<u>School Districts:</u>				
Anthony Wayne	\$66.80	\$67.70	\$68.20	\$68.20
Evergreen	47.15	47.15	47.88	47.88
Maumee	76.25	76.50	75.75	72.45
Oregon	59.50	59.50	59.50	59.50
Otsego	48.85	49.10	49.30	49.60
Ottawa Hills	126.15	120.85	120.35	120.35
Springfield	70.85	70.85	67.35	67.35
Swanton	67.43	67.78	67.78	67.78
Sylvania	74.90	74.90	74.90	74.90
Sylvania Area Joint Rec Dist ¹	1.20	1.20	1.15	1.15
Toledo	66.90	67.10	67.35	67.35
Washington	69.80	69.80	69.80	69.80
<u>Career Centers:</u>				
Four County	3.20	3.20	3.20	4.30
Penta County	3.20	3.20	3.20	4.30
<u>Townships:</u>				
Harding	4.80	4.80	4.80	4.30
Jerusalem	9.75	9.75	9.75	9.75
Monclova	5.20	5.20	5.20	5.20
Providence	6.95	6.95	6.95	6.95
Richfield	8.00	8.64	8.64	8.64
Spencer	6.00	6.00	6.00	6.00
Springfield	8.10	8.10	8.10	8.10
Swanton	4.90	4.90	4.90	4.90
Sylvania	18.72	20.22	20.92	20.92
Olander Park ²	0.70	0.70	0.70	0.70
Washington	22.95	22.95	22.95	24.25
Waterville	10.50	10.50	10.50	10.50
<u>Municipalities:</u>				
Village of Berkey	4.50	3.00	3.00	1.00
Village of Harbor View	7.00	7.00	7.00	7.00
Village of Holland	0.80	0.80	0.80	0.80
City of Maumee	3.70	3.70	3.70	3.70
City of Oregon	3.50	3.50	3.50	3.50
Village of Ottawa Hills	4.10	4.10	4.10	4.10
Village of Swanton	4.50	4.50	4.50	4.50
City of Sylvania	3.60	4.10	5.10	5.10
City of Toledo	4.40	4.40	4.40	4.40
Village of Waterville	3.50	3.50	3.50	3.50
Village of Whitehouse	3.50	3.50	3.50	3.50

1 The Sylvania Area Joint Recreation District is levied in the same districts as the Sylvania Schools.

2 The Olander Park System System is levied in the same taxing districts as Sylvania Township

<u>2003</u> <u>2004</u>	<u>2002</u> <u>2003</u>	<u>2001</u> <u>2002</u>	<u>2000</u> <u>2001</u>	<u>1999</u> <u>2000</u>	<u>1998</u> <u>1999</u>
\$68.20	\$63.70	\$63.70	\$63.70	\$64.50	\$64.50
47.88	47.88	47.23	47.23	47.23	39.70
71.74	62.30	62.30	62.30	62.30	62.30
55.10	49.20	49.20	49.20	49.20	49.20
43.50	47.40	56.90	56.90	57.70	49.11
114.65	114.35	113.10	113.10	113.20	107.05
67.90	68.10	64.10	64.10	65.10	64.20
68.11	68.11	68.74	68.74	62.05	62.05
70.00	70.10	65.20	65.20	65.70	66.30
1.15	1.20	1.20	1.30	1.30	1.30
67.60	67.99	63.00	63.00	57.50	57.80
65.90	65.90	65.90	65.90	60.70	41.70
3.20	3.20	3.20	3.20	3.20	3.20
3.20	2.20	2.20	2.20	2.20	2.20
4.30	4.30	4.30	4.30	3.30	3.30
9.75	9.75	9.75	9.75	9.75	9.75
5.20	5.20	5.20	5.20	5.20	5.20
6.95	6.95	6.95	6.95	6.95	6.95
8.64	5.80	7.20	7.20	7.20	7.20
6.00	6.00	6.00	6.00	6.00	6.00
8.10	8.10	8.10	8.10	8.10	8.10
6.10	6.10	6.10	6.10	6.10	6.10
18.42	18.42	16.72	16.72	16.40	16.40
0.70	0.70	0.70	0.50	0.50	0.50
24.25	19.50	19.50	19.50	19.50	19.50
9.60	9.60	10.80	10.80	9.30	9.30
3.00	3.00	3.00	3.00	3.00	3.00
7.00	7.00	7.00	7.00	7.00	7.00
0.80	0.80	0.80	0.80	0.80	0.80
3.70	3.70	3.70	3.70	3.70	3.85
3.50	3.50	3.50	3.50	3.50	3.50
4.10	4.10	4.10	4.10	4.10	4.10
4.50	4.50	4.50	4.50	4.50	3.00
5.10	5.10	5.10	5.10	5.10	5.10
4.40	4.40	4.40	4.40	4.40	4.40
3.50	3.50	3.50	3.50	3.50	3.50
3.50	3.50	3.50	3.50	3.50	3.50

TABLE 8
LUCAS COUNTY, OHIO
TOP TEN PRIVATE SECTOR PRINCIPAL TAXPAYERS
AS OF DECEMBER 31, 2008, AND DECEMBER 31, 1999
(AMOUNTS IN 000'S)

<u>Firm</u>	<u>2008 Assessed Real Estate Values</u>	<u>2008 Assessed Personal Property Values</u>	<u>2008 Assessed Property Values</u>	<u>2008 Percent Firms Assessed Values to Total 2008 Assessed Property Values</u>
Sunoco Inc. R&M	\$ 4,457	\$ 20,103	\$ 24,560	0.26%
Westfield Franklin Park	18,180	76	18,256	0.19%
BP America Inc.	3,130	14,485	17,615	0.19%
Empirian CKT LLC	16,150	-	16,150	0.17%
Meijer Stores	14,220	1,733	15,953	0.17%
Wal Mart	13,762	1,307	15,069	0.16%
Krogers	12,324	2,211	14,535	0.15%
The Andersons	12,132	2,019	14,151	0.15%
National Amusements	10,957	520	11,477	0.12%
Harvey Tolson/Ford Maumee	10,290	-	10,290	0.11%
Totals	<u>\$ 115,602</u>	<u>\$ 42,454</u>	<u>\$ 158,056</u>	<u>1.67%</u>

<u>Firm</u>	<u>1999 Assessed Real Estate Values</u>	<u>1999 Assessed Personal Property Values</u>	<u>1999 Assessed Property Values</u>	<u>1999 Percent Firms Assessed Values to Total 1999 Assessed Property Values</u>
General Motors Hydro-Matic	\$ 8,708	\$ 37,491	\$ 46,199	0.72%
Chrysler/Daimler	6,269	38,325	44,594	0.69%
Sun Oil Company	4,383	38,410	42,793	0.66%
BP America	6,388	36,016	42,404	0.66%
The Andersons	12,917	15,265	28,182	0.44%
Schuller International	3,561	20,365	23,926	0.37%
General Mills	3,209	19,273	22,482	0.35%
Meijer, Inc.	13,533	7,191	20,724	0.32%
St. Vincent Medical Center	20,503	-	20,503	0.32%
Seaway FoodTown	5,165	14,471	19,636	0.30%
Totals	<u>\$ 84,636</u>	<u>\$ 226,807</u>	<u>\$ 311,443</u>	<u>4.83%</u>

Source: Lucas County Auditor

TABLE 8
LUCAS COUNTY, OHIO
TOP FIVE PUBLIC UTILITY TAXPAYERS (CONTINUED)
AS OF DECEMBER 31, 2008 AND DECEMBER 31, 1999
(Amounts in 000's)

<u>Utility</u>	2008 Assessed Public Utility Values	2008 Percent of Utilities Assessed Value of Total 2008 Assessed Values
Toledo Edison/First Energy	\$ 139,022	1.48%
American Transmission Sys.	25,513	0.27%
Columbia Gas	24,973	0.27%
Ohio Bell Telephone	16,199	0.17%
CSX Transportation	7,224	0.08%
Totals	\$ 212,931	2.26%

<u>Utility</u>	1999 Assessed Public Utility Values	1999 Percent of Utilities Assessed Value of Total 1999 Assessed Values
Toledo Edison	\$ 244,359	3.75%
Ohio Bell	72,802	1.12%
Columbia Gas	72,512	1.11%
GTE North, Inc and Telegraph	9,697	0.15%
CSX Transport, Inc.	9,251	0.14%
Totals	\$ 408,621	6.27%

Source: Lucas County Auditor

**TABLE 9
LUCAS COUNTY, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS-REAL AND PUBLIC UTILITY
LAST TEN FISCAL YEARS
(Amounts in 000's)**

Tax/Levy Collection Year	Current Taxes Levied	Current Taxes Collected	Current Taxes Collected as a Percent of Taxes Levied (Current)	Delinquent Taxes Collected
1998/1999	75,669	74,647	98.61%	2,467
1999/2000	78,647	77,499	98.54%	2,436
2000/2001	80,974	79,938	98.72%	1,846
2001/2002	90,273	88,991	98.58%	3,223
2002/2003	92,225	89,118	96.63%	4,749
2003/2004	100,917	98,993	98.10%	3,660
2004/2005	101,918	99,110	97.20%	5,335
2005/2006	98,214	95,001	96.73%	4,774
2006/2007	116,118	106,577	91.78%	6,119
2007/2008	120,597	109,014	90.40%	6,408

¹Includes revenue generated from taxes (to include rollbacks and homestead revenue) levied county-wide for: General Fund, Senior Services, Mental Health & Recovery, Board of Mental Retardation, Children Services, Toledo-Lucas County Port Authority, Toledo Zoo, Toledo Lucas County Library and 9-1-1 Emergency Telephone System.

Refer to: "Table 7-Property Tax Rates of All Overlapping Governments" in this Section

*Current year reflects data as of 12-31. Previous year data reflected as of mid-August of the year indicated (the close of the 2nd half real estate tax settlement).

<u>Delinquent Taxes Collected as a Percent of Total Taxes Collected</u>	<u>Total Taxes Collected</u>	<u>Total Collections as a Percent Taxes Levied- Current</u>	<u>*Accumulated Delinquencies</u>	<u>Tax/Levy Collection Year</u>
3.20%	77,114	101.87%	5,760	1998/1999
3.05%	79,935	101.64%	5,012	1999/2000
2.28%	81,784	101.00%	5,872	2000/2001
3.57%	92,214	102.20%	6,321	2001/2002
5.15%	93,867	101.78%	5,893	2002/2003
3.56%	102,653	101.72%	9,394	2003/2004
5.13%	104,465	102.50%	10,407	2004/2005
4.78%	99,775	101.59%	10,465	2005/2006
5.43%	112,696	97.05%	9,714	2006/2007
5.55%	115,422	95.71%	8,401	2007/2008

TABLE 10
LUCAS COUNTY, OHIO
SPECIAL ASSESSMENT LEVIES AND COLLECTIONS¹
(Amounts in 000's)

Tax/Levy Collection Year	Current Assessment Levies	Current Assessments Collected	Current Assessments Collected as a Percent of Assessment Levies	Delinquent Assessments Collected
1998/1999	3,125	2,891	92.5%	153
1999/2000	3,168	2,974	93.9%	232
2000/2001	3,762	3,550	94.4%	182
2001/2002	3,944	3,711	94.1%	249
2002/2003	3,546	3,320	93.6%	253
2003/2004	3,864	3,624	93.8%	251
2004/2005	4,269	3,738	87.6%	255
2005/2006	4,278	3,989	93.2%	243
2006/2007	4,471	4,142	92.6%	267
2007/2008	4,436	4,108	92.6%	812

¹ Assessment levies and collections include assessment districts outside the County entity.

Source: Lucas County Auditor

Delinquent Assessments Collected as a Percent of Assessment Levies	Total Assessments Collected	Total Collections as a Percent of Current Assessments Levies	Accumulated Delinquencies	Tax/Levy Collection Year
4.9%	3,045	97.4%	291	1998/1999
7.3%	3,206	101.2%	268	1999/2000
4.8%	3,732	99.2%	316	2000/2001
6.3%	3,960	100.4%	327	2001/2002
7.1%	3,573	100.8%	332	2002/2003
6.5%	3,876	100.3%	352	2003/2004
6.0%	3,993	93.5%	691	2004/2005
5.7%	4,232	98.9%	801	2005/2006
6.0%	4,410	98.6%	880	2006/2007
18.30%	4,920	110.9%	460	2007/2008

TABLE 11
LUCAS COUNTY, OHIO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST EIGHT FISCAL YEARS
(Amounts in 000's)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Governmental Activities:				
General obligation bonds	\$ 25,230	\$ 27,925	\$ 31,255	\$ 34,935
Special assessment bonds with governmental commitment	17,053	17,254	17,956	16,848
Non-tax revenue bonds	16,544	17,276	17,956	17,865
Short Term Obligations	105,935	-	-	-
OWDA loans	626	776	915	1,327
OPWC loans	1,736	1,725	2,112	2,030
Capital lease obligations	<u>28</u>	<u>93</u>	<u>1,201</u>	<u>3,022</u>
Subtotal	167,152	65,049	71,395	76,027
Business-type Activities:				
OWDA loans	26,334	27,195	29,018	30,766
OPWC loans	<u>2,259</u>	<u>2,330</u>	<u>2,474</u>	<u>1,369</u>
Subtotal	<u>28,593</u>	<u>29,525</u>	<u>31,492</u>	<u>32,135</u>
Total	<u>\$ 195,745</u>	<u>\$ 94,574</u>	<u>\$ 102,887</u>	<u>\$ 108,162</u>
Percent of assessed value	2.08%	1.09%	1.19%	1.24%
Amount per capita	\$ 444.41	\$ 214.01	\$ 231.06	\$ 238.35

Source: Lucas County Auditor

<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
\$ 42,060	\$ 50,500	\$ 53,200	\$ 61,770
14,216	13,440	13,159	13,016
18,455	19,005	19,520	20,000
-	-	-	-
1,712	2,069	2,401	2,709
2,485	2,805	2,793	2,242
<u>3,706</u>	<u>6,352</u>	<u>7,673</u>	<u>9,250</u>
82,634	94,171	98,746	108,987
32,417	18,539	19,354	20,766
<u>263</u>	<u>201</u>	<u>246</u>	<u>291</u>
<u>32,680</u>	<u>18,740</u>	<u>19,600</u>	<u>21,057</u>
<u><u>\$ 115,314</u></u>	<u><u>\$ 112,911</u></u>	<u><u>\$ 118,346</u></u>	<u><u>\$ 130,044</u></u>
1.34%	1.45%	1.53%	1.67%
\$ 255.29	\$ 249.47	\$ 260.96	\$ 286.13

TABLE 12
LUCAS COUNTY, OHIO
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
AS OF DECEMBER 31, 2008
(Amounts in 000's)

	<u>GO Debt¹ Outstanding²</u>	<u>Percent⁴ Applicable to County</u>	<u>Amount Applicable to County</u>
<u>Direct debt</u>			
Lucas County ¹	<u>\$20,977</u>	<u>100.0%</u>	<u>\$20,977</u>
<u>Overlapping debt</u>			
<u>Municipalities²:</u>			
All cities, villages, & townships within Lucas County	204,110	100.0%	204,110
Swanton Village	1,156	6.1%	70
<u>School Districts³:</u>			
All school districts within Lucas County	284,349	100.0%	284,349
Anthony Wayne	20,494	97.7%	20,030
Evergreen	11,914	44.7%	5,328
Otsego	17,250	14.5%	2,505
Penta County Career Center	1,220	39.7%	484
Swanton	12,485	62.5%	7,805
Sylvania Jt Rec Dist	<u>12,325</u>	<u>100.0%</u>	<u>12,325</u>
Overlapping debt	<u>565,303</u>	<u>95.0%</u>	<u>537,006</u>
Total direct and overlapping debt	<u><u>\$586,280</u></u>	<u><u>95.2%</u></u>	<u><u>\$557,983</u></u>

¹ General obligation debt issued in anticipation of the collection of special assessments or for correctional facilities which are exempt from statutory debt limitations. They are included in this table as outstanding general obligation debt of the County and other subdivisions.

² Includes the notes but excludes the outstanding Note; general obligation indebtedness for all political subdivision listed (other than the County) is as of January 1, 2009).
 Waterville and Whitehouse.

³ The School district which are wholly located within the legal boundaries of Lucas County are Maumee (CSD), Ottawa Hills (LSD), Oregon (CSD), Springfield (LSD), Sylvania (CSD), Toledo (CSD), and Washington (LSD).

⁴ Percent based on assessed value within the County.

Source: Ohio Municipal Advisory Council

TABLE 13
LUCAS COUNTY, OHIO
Pledged Revenue - Last Ten Fiscal Years
(Amounts in 000's)

***Taxable Economic Development Revenue Bonds, Series 2001**

Fiscal Year	Investment Income	Charges for Services	Fines & Forfeitures	Licenses & Permits	Other	Total	Debt Service		
							Principal	Interest	Coverage
1999	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
2000	-	-	-	-	-	-	-	-	N/A
2001	12,179	12,565	540	34	3,554	28,872	-	991	29.13
2002	9,130	12,707	458	37	2,982	25,314	480	1,322	14.05
2003	4,016	13,178	518	54	4,247	22,013	515	1,291	12.19
2004	3,171	15,192	495	72	1,634	20,564	550	1,258	11.37
2005	7,061	14,223	520	33	1,483	23,320	590	1,223	12.86
2006	11,576	14,304	596	30	2,662	29,168	635	1,186	16.02
2007	13,826	18,504	489	30	6,395	39,244	680	1,145	21.50
2008	13,586	13,735	549	27	3,931	31,828	725	1,102	17.42

*Only general fund revenue is considered pledged.

¹ 2006 Sanitary Sewer Bond 772

Fiscal Year	Special Assessments Collected	Debt Service		
		Principal	Interest	Coverage
1999	-	-	-	N/A
2000	-	-	-	N/A
2001	-	-	-	N/A
2002	-	-	-	N/A
2003	-	-	-	N/A
2004	-	-	-	N/A
2005	-	-	-	N/A
2006	-	-	-	N/A
2007	29	-	31	0.94
2008	38	7	33	0.95

¹Only revenues and assessments attributable to this project are identified.

Note: Details regarding the County's outstanding debt are included in the notes to the financial statements.

Source: Lucas County Auditor

TABLE 14
LUCAS COUNTY, OHIO
Legal Debt Margin Information
Last Ten Fiscal Years
(Amounts in 000's)

	2008	2007	2006	2005
Debt Limit	<u>\$ 233,618</u>	<u>\$ 235,078</u>	<u>\$ 240,207</u>	<u>\$ 219,550</u>
Total net debt applicable to limit	<u>20,977</u>	<u>23,803</u>	<u>25,606</u>	<u>26,624</u>
Legal Debt Margin	<u><u>\$ 212,641</u></u>	<u><u>\$ 211,275</u></u>	<u><u>\$ 214,601</u></u>	<u><u>\$ 192,926</u></u>
 Total net debt applicable to the limit as a percentage of debt limit	 8.98%	 10.13%	 10.66%	 12.13%

2004	2003	2002	2001	2000	1999
\$ 216,798	\$ 213,534	\$ 194,537	\$ 192,836	\$ 163,173	\$ 159,838
33,379	41,893	49,570	39,527	51,571	52,442
<u>\$ 183,419</u>	<u>\$ 171,641</u>	<u>\$ 144,967</u>	<u>\$ 153,309</u>	<u>\$ 111,602</u>	<u>\$ 107,396</u>
15.40%	19.62%	25.48%	20.50%	31.61%	32.81%

Legal Debt Margin Calculation for 2008

Direct legal debt limitation ¹ :		
3% of the first \$100,000 assessed valuation		3,000
1.5% on excess of the \$100,000-not in excess of \$300,000		3,000
2.5% on the amount in excess of \$300,000		<u>227,618</u>
Total Direct legal debt limitation		233,618
Total of all county debt outstanding ²	148,218	
Less:		
Special assessment bonds and notes ²	16,906	
Exempt General Obligation Debt ³	110,335	
Total Exempt Debt		(127,241)
Total net indebtedness (voted and unvoted) subject to the direct Debt limitation		20,977
Direct Legal Debt Margin		<u>212,641</u>
unvoted debt limitation (subject to 1% of County assessed valuation)	94,047	
Total net indebtedness (unvoted - subject to the 1% legal debt limitation)	(20,977)	
Total unvoted legal debt margin		<u>73,070</u>

¹ Direct legal debt limitation is outlined by the Ohio Revised Code, codifications 133.04 and 133.07, not including available equity in debt service fund.

² Excludes Ohio Water Development Authority (OWDA) Ohio Public Works Commission (OPWC) loans, SS 772 revenue bonds, and non-tax revenue bonds. Refer to "Note 9 - Notes Payable: and to "Note 10 - Long-term Debt and Other Obligations" in the Notes to the Financial Statements.

³ Excluded by state statute: Correctional facility, Convention Center, & Arena bonds and notes

Source: Lucas County Auditor

TABLE 15
LUCAS COUNTY, OHIO
RATIO OF NET GENERAL BONDED DEBT TO
ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS
(Amounts in 000's)

Fiscal Year	Total (ii, iii) Population	Personal (iii) Income	Per Capita (iii) Income	Assessed Values	Gross General (i) Bonded Debt
1999	446,482	12,224,732	26,837	6,446,682	60,060
2000	455,054	12,669,269	27,852	6,521,331	52,590
2001	454,392	12,754,660	28,070	7,776,531	61,770
2002	453,244	13,142,344	28,996	7,773,447	53,200
2003	452,015	13,556,678	29,992	7,841,480	50,500
2004	449,044	13,505,183	30,075	8,601,363	42,060
2005	446,458	13,621,321	30,510	8,731,912	34,935
2006	443,908	14,176,683	31,936	8,842,012	31,255
2007	442,408	14,686,439	33,197	9,668,315	27,925
2008	440,456	N/A	N/A	9,404,736	25,230

Source (i): Lucas County Auditor
Source (ii): Toledo Regional Partnership
Source (iii): Bureau of Economic Analysis

TABLE 16
LUCAS COUNTY, OHIO
RATIO OF ANNUAL DEBT SERVICE FOR GENERAL
BONDED DEBT TO TOTAL GENERAL EXPENDITURES
LAST TEN FISCAL YEARS
(Amounts in 000's)

Fiscal Year	General Obligation Principal	General Obligation Interest	Total² General Obligation Debt Service	Total¹ General Governmental Expenditures	Ration of Total Debt Service to General Governmental Expenditures
1999	7,840	3,815	11,655	382,308	3.05%
2000	7,470	3,436	10,906	436,578	2.50%
2001	7,820	3,538	11,358	451,791	2.51%
2002	8,345	4,907	13,252	439,042	3.02%
2003	8,960	4,384	13,344	444,432	3.00%
2004	8,990	3,932	12,922	433,182	2.98%
2005	7,715	3,779	11,494	446,009	2.58%
2006	3,680	1,761	5,441	475,277	1.14%
2007	3,965	994	4,959	545,329	0.91%
2008	5,560	1,254	6,814	546,394	1.25%

¹ Refer to: "Table 4- Changes in Fund Balances Government Funds".

² General obligation bonds reported in the Enterprise funds and special assessment debt with governmental commitment have been excluded.

Source: Lucas County Auditor

<u>Less Debt (i) Service Fund Balance</u>	<u>Net General Bonded Debt</u>	<u>Ration of Net General Bonded Debt to Assessed Value</u>	<u>Per Capita Net General Bonded Debt</u>	<u>Fiscal Year</u>
5,986	54,074	0.839%	121.11	1999
6,139	46,451	0.712%	102.08	2000
10,542	51,228	0.659%	112.74	2001
12,907	40,293	0.518%	88.90	2002
16,542	33,958	0.433%	75.13	2003
9,689	32,371	0.376%	72.09	2004
7,682	27,253	0.312%	61.04	2005
5,140	26,115	0.295%	58.83	2006
5,904	22,021	0.228%	49.78	2007
(4,042)	29,272	0.311%	66.46	2008

TABLE 17
LUCAS COUNTY, OHIO
DEMOGRAPHIC STATISTICS
AS OF DECEMBER 31, 2008

POPULATION DENSITY

<u>Census Year</u>	<u>Square Miles</u>	<u>Population in Lucas County</u>	<u>Population Density</u>
1970	343.3	483,551	1,408.5
1980	343.3	471,741	1,383.4
1990	341.0	462,361	1,355.9
2000	341.0	455,054	1,334.5

Source: Bureau of Census-United States Department of Commerce

EMPLOYMENT TRENDS

Ten Year Average Employment

<u>Year</u>	<u>County Employed</u>	<u>County Unemployed</u>	<u>Unemployment Rate</u>		
			<u>County</u>	<u>Ohio</u>	<u>U.S.</u>
1999	217,700	12,100	5.3%	4.3%	4.2%
2000	217,000	10,300	4.5%	4.0%	4.0%
2001	215,500	11,300	5.0%	4.4%	4.7%
2002	210,200	15,400	6.8%	5.7%	5.8%
2003	208,200	16,700	7.4%	6.2%	6.0%
2004	207,700	16,400	7.3%	6.1%	5.5%
2005	209,000	15,100	6.7%	5.9%	5.1%
2006	211,700	14,100	6.2%	5.4%	4.6%
2007	208,700	15,100	6.7%	5.6%	4.6%
2008	204,200	18,400	8.3%	6.5%	5.8%

2008 Monthly Employment

<u>Month</u>	<u>County Employed</u>	<u>County Unemployed</u>	<u>Unemployment Rate</u>		
			<u>County</u>	<u>Ohio</u>	<u>U.S.</u>
January	201,700	19,400	8.8	6.4	5.4
February	203,300	16,100	7.4	6.2	5.2
March	204,700	16,300	7.4	6.2	5.2
April	206,000	14,800	6.7	5.6	4.8
May	207,400	15,600	7.0	6.0	5.2
June	206,900	17,700	7.9	6.6	5.7
July	205,500	20,300	9.0	6.9	6.0
August	204,700	20,200	9.0	6.8	6.1
September	205,000	17,300	7.8	6.6	6.0
October	204,900	19,700	8.8	6.6	6.1
November	201,800	21,700	9.7	6.9	6.5
December	198,500	22,200	10.1	7.7	7.1

Sources: Ohio Dept of Jobs and Family Services, Office of Workforce Development, and the Bureau of Labor Market Information.

TABLE 18
Top 2008 Private & Public Employers

<u>Employer</u>	<u>Number of Employees</u>	<u>Primary Type of Product/Service</u>	<u>Percentage of Total Employment</u>
Promedica Health Systems	9,820	Health Care	4.81%
Mercy Health Partners	6,777	Health Care	3.32%
University of Toledo	5,027	Education (advanced)	2.46%
Toledo Public Schools	4,489	Education (primary-secondary)	2.20%
Lucas County	3,912	Government Services (various)	1.92%
U.T. Health Science Campus	3,673	Health Care	1.80%
City of Toledo	2,855	Government Services (various)	1.40%
Kroger	2,847	Retail Grocery	1.39%
Daimler Chrysler/Toledo Jeep	2,654	Automotive Manufacturing	1.30%
State of Ohio	2,363	Government Services (various)	1.16%
United Parcel Service	2,001	Mail Services	0.98%
The Andersons, Inc.	1,818	Grain Storage/Process/Retail	0.89%
HCR Manor Care	1,781	Health Care	0.87%
Lott Industries	1,723	Packaging Services	0.84%
General Motors-Power Train	<u>1,530</u>	Automotive Manufacturing	<u>0.75%</u>
Top fifteen total employed	<u>53,270</u>		26.09%
Total Work Force		204,200	
Percent of total work force	26.09%		

Top 1999 Private & Public Employers

<u>Employer</u>	<u>Number of Employees</u>	<u>Primary Type of Product/Service</u>	<u>Percentage of Total Employment</u>
Promedica Health Systems	10,633	Health Care	4.88%
Mercy Health Partners	8,208	Health Care	3.77%
Toledo Public Schools	5,539	Education (primary-secondary)	2.54%
Daimler-Chrysler/Toledo Jeep	5,400	Automotive Manufacturing	2.48%
University of Toledo	5,213	Education (advanced)	2.39%
Lucas County	4,489	Government Services (various)	2.06%
Seaway/Foodtown	4,429	Retail Grocery	2.03%
General Motors/Power Train	4,100	Automatic Transmission Manufacturer	1.88%
Medical College of Ohio	3,367	Medicine and Health Care	1.55%
City of Toledo	2,916	Government Services (various)	1.34%
Kroger	2,667	Retail Grocery	1.23%
Meijer's	2,500	Retail Grocery	1.15%
United Parcel Service	2,121	Mail Services	0.97%
The Andersons, Inc	1,951	Grain Storage/Process/Retail	0.90%
State of Ohio	<u>1,948</u>	Government Services (various)	<u>0.89%</u>
Top fifteen total employed	<u>65,481</u>		30.08%
Total Work Force		217,700	
Percent of total work force	30.08%		

Refer to: "Employment Trends-Ten year Employment" within Table 17 of this section

Source: Toledo Regional Growth Partnership

**TABLE 19
LUCAS COUNTY, OH
COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/ACTIVITY
LAST SIX FISCAL YEARS**

Function/Program	2008	2007	2006	2005	2004	2003
<u>General Government:</u>						
Auditor	132	143	173	124	119	117
Board of Elections	31	45	27	27	32	44
Clerk of Courts	81	87	81	85	83	81
Commissioners	73	75	84	93	82	74
Recorder	15	16	21	20	22	19
Treasurer	31	33	32	35	33	36
<u>Judicial:</u>						
Common Pleas Court	274	270	284	288	280	287
Domestic Relations Court	45	47	47	50	49	49
Juvenile Court	262	259	295	296	269	271
Probate Court	39	34	37	39	39	39
Prosecutors Office	95	101	110	117	112	104
<u>Public Safety:</u>						
Coroner	17	15	19	20	21	17
Emergency Management Agency	5	5	8	8	7	7
Sheriff	528	533	542	538	514	545
<u>Human Services:</u>						
Child Support Enforcement Agency	155	162	168	166	169	171
Children Services	400	401	424	426	389	378
Jobs and Family Services	400	435	494	423	414	479
Veterans Service Commission	17	15	15	14	13	13
<u>Health:</u>						
BMR/DD	692	664	794	833	852	839
Mental Health & Recovery	20	20	19	25	28	29
<u>Public Works</u>						
Engineer	38	40	41	38	43	42
Water & Sewer Operations	18	20	19	17	18	18
Totals	3,368	3,420	3,734	3,682	3,588	3,659

**TABLE 20
LUCAS COUNTY, OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST SEVEN FISCAL YEARS**

Operating Indicators and Capital Asset Statistics

Function/Program	2008	2007	2006	2005	2004	2003	2002
General government:							
<u>Auditor - Real Estate</u>							
Real Estate Transfers	8,492	9,351	10,428	12,221	12,045	11,711	11,211
Parcels on File	208,657	208,713	207,818	206,635	205,305	203,984	202,792
<u>Commissioners</u>							
Resolutions presented	1,476	1,583	1,833	1,922	1,914	1,857	1,871
<u>Purchasing</u>							
Bid contracts awarded	36	31	33	37	49	47	50
Purchase orders issued	3,500	2,415	1,926	1,951	1,956	2,107	2,963
<u>Recorder</u>							
Deeds recorded	16,919	18,663	19,928	22,640	21,925	16,600	21,410
Mortgages recorded	14,677	20,764	27,306	32,534	35,506	37,879	47,460
<u>Treasurer</u>							
Net portfolio earnings	\$11,855,018	\$13,225,847	\$10,331,847	\$6,528,270	\$4,951,510	\$6,362,771	\$9,759,123
<u>Board of Elections</u>							
Registered voters	317,036	287,512	296,539	292,613	300,137	289,877	278,619
Voters last general election	220,457	86,861	146,539	124,907	221,902	103,251	135,802
Percentage of registered voters that voted	70.00%	30.12%	49.5%	42.7%	73.9%	35.6%	48.7%
<u>Risk Management</u>							
Workers comp claims	198	217	245	268	290	321	281
<u>Clerk of Courts</u>							
Titles processed	196,502	199,834	206,202	216,370	224,370	229,508	235,321
<u>Judicial</u>							
<u>Court of Appeals:</u>							
Cases filed	793	759	777	801	717	709	738
<u>Common Pleas Court</u>							
Civil cases filed	8,359	8,300	7,626	6,885	6,279	6,083	6,050
Criminal cases filed	2,709	2,686	2,836	2,767	2,723	2,794	2,574
<u>Domestic Relations Court</u>							
Cases filed	1,839	2,871	1,930	1,968	1,968	2,047	2,159
<u>Juvenile Court</u>							
Cases filed	12,397	11,728	13,645	13,492	12,641	13,527	14,122
<u>Probate Court</u>							
Cases filed	8,610	8,986	8,657	9,996	10,495	10,808	10,912

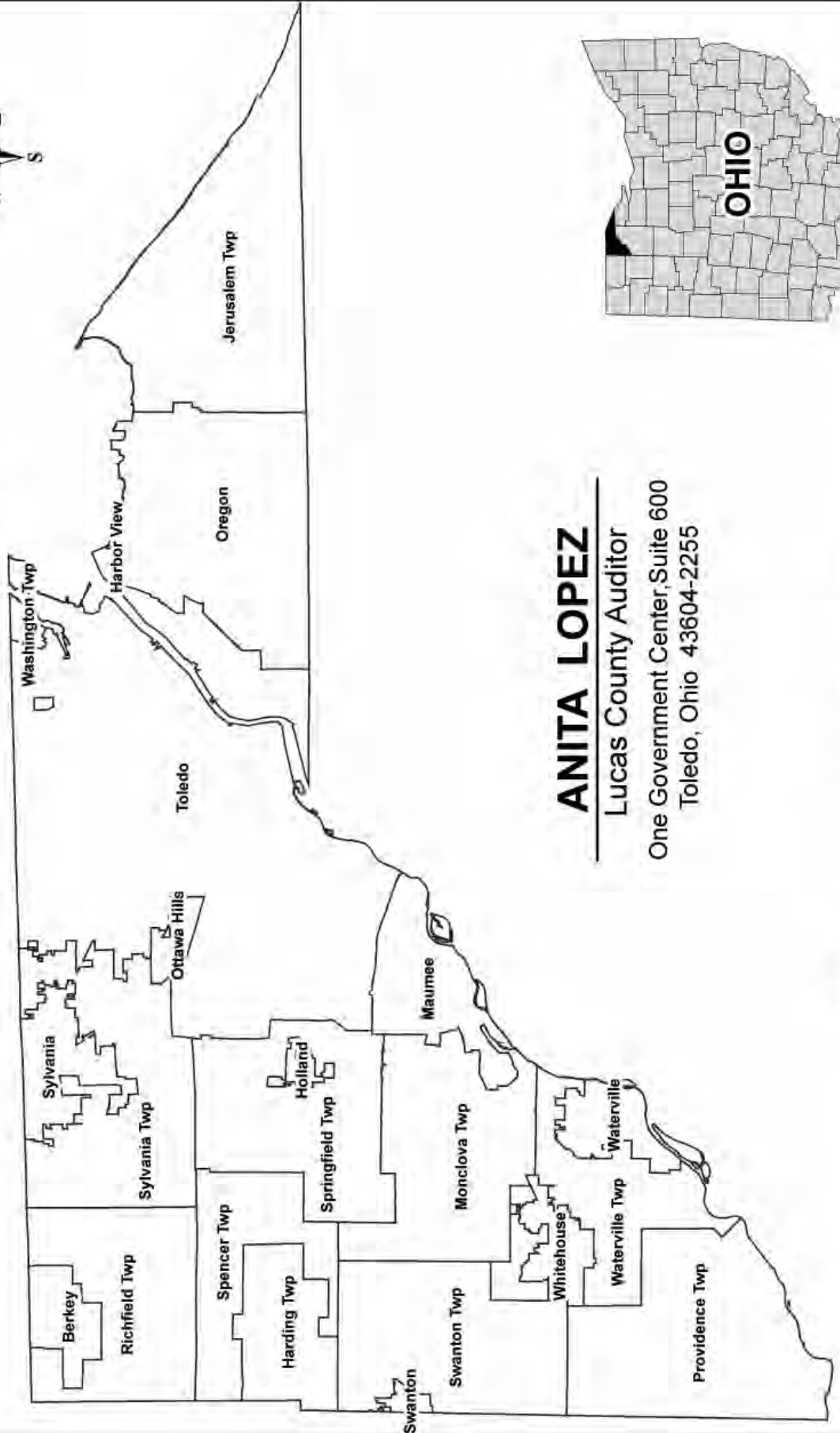
Sources: The Respective County Agency

TABLE 20
LUCAS COUNTY, OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST SEVEN FISCAL YEARS

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Public Safety							
<u>Sheriff: Jail Operations & Enforcement</u>							
Average daily jail census	434	466	498	485	490	478	438
Prisoners booked	22,042	26,611	26,028	26,110	27,946	25,650	25,026
Incidents reported	35,649	34,162	48,476	34,755	33,490	32,031	29,322
Civil papers served	27,005	34,438	38,805	34,691	26,742	10,149	9,937
<u>Emergency Management Agency</u>							
911 calls received	371,733	374,822	376,599	378,532	391,537	413,870	440,312
Emergency responses	58,649	56,813	55,853	54,837	52,665	52,811	53,733
<u>Animal Care & Control</u>							
Service requests	5,998	6,203	6,369	6,880	7,028	7,606	7,480
Dogs adopted	232	244	260	237	329	305	347
Dog licenses sold	63,153	61,458	63,258	63,154	63,145	61,733	62,591
Human Services							
<u>Veterans Service Commission</u>							
Financial claims filed	15,330	16,080	14,372	13,278	11,272	6,593	
<u>Jobs and Family Services</u>							
Clients-food stamps	77,948	61,813	60,880	59,680	56,190	50,613	46,263
Clients-Medicaid	89,659	87,905	87,486	85,948	74,553	75,540	73,379
<u>Children Services</u>							
Children placed in adoptive homes	123	183	194	227	193	143	172
Child welfare investigations	3,928	4,426	4,964	4,858	4,694	4,634	4,691
Children in foster home care	457	513	581	604	515	473	437
Children served in paid placement	486	542	612	629	544	507	469
<u>Child Support Enforcement Agency</u>							
Active support orders	51,222	50,111	49,024	47,647	46,280	45,121	44,367
Percentage of collected support orders	62.55%	63.88%	63.33%	63.19%	62.77%	61.63%	59.87%
Health:							
<u>Board of Mental Retardation & Developmental Disabilities</u>							
Individuals in adult workshops	1,207	1,201	1,502	1,374	1,390	1,413	1,404
Public Works							
<u>Engineer</u>							
Miles of road resurfaced	12	19	14	15	21	22	17
Culverts Built	2	0	1	2	2	4	
County bridges repaired or replace	4	3	4	2	1	1	3
<u>Water and Sewer operations</u>							
Permits/taps	515	905	1,409	2,301	2,758	2,574	2,220
Emergency/maintained responses	551	594	785	607	424	460	492
Million of gallons per day - average daily flow	16.6	15.1	13.5	13.7	12.6	14.0	12



LUCAS COUNTY, OHIO

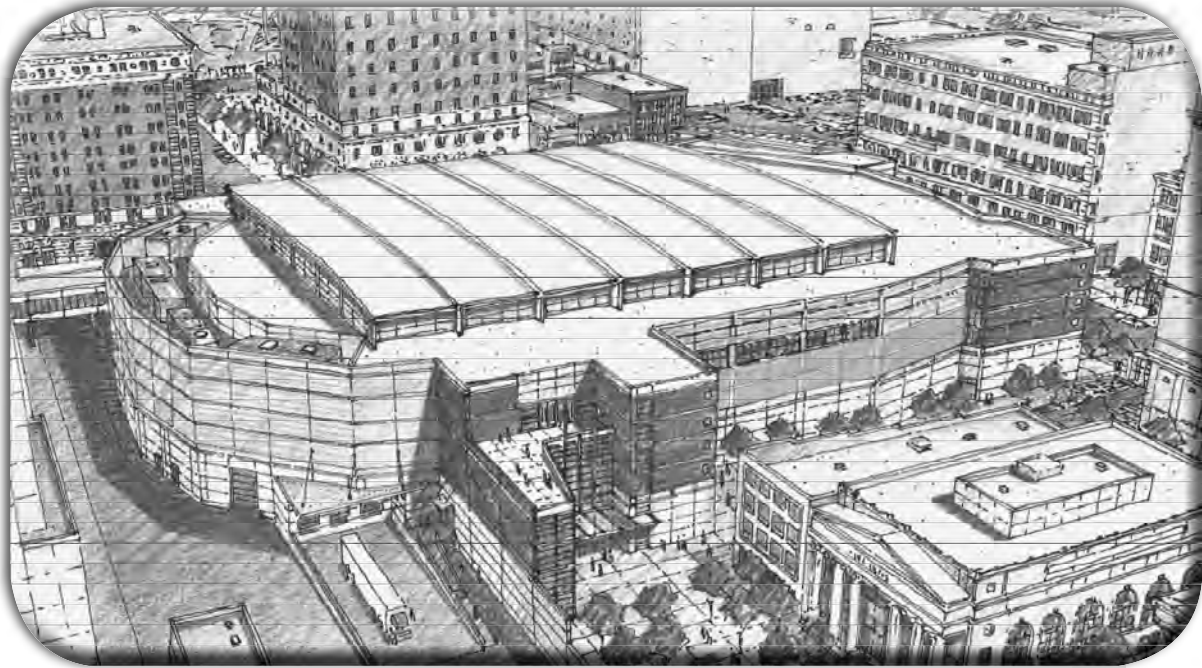


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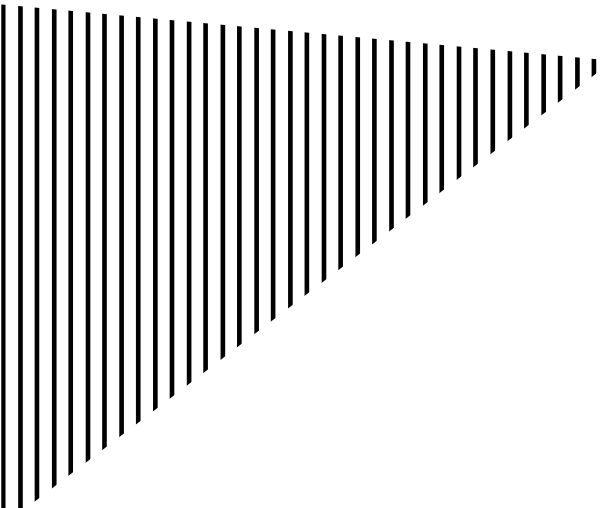


Lucas County's Multi-Purpose Arena



The Lucas County Arena, scheduled to open in the fall of 2009, will begin a new era for Lucas County residents. A year round source of family fun and entertainment, the new arena will bring many of the nation's highest quality sporting and entertainment events to the County. Just as importantly, the new arena will be located in close proximity to Fifth Third Field and the Seagate Convention Centre, providing downtown Toledo with three major attractions within walking distance of each other.

The arena will be home to the minor league professional hockey team, the Toledo Walleye and the Toledo Bullfrogs, a new team in the Arena 2 football league. The Walleye will make their debut in their new home in time for the 2009-10 ECHL season, while the Bullfrogs will start playing in the spring of 2010.



LUCAS COUNTY, OHIO

Reports Issued Pursuant to the OMB Circular A-133
For the Year Ended December 31, 2008

Ernst & Young LLP



Lucas County, Ohio

Reports Issued Pursuant to the OMB Circular A-133

Year Ended December 31, 2008

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Report of Independent Auditors 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*

The Lucas County Board of Commissioners
Toledo, Ohio

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lucas County, Ohio (the County) as of and for the year ended December 31, 2008, which collectively comprise the County's basic financial statements and have issued our report thereon dated May 29, 2009. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Toledo Mud Hens Baseball Club, Inc., Lott Industries, Inc., and Preferred Properties, Inc. as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing on internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Toledo Mud Hens Baseball Club, Inc., Lott Industries, Inc., and Preferred Properties, Inc. were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

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 entity'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 entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2008-01 and 2008-02 to be significant deficiencies in internal control over financial reporting.

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 entity'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 the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above are material weaknesses.

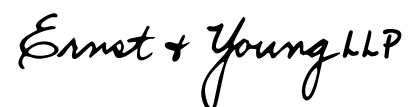
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County'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*.

We also noted certain matters that we reported to management of the County in a separate letter dated May 29, 2009.

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and accordingly, we express no opinion on it.

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

A handwritten signature in black ink that reads 'Ernst & Young LLP'.

May 29, 2009

Report of Independent Auditors on Compliance With
Requirements Applicable to Each Major Program, on Internal
Control Over Compliance, and the Schedule of Expenditures of
Federal Awards in Accordance With OMB Circular A-133

The Lucas County Board of Commissioners
Toledo, Ohio

Compliance

We have audited the compliance of Lucas County, Ohio (the County) with the types of compliance requirements described in the US Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2008. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

The County's basic financial statements include the operations of the Lucas County Family and Children First Council which received federal awards which are not included in the schedule during the year ended December 31, 2008. Our audit described below, did not include the operations of the Lucas County Family and Children First Council because the entity engaged other auditors to perform an audit in accordance with OMB Circular A-133.

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

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2008. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2008-03.

Internal Control Over Compliance

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

Our consideration of internal control over compliance 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. However, as described below, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2008-03 to be a significant deficiency.

A *material weakness* is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider the deficiency in the accompanying schedule of findings and questioned costs to be a material weakness.

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County as of and for the year ended December 31, 2008, and have issued our report thereon dated May 29, 2009, which expressed reliance on other auditors. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, is fairly stated, in all material respects in relation to the basic financial statements taken as a whole.

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

Ernst + Young LLP

June 30, 2009, except for the
Schedule of Expenditures of
Federal Awards dated
May 29, 2009

Lucas County, Ohio

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2008

Federal Grantor, Pass-Through Grantor, Recipient Department, Program Title, Project Name	CFDA Number	Agency Pass-Through From or Other Identifying Number	Federal Expenditures
Department of Agriculture, Food and Nutrition Service			
Passed through Ohio Department of Education:			
Juvenile Court:			
Food Donation	10.550	IRN: 083097	\$ 166,659
Total Department of Agriculture, Food and Nutrition Service			<u>166,659</u>
Department of Housing and Urban Development (HUD)			
Direct Award:			
Mental Health and Recovery Services Board			
Supportive Housing Program (Pact Partnership)	14.235	OH16B10-1001 / 346400806	60,130
Supportive Housing Program (Affordable Housing)	14.235	OH16B60-1003 / 346400806	459,060
Total CFDA Number 14.235			<u>519,190</u>
Shelter Plus Care	14.238	OH16C60-1001 / 346400806	89,985
Total Direct			<u>609,175</u>
Passed through Ohio Department of Development			
Board of County Commissioners:			
Community Development Block Grants/State's Program Revolving Loan Fund	14.228	(1)	2,674
Community Development Block Grants/State's Program (CHIP CDBG)	14.228	B-C-06-044-1	17,700
Community Development Block Grants/State's Program (Formula Grant 2006)	14.228	B-F-06-044-1	297,420
Community Development Block Grants/State's Program (Formula Grant 2007)	14.228	B-F-07-044-1	22,240
Total CFDA Number 14.228			<u>340,034</u>
Home Investment Partnerships Program (CHIP)	14.239	B-C-06-044-2	133,442
Total Pass Through			<u>473,476</u>
Total Department of Housing and Urban Development			1,082,651
Department of Justice			
Direct Award:			
Sheriff:			
Bulletproof Vest Partnership Grant Program (2007)	16.607	(1)	15,267
Public Safety Partnership and Community Policing Grants (2007 COPS)	16.710	2007CKWX0176	3,318
Criminal Justice Coordinating Council:			
Edward Byrne Memorial Justice Assistance Grant Program (Collaboration Project)	16.738	06-DJ-BX-0734	27,123
Edward Byrne Memorial Justice Assistance Grant Program (Collaboration Project)	16.738	07-DJ-BX-0225	108,260
Edward Byrne Memorial Justice Assistance Grant Program (Collaboration Project)	16.738	08-DJ-BX-0156	95,176

Lucas County, Ohio

Schedule of Expenditures of Federal Awards (continued)

Federal Grantor, Pass-Through Grantor, Recipient Department, Program Title, Project Name	CFDA Number	Agency Pass-Through From or Other Identifying Number	Federal Expenditures
Department of Justice (continued)			
Criminal Justice Coordinating Council:			
Edward Byrne Memorial Justice Assistance Grant Program (Administration)	16.738	07-JG-ADM-7575	45,638
Total CFDA Number 16.738			<u>276,197</u>
Juvenile Justice Center:			
Drug Court Discretionary Grant Program	16.585	2004-DC-BX-0052	105,466
Total Direct			<u>400,248</u>
Passed through Ohio Department of Youth Services:			
Criminal Justice Coordinating Council:			
Juvenile Accountability Block Grants (JABG)	16.523	06-JB-1000	17,335
Juvenile Accountability Block Grants (JABG)	16.523	07-JB-1000	49,274
Total CFDA Number 16.523			<u>66,609</u>
Juvenile Justice and Delinquency Prevention:			
JJDP – Block Title II	16.540	06-JJ-1095	262
JJDP – Block Title II	16.540	07-JJ-1095	79,818
JJDP – Administration	16.540	07-JJ-ADM-0287	15,154
Lucas County DMC Initiative	16.540	05-JJ-SI1-0021D	47,576
Total CFDA Number 16.540			<u>142,810</u>
Passed through Office of Criminal Justice Services:			
Criminal Justice Coordinating Council:			
Violence Against Women Formula Grants (VAWA – STOP)	16.588	06-WF-1068	23,100
Violence Against Women Formula Grants (VAWA – STOP)	16.588	07-WF-1078	168,399
Violence Against Women Formula Grants (VAWA – Administration)	16.588	07-WF-ADM-8826	12,030
Total CFDA Number 16.588			<u>203,529</u>
Passed through Ohio Attorney General:			
Victim Witness Assistance Program:			
Crime Victim Assistance (VOCA V/W)	16.575	2006VAGENE118T	2,230
Crime Victim Assistance (VOCA V/W)	16.575	2007VAGENE118T	206,373
Crime Victim Assistance (VOCA V/W)	16.575	2008VAGENE118T	65,656
Total CFDA Number 16.575			<u>274,259</u>
Crime Victim Assistance / Discretionary Grants (SVAA)	16.582	2006SAGENE118T	933
Crime Victim Assistance / Discretionary Grants (SVAA)	16.582	2007SAGENE118T	91,228
Crime Victim Assistance / Discretionary Grants (SVAA)	16.582	2008SAGENE118T	19,990
Total CFDA Number 16.582			<u>112,151</u>
Passed through Ohio Bureau of Criminal Identification and Investigation:			
Prosecutor's Office:			
Solving Cold Cases with DNA Grant	16.XXX	2005-DN-BX-K002	21,046
Total Pass Through			<u>820,404</u>
Total Department of Justice			<u>1,220,652</u>

Lucas County, Ohio

Schedule of Expenditures of Federal Awards (continued)

Federal Grantor, Pass-Through Grantor, Recipient Department, Program Title, Project Name	CFDA Number	Agency Pass-Through From or Other Identifying Number	Federal Expenditures
Department of Labor, Employment and Training Administration			
Passed through Ohio Job and Family Services (ODJFS):			
Workforce Development Agency			
Workforce Investment Act (WIA):			
Adult:			
Program	17.258	(1)	2,702,878
Administration	17.258	(1)	198,051
Adult Total			<u>2,900,929</u>
Dislocated Workers:			
Program	17.260	(1)	1,570,747
Administration	17.260	(1)	115,095
Dislocated Workers Total			<u>1,685,842</u>
Youth Activities:			
Program	17.259	(1)	2,040,087
Administration	17.259	(1)	149,486
Youth Activities Total			<u>2,189,573</u>
Total WIA Cluster			<u>6,776,344</u>
Work Incentive Grants (Disability Navigator)	17.266	(1)	40,204
Employment Service/Wagner-Peyser Funded Activities	17.207	(1)	7,000
Total Department of Labor, Employment and Training Administration			<u>6,823,548</u>
Department of Transportation, Federal Highway Administration			
Passed through Ohio Department of Transportation:			
County Engineer:			
Highway Planning and Construction (2008: Sitt Road Bridge)	20.205	PID 79966	820,447
Highway Planning and Construction (2008: Guardrail)	20.205	PID 82502	268,328
Highway Planning and Construction (2008: Pavement Markings)	20.205	PID 82503	119,253
Highway Planning and Construction (2007: Raised Pavement Markings)	20.205	PID 82504	69,880
Total Department of Transportation, Federal Highway Administration			<u>1,277,908</u>
Department of Education			
Passed through Ohio Department of Rehabilitation & Correction			
Correctional Treatment Facility:			
Adult Education – Basic Grants to States	84.002	2008 PRSC 0009	25,839
Title I Program for Neglected and Delinquent Children (Title I)	84.013	2008 T1 Ed 0010	36,628
Title I Program for Neglected and Delinquent Children (Title I)	84.013	2009 T1 Ed 0010	423
Total CFDA Number 84.013			<u>37,051</u>
Passed through Ohio Department of Mental Retardation and Development Disabilities:			
Board of Mental Retardation and Developmental Disabilities Rehabilitation Services – Vocational Rehabilitation Grants to States (RSC)	84.126	(1)	13,424
Passed through Ohio Department of Alcohol and Drug Addiction Services (ODADAS):			
Mental Health and Recovery Services Board:			
Safe and Drug-Free Schools and Communities – State Grants	84.186	(1)	208,340
Total Department of Education			<u>284,654</u>

Lucas County, Ohio

Schedule of Expenditures of Federal Awards (continued)

Federal Grantor, Pass-Through Grantor, Recipient Department, Program Title, Project Name	CFDA Number	Agency Pass-Through From or Other Identifying Number	Federal Expenditures
Department of Health and Human Services			
Direct:			
Juvenile Justice Center:			
Enhance the Safety of Children Affected by Parental Methamphetamine or Other Substance Abuse (DHHS)	93.087	90CU0015/01	191,378
Passed through Ohio Department of Mental Retardation and Development Disabilities:			
Board of Mental Retardation and Developmental Disabilities			
State Children's Insurance Program (SCHIP Title XXI)	93.767	(1)	9,610
Social Services Block Grant (Title XX)	93.667	(1)	489,137
Passed through Ohio Department of Mental Health (ODMH):			
Mental Health and Recovery Services Board:			
Social Services Block Grant (Title XX)	93.667	(1)	396,315
Total CFDA Number 93.667			<u>885,452</u>
Passed through Ohio Department and Mental Retardation and Development Disabilities:			
Board of Mental Retardation and Developmental Disabilities:			
Medical Assistance Program - Title XIX (CAFS)	93.778	(1)	4
Medical Assistance Program - Title XIX (I/O)	93.778	(1)	4,487,298
Medical Assistance Program - Title XIX (Level 1)	93.778	(1)	2,571,354
Medical Assistance Program - Title XIX (TCM)	93.778	(1)	1,525,078
Passed through Ohio Department of Mental Health (ODMH):			
Mental Health and Recovery Services Board:			
Medical Assistance Program (Title XIX)	93.778	(1)	16,395,126
Passed through Ohio Department of Alcohol and Drug Addiction Services (ODADAS):			
Mental Health and Recovery Services Board:			
Medical Assistance Program (Title XIX)	93.778	(1)	3,228,878
Total CFDA Number 93.778			<u>28,207,738</u>
Passed through Ohio Department of Mental Health (ODMH):			
Mental Health and Recovery Services Board:			
Projects for Assistance in Transition from Homelessness (PATH)	93.150	(1)	103,922
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	(1)	937
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	(1)	14,569
Total CFDA Number 93.243			<u>15,506</u>
Block Grants for Community Mental Health Services (Block Grants)	93.958	(1)	540,418
Block Grants for Community Mental Health Services (Early Childhood)	93.958	(1)	42,676
Total CFDA Number 93.958			<u>583,094</u>

Lucas County, Ohio

Schedule of Expenditures of Federal Awards (continued)

Federal Grantor, Pass-Through Grantor, Recipient Department, Program Title, Project Name	CFDA Number	Agency Pass-Through From or Other Identifying Number	Federal Expenditures
Department of Health and Human Services (continued)			
Passed through Ohio Department of Alcohol and Drug Addiction			
Services (ODADAS):			
Mental Health and Recovery Services Board			
Block Grants for Prevention and Treatment of			
Substance Abuse:			
Per Capita Treatment	93.959	(1)	877,289
Per Capita Prevention	93.959	(1)	340,365
UMADAOP	93.959	(1)	185,377
Women's Programs	93.959	(1)	340,015
TANF	93.959	(1)	21,246
TASC	93.959	(1)	238,855
Community Prevention	93.959	(1)	58,543
Prevention Services	93.959	(1)	23,938
Community Coalition	93.959	(1)	24,196
Drug Court	93.959	(1)	29,156
Total CFDA Number 93.959			2,138,980
Passed through Ohio Department of Job and Family Services (ODJFS):			
County Children Services:			
Promoting Safe and Stable Families:			
ESAA Family Preservation Direct	93.556	07/01/07 - 06/30/08	85,209
ESAA Family Preservation Direct	93.556	07/01/08 - 09/30/08	60,284
ESAA Family Preservation Direct	93.556	10/01/08 - 06/30/09	117,395
ESAA Family Preservation Operating	93.556	07/01/07 - 06/30/08	7,021
ESAA Family Preservation Operating	93.556	07/01/08 - 09/30/08	6,640
ESAA Family Preservation Operating	93.556	10/01/08 - 06/30/09	19,919
ESAA Family Reunification Direct	93.556	07/01/07 - 06/30/08	59,955
ESAA Family Reunification Direct	93.556	07/01/08 - 09/30/08	32,646
ESAA Family Reunification Direct	93.556	10/01/08 - 06/30/09	67,940
ESAA Family Reunification Operating	93.556	07/01/07 - 06/30/08	6,319
ESAA Family Reunification Operating	93.556	07/01/08 - 09/30/08	5,827
ESAA Family Reunification Operating	93.556	10/01/08 - 06/30/09	17,480
Caseworker Visits – SFY 08	93.556	07/01/07 - 06/30/08	76,861
Caseworker Visits – SFY 09	93.556	07/01/08 - 06/30/09	29,743
Passed through Ohio Department of Mental Health (ODMH):			593,239
Mental Health and Recovery Services Board			
Promoting Safe and Stable Families (FAST Grant 2005)	93.556	(1)	163,848
Total CFDA Number 93.556			757,087

Lucas County, Ohio

Schedule of Expenditures of Federal Awards (continued)

Federal Grantor, Pass-Through Grantor, Recipient Department, Program Title, Project Name	CFDA Number	Agency Pass-Through From or Other Identifying Number	Federal Expenditures
Department of Health and Human Services (continued)			
Passed through Ohio Department of Job and Family Services (ODJFS):			
Child Support Enforcement Agency:	93.643	(1)	3,165
Children's Justice Grants to States			
Child Welfare Services – State Grants (Title IV B)	93.645	(1)	175,707
Child Welfare Services – State Grants (Title IV B)	93.645	(1)	66,560
Child Welfare Services – State Grants (Title IV B)	93.645	(1)	205,114
Child Welfare Services – State Grants (Title IV B Administrative)	93.645	(1)	24,712
Child Welfare Services – State Grants (Title IV B Administrative)	93.645	(1)	6,656
Child Welfare Services – State Grants (Title IV B Administrative)	93.645	(1)	20,511
Child Welfare Services – State Grants (Title IV B Adoption)	93.645	(1)	15,563
Total CFDA Number 93.645			514,823
Child Abuse and Neglect – State Grants			
Chafee Foster Care Independence Program (CFCIP – Allocation)	93.674	(1)	77,585
Chafee Foster Care Independence Program (CFCIP – Allocation)	93.674	(1)	68,699
Chafee Foster Care Independence Program (CFCIP – Allocation)	93.674	(1)	48,712
Total CFDA Number 93.674			194,996
Total Pass Through			33,414,373
Total Department of Health and Human Services			33,605,751
Department of Homeland Security			
Passed through Ohio Emergency Management Agency:			
Emergency Management Agency			
Homeland Security Program (2007 Citizen Program Grant)	97.067	2007-GE-T7-0030	3,836
Homeland Security Program (FY07 SHSP)	97.067	2007-EM-T7-0030	326,136
Homeland Security Program (FY07 SHSP-Regional)	97.067	2007-EM-T7-0030	11,552
Total CFDA Number 97.067 and Homeland Security Cluster			341,524
Emergency Management Performance Grant (FY07 EMPG)	97.042	2007-EM-E7-0085	32,432
Emergency Management Performance Grant (FY08 EMPG)	97.042	2008-EM-E8-0002	69,937
Total CFDA Number 97.042			102,369
Total Department of Homeland Security			443,893
Total Federal Awards			\$ 44,905,716

CFDA – Catalog of Federal Domestic Assistance

(1) No agency pass-through or other identifying number is available for this program.

See accompanying notes to schedule of expenditures of federal awards.

Lucas County, Ohio

Notes to the Schedule of Expenditures of Federal Awards

Year Ended December 31, 2008

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of Lucas County and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Also certain information may not agree with other federal reports that the County submits to federal granting agencies because, among other reasons, the other federal award reports may be prepared for a different fiscal period or include cumulative data rather than data for the current year only. The accompanying schedule excludes the federal grant activity of the Lucas County Family and Children First Council as the entity engaged other auditors to perform an audit in accordance with OMB Circular A-133.

2. Subrecipients

Of the federal expenditures presented in the Schedule, the County provided federal awards to subrecipients as follows:

Program Title/Project Name	CFDA Number	Amounts Provided to Subrecipients
Supportive Housing Program	14.235	\$ 515,440
Shelter Plus Care	14.238	89,985
Juvenile Accountability Block Grant (JABG)	16.523	66,609
Juvenile Justice and Delinquency Prevention (JJDP – Title II)	16.540	80,080
Violence Against Women Formula Grant (VAWA – STOP)	16.588	203,529
Edward Byrne Memorial Justice Assistance Grant Program	16.738	230,559
Safe and Drug-Free Schools and Communities – State Grants	84.186	208,340
Projects for Assistance in Transition from Homelessness	93.150	103,922
Substance Abuse and Mental Health Services – Projects of Regional and National Significance (STAR-SI & Adolescent Coordination)	93.243	15,203
Promoting Safe and Stable Families (FAST Grant 2005)	93.556	163,848
Social Services Block Grant	93.667	396,315
Block Grants for Community Mental Health Services	93.958	583,094
Block Grants for Prevention and Treatment of Substance Abuse	93.959	2,138,980

Lucas County, Ohio

Notes to the Schedule of Expenditures of Federal Awards (continued)

3. State Department of Job and Family Services Funding

The Schedule does not include certain U.S. Department of Health and Human Services funding received from the Ohio Department of Job and Family Services (ODJFS) to the County in accordance with the State of Ohio “*Audit Division Advisory Memo 2007-03.*” Federal grants received from ODJFS are audited in conjunction with the State of Ohio audit as agreed to by the State of Ohio’s federal cognizant agency.

As a result, the following programs were excluded from the County’s schedule:

CFDA Number	Program Title
10.551/.561	Food Stamps Cluster
93.558	Temporary Assistance for Needy Families
93.575/.596	Child Care Cluster
93.658	Foster Care
93.659	Adoption Assistance
93.667	Social Services Block Grant (Title XX)
93.775/.777/.778	Medicaid Cluster

Lucas County, Ohio

Schedule of Findings and Questioned Costs

Year Ended December 31, 2008

Part I – Summary of Auditor’s Results

Financial Statements Section

Type of auditor’s report issued:	<u>Unqualified</u>	
	<u>Yes</u>	<u>No</u>
Internal control over financial reporting:		
Material weakness(es) identified?		<u>X</u>
Significant deficiency(ies) identified that are not considered to be material weaknesses?	<u>X</u>	
Noncompliance material to financial statements noted?		<u>X</u>

Federal Awards Section

	<u>Yes</u>	<u>No</u>
Internal control over major programs:		
Material weakness(es) identified?		<u>X</u>
Significant deficiency(ies) identified that are not considered to be material weaknesses?	<u>X</u>	
Type of auditor’s report issued on compliance for major programs:	<u>Unqualified</u>	
	<u>Yes</u>	<u>No</u>
Any audit findings disclosed that are required to be reported in accordance with Circular A-133 Section .510(a)?	<u>X</u>	

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Part I – Summary of Auditor’s Results (continued)

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
17.258 / 17.259 / 17.260 93.556 93.778	Workforce Investment Act Cluster Promoting Safe and Stable Families Medical Assistance Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 1,347,171

Yes	No
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Auditee qualified as low-risk auditee?

X

Part II – Financial Statement Findings Section

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* require reporting in a Circular A-133 audit.

2008-01 Accounts Payable

Criteria or specific requirement:

The County should prepare a complete list of accounts payable at the end of year. This list should be reviewed for completeness and propriety and be reconciled to the general ledger by a knowledgeable individual within the Auditor’s Office.

Condition:

In the accounts payable detail, the County accrued for health insurance claims which had also been included in the incurred but not reported claims accrual and therefore accrued twice. The County also did not properly accrue for a construction invoice and a few various other items.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Part II – Financial Statement Findings Section (continued)

Context:	Accounts payable at December 31, 2008, was approximately \$30.7 million.
Cause:	The County manually reviewed the listing to identify which vouchers should be accrued at year-end as accounts payable. Certain accruals were based on the description in the PeopleSoft system, which were sometimes inconsistent with the description on the vouchers. Other accruals were inappropriately recorded in accounts payable as they had already been recorded elsewhere. Consequently, management had to make adjustments to the preliminary year-end accounts payable balance.
Effect:	Accruals were based on the description on the voucher which was inconsistent with the details of the actual invoices resulting in adjustments to accounts netting to approximately \$1.3 million. A significant portion of the adjustment related to the reversal of health insurance claims of approximately \$1.8 million and the accrual of a construction invoice of approximately \$0.5 million.
Recommendation:	We recommend the County ensures all payments made subsequent to year-end are properly included or excluded in the accounts payable listing as of the end of the year.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Part II – Financial Statement Findings Section (continued)

**Views of responsible officials and
planned corrective actions:**

Early in 2008 while implementing PeopleSoft Financials (during the 2007 CAFR preparation), the County had difficulty arriving at its payables listing. During 2008 and in 2009, the County made tremendous strides not only in coordinating the identification of payables among our various agencies, but in identifying items to be accrued, utilizing our new accounting software. The results were such that the quantity of items identified was reduced to a very small fraction of what was identified in the previous year. The County will also perform additional testing to ensure that the descriptions applied to the items listed are what the various agencies and departments say that they are. Moreover, the County firmly believes that the current accounting software presents a vast improvement over the methodologies previously utilized, and that this issue has been, and will continue to be further mitigated as the County becomes more familiar with the new procedures and internal controls instituted during 2008.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Part II – Financial Statement Findings Section (continued)

2008-02 Capital Assets

Criteria or specific requirement:	The County should maintain a complete and accurate capital asset subledger. This subledger should be updated as capital asset transactions occur and should be reviewed for completeness and propriety by a knowledgeable individual within the Auditor's Office
Condition:	The Auditor's Office is responsible for maintaining a capital asset subledger. The subledger is compiled based on information submitted by the various departments of the County. The respective departments do not always report information accurately or timely to the Auditor's Office. Inaccurate information could result in items not properly being capitalized or assets not properly being disposed of resulting in a misstatement of expenses.
Context:	The County did not maintain an accurate capital asset subledger which resulted in a net adjustment approximating \$1.2 million to reflect loss on disposal of assets and asset additions that should have been recognized in the prior years. Net capital assets as of December 31, 2008, were approximately \$374.1 million.
Cause:	Management indicated that the errors were a result of the Auditor's Office having to rely on the various departments within the County to report accurate information.
Effect:	The capital asset balances preliminarily reflected in the County's financial statements were inaccurate, requiring management to record year-end adjustments.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Part II – Financial Statement Findings Section (continued)

Recommendation:

We recommend the Auditor’s Office should continue to work with the departments to ensure that information reported is accurate and timely.

Views of responsible officials and planned corrective actions:

As is the case in many large organizations, the County is somewhat at the mercy of the reporting agencies in terms of the timely and accurate recording of capital assets. However, the County has, over the last couple of years, identified the capital asset process as one that required modifications, and has made significant improvements to the overall process, including improving the lines of communications with the reporting agencies. Over the last two years, the County has:

- Doubled the amount of asset report reviews that the reporting agencies must file to review and insure proper recording and compliance with the capital asset policy. This has resulted in a more stringent and thorough review of the capital assets currently on the County’s books.
- Made significant modifications to the capital asset acquisition and disposal forms that have improved the accuracy and recording of capital assets.
- Made capital asset forms widely available on the County’s computer network (OmniForm) to allow ease of use for agencies that may have misplaced their forms that were previously sent to them in the capital asset process.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Part II – Financial Statement Findings Section (continued)

- Required a supervisory signature to ensure proper recording and compliance.
- Held a “town hall” meeting with each agency’s financial head in which the significance of the capital asset process was explained, addressed, and otherwise covered in excruciating detail.
- Increased the amount of overall communication through follow-up correspondence, including phone calls, emails, and visits, while also updating the outside agency contact list. This includes reporting each agency’s monthly activity in capital assets.
- The accounting staff attended training sessions covering the capital assets topic, and, coupled with their experience, we continue to better employ our resources toward internal control of the capital assets.
- Recently, the County has also scheduled targeted “field” reviews of capital assets to certain departments and/or agencies.

Although the aforementioned actions resulted in larger than normal prior year adjustments to the capital asset system for the 2008 year, this was to be expected given the amount of “clean-up” activity that resulted from our increased correspondence with our agencies. The County continues to improve its correspondence and internal controls in the capital asset arena.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Part III – Federal Award Findings and Questioned Costs Section

This section identifies the audit findings required to be reported by Circular A-133 section .510(a) (for example, significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs), as well as any abuse findings involving federal awards that are material to a major program.

2008-03 Schedule of Expenditures of Federal Awards

Federal program information:	Various programs with various CFDA numbers, including 93.778.
Criteria or specific requirement (including statutory, regulatory, or other citation):	OMB Circular A – 133 Section 300a states, “The auditee shall prepare appropriate financial statements including the schedule of expenditures of federal awards.”
Condition:	The Auditor’s Office is responsible for preparing the Schedule of Expenditures of Federal Awards (SEFA) for the County using information submitted by the departments receiving federal monies during the year. The respective County departments do not always report information accurately to the Auditor’s Office. The preliminary SEFA for 2008 incorrectly reported CFDA 93.778 expenditures passed through the Ohio Department of MR/DD (ODMR/DD) to the County due to using a rounded percentage to calculate the federal portion. The Auditor’s Office should remain cognizant of the federal awards audited by the State of Ohio and exclude them from being reported on the SEFA. Additionally, in the current year management noted that certain information was inaccurately reported as federal expenditures in the County’s SEFA for 2007 and 2006. Inaccurate information could result in a federal program being improperly included or excluded as a major program, as well as an inappropriate dollar threshold being used for Type A program determination.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Questioned costs:	None.
Context:	Total federal expenditures for the County included on the SEFA were approximately \$44 million for the year ended December 31, 2008.
Cause:	Management indicated that the Auditor's Office must rely on the various departments within the County to report accurate information.
Effect:	<p>As a result of various departments reporting inaccurate information, the 2006 and 2007 SEFA inappropriately reported approximately \$2 million and \$800 thousand, respectively, of CFDA 93.778 expenditures passed through from the ODMR/DD that were not federal expenditures. Further, in 2008, the preliminary SEFA inappropriately reported approximately \$28,000 of CFDA 93.778 expenditures passed through from the Ohio Department of MR/DD that were not federal expenditures.</p> <p>We also noted that the preliminary 2008 SEFA incorrectly included expenditures of \$51.9 million, primarily as a result of reporting expenditures incurred by County departments passed through the Ohio Department of Job and Family Services that are audited by the State of Ohio and included in other SEFA filings.</p>

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Recommendation:

We recommend that the Auditor's Office implement policies and procedures and continue working with the departments to ensure that information reflected in the SEFA is accurate, including procedures to ensure that the SEFA only includes federal expenditures. Such procedures should also include obtaining a listing of the program already audited by the State of Ohio and included in other SEFA submissions, so that such programs are properly excluded from the County's SEFA. Additionally, the County should implement a process in which they obtain confirmation from ODMR/DD that confirms the correct amount of federal expenditures for CFDA 93.778 to be reflected in the County's SEFA.

Views of responsible officials and planned corrective actions:

The County was unable to accurately report information in previous years due to shortcomings in the identification methodology utilized by the State of Ohio when passing the grant information along to the County. With the federal stimulus funds flowing through to the County, we are dramatically increasing coordination with State agencies to prevent future occurrences.

The County and its agencies will work with the State of Ohio to ascertain the complete listing of all programs audited by the State of Ohio, while ensuring that these programs are not included on the County's SEFA as they are included in other SEFA filings.

Lucas County, Ohio

Summary Schedule of Prior Audit Findings

Year Ended December 31, 2008

2007-03

Federal program information:

Social Services Block Grant passed through the Board of Mental Retardation (CFDA #93.667).

Condition:

The Board of Mental Retardation Determination/Redetermination letters were not signed and dated by the participant or management timely.

Corrective action/status:

Management has implemented procedures to ensure that these letters are signed and dated by the participant and management timely.

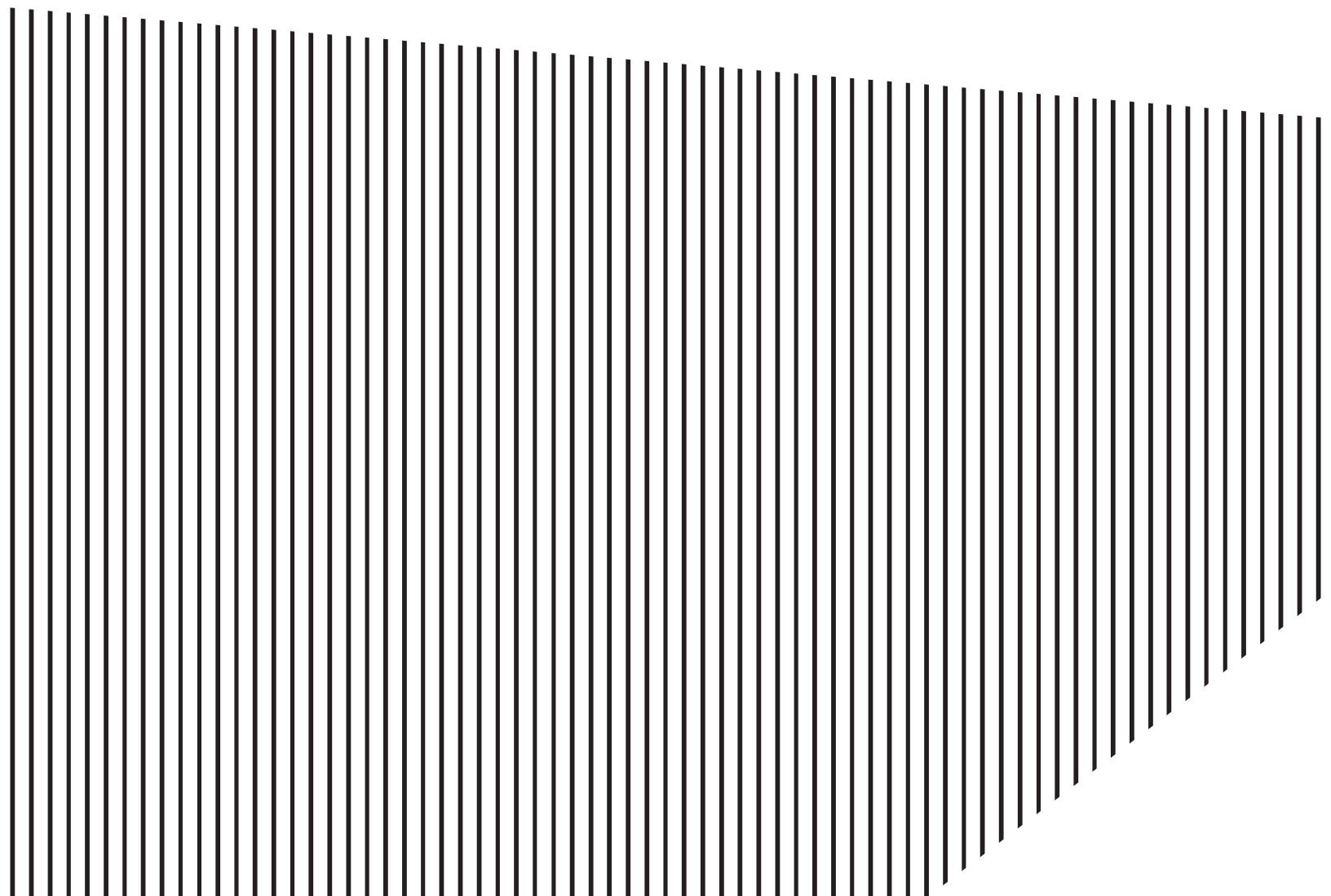
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Mary Taylor, CPA
Auditor of State

FINANCIAL CONDITION

LUCAS 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
OCTOBER 13, 2009**