

LUCAS COUNTY, OHIO

Reports Issued Pursuant to the OMB Circular A-133
Year Ended December 31, 2005



Auditor of State Betty Montgomery

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

We have reviewed the *Report of Independent Auditors* of Lucas County, prepared by Ernst & Young LLP for the audit period January 1, 2005 through December 31, 2005. 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.

Ohio Revised Code Section 9.39 states that all public officials are liable for all public money received or collected by them or by their subordinates under color of office.

Kimberly Marie Robinson, Deeds Supervisor, in the Deed's Department of the Lucas County Auditor's Office, did not deposit all monies received for fees associated with Deed's Department activity. For the period May 1, 2005 thru December 21, 2005, the total amount of monies received and not deposited totaled \$2,642.59. On June 14, 2006, Ms. Robinson was indicted by a grand jury for theft in office in the amount of \$2,642.59. As of July 26, 2006, Ms. Robinson has paid \$1,470.00 and a payment plan has been established for the remaining \$1,172.59 still owed.

In accordance with the forgoing facts and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public money collected but unaccounted for is hereby issued against Kimberly Marie Robinson, Deeds Supervisor, in the amount of \$2,642.59, of which \$1,470.00 has been repaid, and of which \$1,172.59 is still owed, in favor of the Lucas County General Fund.

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.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

July 28, 2006

This Page is Intentionally Left Blank.

Lucas County, Ohio

Reports Issued Pursuant to the OMB Circular A-133

Year Ended December 31, 2005

Contents

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*.....1

Report of Independent Auditors on Compliance and Internal Control
Over Compliance and Schedule of Expenditures of Federal Awards
in Accordance With OMB Circular A-1333

Schedule of Expenditures of Federal Awards.....5

Notes to the Schedule of Expenditures of Federal Awards10

Schedule of Findings and Questioned Costs.....12

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, 2005, which collectively comprise the County's basic financial statements and have issued our report thereon dated May 5, 2006. 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% 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 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. 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*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by errors or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be 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 noted certain matters that we reported to management of the County in a separate letter dated May 5, 2006.

This report is intended solely for the information and use of the Board of Commissioners, management, 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.



May 5, 2006

Report of Independent Auditors on Compliance and Internal Control Over Compliance and 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 U. S. 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, 2005. 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.

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 on 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, 2005. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 05-01, 05-02, and 05-03.

Internal Control Over Compliance

The management of the County is the responsible for establishing and maintaining effective internal control over compliance with 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 and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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, 2005, and have issued our reports thereon dated May 5, 2006, 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 Board of Commissioners, management, 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.



May 5, 2006

Lucas County, Ohio

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2005

Federal Grant Pass Through Grantor Program Title	CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture Food and Nutrition Service			
Passed through Ohio Department of Education:			
Child Nutrition Cluster:			
Juvenile Court:			
Food Donation	10.550	IRN: 083097	\$ 8,193
School Breakfast Program	10.553	IRN: 083097	73,420
Board of County Commissioners:			
Community Development Center:			
Summer Food Service Program for Children	10.559	IRN: 089243	<u>161,142</u>
Child Nutrition Cluster			<u>242,755</u>
Total U.S. Department of Agriculture			<u>242,755</u>
U.S. Department of Education			
Passed through Ohio Department of Mental Retardation and Development Disabilities:			
Rehabilitation Services-Vocational Rehabilitation Grants to States	84.126	(1)	27,431
Passed through Ohio Department of Alcohol and Drug Addition Services:			
Alcohol and Drug Addiction Services Board:			
Safe and Drug-Free Schools and Communities State Grants	84.186	(1)	<u>268,787</u>
Total U.S. Department of Education			<u>296,218</u>
Federal Highway Administration, Department of Transportation			
Passed through Ohio Department of Transportation:			
Highway Planning and Construction	20.205	(1)	1,493,280
Department of Homeland Security			
Passed through Ohio Emergency Management Agency:			
State Domestic Preparedness Equipment Support Program	97.004	(1)	2,707,033
State Homeland Security Program	97.073	(1)	279,386
2004 Emergency Management Performance Grant	97.042	(1)	82,266
2004 Citizens Corp	97.053	(1)	63,670
Community Emergency Response Teams	97.054	(1)	<u>8,000</u>
Total Homeland Security Cluster			<u>3,140,355</u>

Lucas County, Ohio

Schedule of Expenditures of Federal Awards (continued)

Federal Grant Pass Through Grantor Program Title	CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Housing and Urban Development (HUD)			
Passed through Ohio Department of Development:			
Board of County Commissioners:			
Community Development Block Grant/States Program	14.228	(1)	70,000
Home Investment Partnerships Program	14.239	(1)	139,804
Community Development Block Grant/Small Cities Program:			
Revolving Loan Fund	14.219	(1)	35,997
Passed through Ohio Department of Mental Health:			
Supportive Housing Program	14.235	(1)	240,491
Total U.S. Department of Housing and Urban Development			486,292
U.S. Department of Justice			
Passed through Ohio Attorney General:			
Crime Victim Assistance:			
SVAA V/W Program	16.575	(1)	31,107
SCS VOCA	16.575	(1)	69,648
VOCA V/W	16.575	(1)	159,515
Hispanic SVAA	16.575	(1)	49,493
VOCA-X Felony Crises	16.575	(1)	29,846
VAWA	16.575	(1)	60,000
Keep a Clear Mind	16.575	(1)	38,342
			437,951
Passed through Ohio Office of the Governor:			
Criminal Justice Coordinating Council:			
Juvenile Court:			
Title V Delinquency Prevention Program:			
Byrne Grant C.I.T.E	16.548	(1)	10,632
Juvenile Accountability Incentive Block Grant (1)	16.523	(1)	100,030
Juvenile Accountability Incentive Block Grant Title II	16.523	(1)	14,139
Local Law Enforcement Block Grant Program	16.592	(1)	54,071
Juvenile Justice and Delinquency Prevention Allocation to States	16.540	(1)	70,247
			238,487

Lucas County, Ohio

Schedule of Expenditures of Federal Awards (continued)

Federal Grant Pass Through Grantor Program Title	CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Justice (continued)			
Passed through Ohio Office of Criminal Justice Services:			
Passed through Criminal Justice Coordinating Council:			
Juvenile Accountability Incentive Block Grant	16.523	(1)	87,174
Juvenile Justice and Delinquency Prevention Allocation to States	16.540	(1)	144,774
Narcotics Control Block			
Byrne Formula Grant Program	16.579	(1)	749,186
Juvenile Justice and Delinquency Prevention Allocation to States:			
Youth Treatment Center	16.540	(1)	<u>10,036</u>
			759,222
Gang-free Schools and Communities Community-Based Gang Intervention			
Noris AFIS VPN Project	16.544	(1)	97,813
Community Prosecution and Project Safe Neighborhoods			
Noris CRS Next Generation	16.609	(1)	<u>25,000</u>
			122,813
Violence Against Women:			
Violence Against Women Formula Grant	16.588	(1)	230,227
Directly received:			
Sheriff			
Violence Against Women Formula Grant	16.588	(1)	<u>46,442</u>
Total U.S. Department of Justice			<u>2,077,722</u>
U.S. Department of Labor			
Workforce Investment Act (WIA) Cluster:			
Passed through Ohio Department of Job and Family Services:			
Workforce Investment Act – Adult Program			2,028,164
Workforce Investment Act – Adult Administration			<u>167,231</u>
Workforce Investment Act – Adult Total	17.258	(1)	2,195,395
Workforce Investment Act – Youth Activities			1,761,697
Workforce Investment Act – Youth Administration			<u>145,243</u>
Workforce Investment Act – Youth Total	17.259	(1)	1,906,940
Workforce Investment Act – Dislocated Workers			1,368,688
Workforce Investment Act – Dislocated Workers Administration			<u>112,834</u>
Workforce Investment Act – Dislocated Workers Total	17.260	(1)	<u>1,481,522</u>
Total U.S. Department of Labor			<u>5,583,857</u>

Lucas County, Ohio

Schedule of Expenditures of Federal Awards (continued)

Federal Grant Pass Through Grantor Program Title	CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Health and Human Services			
Passed through Ohio Department of Mental Retardation and Development Disabilities:			
Board of Mental Retardation and Developmental Disabilities:			
Social Services Block Grants (Title XX)	93.667	(1)	463,207
Passed through Ohio Department of Mental Health Community Mental Health Services:			
Social Services Block Grants (Title XX)	93.667	(1)	<u>407,023</u>
			870,230
Passed through Ohio Department of Mental Retardation and Development Disabilities:			
Board of Mental Retardation and Developmental Disabilities:			
Medicaid Assistance Program Cluster	93.778	(1)	9,649,732
Title XIX CAFS and TCM			110,408
Title XIX Waiver Administration			<u>2,047,632</u>
Title XIX Prior Year Settlements			11,807,772
Passed through Ohio Department of Mental Health Community Mental Health Services:			
Medicaid Assistance Program Cluster	93.778	(1)	13,711,778
Passed through Ohio Department of Alcohol and Drug Addiction Services:			
Alcohol and Drug Addiction Services Board:			
Medicaid Assistance Program Cluster	93.778	(1)	<u>2,055,110</u>
Total Medicaid Program Assistance Cluster			27,574,660
Passed through Ohio Department of Mental Health: Community Mental Health Services Block Grants:			
Child Adolescent/CORE	93.958	(1)	47,789
Community Plan	93.958	(1)	138,123
508R HAP	93.958	(1)	84,299
CMHS Block Grant Base 2006	93.958	(1)	270,210
Promoting Safe and Stable Families	93.556	(1)	<u>95,441</u>
			635,862
Project for Assistance in Transition from Homelessness	93.150	(1)	190,110

Lucas County, Ohio

Schedule of Expenditures of Federal Awards (continued)

Federal Grant Pass Through Grantor Program Title	CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Health and Human Services (continued)			
Passed through Ohio Department of Alcohol and Drug Addiction Services:			
Alcohol and Drug Addiction Services Board:			
Block Grants for Prevention and Treatment of Substance Abuse:			
Alcohol and Drug Abuse and MH Services	93.959	(1)	3,370,973
Consolidated Knowledge Development and Application Program:			
Targeted Capacity Expansion Grant	93.230	(1)	289,046
Substance Abuse and Mental Health Services Projects of Regional and National Significance:			
State Incentive Grant	93.243	(1)	105,109
Passed through Ohio Department of Job and Family Services:			
Children Services Board:			
Child Welfare Services State Grant:			
Title IV-B	93.645	(1)	257,833
ESAA Family Preservation	93.645	(1)	318,130
Non-recurring Adoption Expenses	93.645	(1)	97,454
PASSS	93.645	(1)	<u>57,324</u>
			730,741
Adoption Incentive Payments	93.603	(1)	24,429
Chaffee Foster Care Independent Living	93.674	(1)	196,456
Passed through Ohio Department of Job and Family Services:			
Medicaid Infrastructure Grants to Support the Competitive Employment of People with Disabilities			
	93.768	(1)	2,574,605
Special Programs for the Aging Title VII, Chapter 3 Programs for Protection of Neglect, Elder Abuse, and Exploitation			
	93.041	(1)	130,601
Passed through Ohio Office of the Governor:			
Criminal Justice Coordinating Council:			
Juvenile Court:			
Substance Abuse and Mental Health Services Projects of Regional and National Significance:			
SAMHSA-Drug Court	93.243	(1)	<u>347,746</u>
Total U.S. Department of Health and Human Services			<u>37,040,568</u>
Total Federal Awards			<u><u>\$50,361,047</u></u>

(1) No pass through entity identifying number is available for this program.

Lucas County, Ohio

Notes to the Schedule of Expenditures of Federal Awards

Year Ended December 31, 2005

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 schedule excludes all federal expenditures incurred by the County related to monies they expend on Temporary Assistance for Needy Families (TANF) Programs. A separate OMB Circular A-133 audit is performed.

2. Subrecipients

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

Program Title	CFDA Number	Amount Provided to Subrecipient
Safe and Drug Free Schools and Communities State Grants	84.186	\$ 268,787
Consolidated Knowledge Development and Application (KD&A) Program	93.230	273,330
Social Services Block Grants	93.667	407,023
Block Grants for Community Mental Health Services	93.958	540,421
Medicaid Cluster	93.778	171,924
Projects for Assistance in Transition from Homelessness	93.150	190,110
Promoting Safe and Stable Families	93.556	95,441
Supportive Housing Program	14.235	240,491
Substance Abuse and Mental Health Services-Projects of Regional and National Significance	93.243	105,109
State Domestic Preparedness Equipment Support Program	97.004	765,755
Block Grants for Prevention and Treatment of Substance Abuse	93.959	3,054,583

Lucas County, Ohio

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

3. Loans Outstanding

The County had the following loan balances outstanding at December 31, 2005. These loan balances outstanding are also included in the federal expenditures presented in the schedule.

Program Title	CFDA Number	Amount Outstanding
Community Development Block Grant – Revolving Loan Fund	14.219	\$ 35,997

4. State Department of Job and Family Services Funding

The Schedule does not include U.S. Department of Health and Human Services funding from the Ohio Department of Job and Family Services (ODJFS) to Lucas County. Federal grants received from ODJFS are audited in conjunction with the State of Ohio audit.

Lucas County, Ohio

Schedule of Findings and Questioned Costs

Year Ended December 31, 2005

Part I – Summary of Auditor’s Results

Financial Statements Section

Type of auditor’s report issued:	<u>Unqualified</u>	
	Yes	No
Internal control over financial reporting:		
Material weakness(es) identified?		<u>X</u>
Reportable condition(s) identified that are not considered to be material weaknesses?		<u>None reported</u>
Noncompliance material to financial statements noted?		<u>X</u>

Federal Awards Section

	Yes	No
Internal control over major programs:		
Material weakness(es) identified?		<u>X</u>
Reportable condition(s) identified that are not considered to be material weaknesses?		<u>None reported</u>
Type of auditor’s report issued on compliance for major programs:	<u>Unqualified</u>	
	Yes	No
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
93.778	Medicaid Cluster
93.667	Social Services Block Grant
17.258-17.260	Workforce Investment Act Cluster
97.004, 97.042, 97.053, 97.054, and 97.073	Homeland Security Cluster

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

\$1,510,831

Auditee qualified as low-risk auditee?

Yes	No
X	

Part II – Financial Statement Findings Section

This section identifies the reportable conditions, 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.

None.

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, reportable conditions, 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. Where practical, findings should be organized by federal agency or pass-through entity.

Finding 05-01

Federal program information:	Social Services Block Grant passed through the Board of Mental Retardation (CFDA #93.667)
Criteria or specific requirement (including statutory, regulatory, or other citation):	The Board of Mental Retardation is required to submit the Title XX Quarterly Summary by October 15, January 15, April 15, and July 15.
Condition:	The Board of Mental Retardation did not file the Title XX Quarterly Summary by the 15 th of the month after the end of each quarter.
Questioned costs:	None.
Context:	The quarterly reports for the quarters ending September 30 and December 31 did not include the transmittal date, while the remaining two reports for the quarters ending April 30 and June 30 were filed on May 12, 2005 and August of 2005.
Effect:	The Board of Mental Retardation did not file the Title XX Quarterly Summary within the required time frame.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Cause:	The Board of Mental Retardation did not prepare and file the required Title XX Quarterly Summary within the timeline specified by Attachment C of the grant agreement.
Recommendation:	We recommend management institute procedures to ensure the Title XX Quarterly Summary is filed within the timelines specified by the grant agreement.
Views of Responsible Officials and Planned Corrective Actions:	Management recognizes the importance of meeting the filing requirement as stated in the grant agreements. Management will continue to work towards filing all reports within the required timeframe.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Finding 05-02

Federal program information:

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

Criteria or specific requirement (including statutory, regulatory, or other citation):

The Title XX Application for Eligibility Determination/Redetermination is required for documentation of proper intake and determination of services and must be signed and dated by management at the time the determination of services is agreed upon.

Condition:

The Board of Mental Retardation did not have the Determination/Redetermination letters on file for one participant, and these letters were not approved timely.

Questioned costs:

None.

Context:

The Determination/Redetermination letters were reviewed for completion and proper approval for 62 individuals who had services reported on the Quarterly Summary reports. It was noted that 1 out of the 62 individuals tested did not have a letter on file and 27 out of the 62 letters were not approved timely.

Effect:

The Board of Mental Retardation did not approve the Determination/Redetermination letters timely.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Cause:	The Board of Mental Retardation did not ensure that all participants had a completed and approved Determination/Redetermination letter as specified in Attachment A1 of the grant agreement.
Recommendation:	We recommend management institute procedures to ensure the Title XX Application for Eligibility Determination/Redetermination form Summary is filed within the timelines specified by the grant agreement.
Views of Responsible Officials and Planned Corrective Actions:	Management recognizes the importance of meeting the documentation requirements regarding client eligibility and determination as stated in the grant agreements. Management will continue to work towards ensuring that all documentation requirements are met.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Finding 05-03

Federal program information:

Homeland Security Cluster passed through the Emergency Management Agency (CFDA #97.004 and #97.073)

Criteria or specific requirement (including statutory, regulatory, or other citation):

Non-Federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. Suspension and debarment certifications are required to be received or determinations are to be made for subawards and covered contracts before any procurement transactions take place.

Condition:

Before entering into contracts, the Emergency Management Agency did not review the Excluded Parties List System website to ensure the vendor was not a suspended or debarred party.

Questioned costs:

None.

Context:

Lucas County has contracts with eight vendors in which supervision and debarment certifications are requested to be received or determinations are to be made.

Lucas County, Ohio

Schedule of Findings and Questioned Costs (continued)

Effect: The Emergency Management Agency did not review to ensure vendors the County entered into procurement transactions with were not a suspended or debarred party.

Cause: The Emergency Management Agency did not review to ensure vendors the County entered into procurement transactions with were not a suspended or debarred party according to the Federal agencies' codification of the government wide nonprocurement debarment and suspension common rule, Appendix II A-133.

Recommendation: We recommend management institute procedures to ensure all procurement transactions are reviewed to ensured the vendor is not a suspended or debarred party.

Views of Responsible Officials and Planned Corrective Actions: Management recognizes the importance of meeting the suspension and debarment requirements regarding procurement transactions as stated in the Federal agencies' codification. Management will continue to work towards ensuring that this requirement is met and the appropriate documentation is maintained.

Lucas County, Ohio
Comprehensive
Annual Financial Report
for the Year Ended December 31, 2005

Larry A. Kaczala,
Lucas County Auditor

Prepared by the Lucas County Auditor's Office

Thomas E. Nichter
Chief Deputy Auditor

Scott S. Smith, C.P.A.
Chief Accountant

Gina-Marie Kaczala
Director of Internal Audits

David Polek
Accounting Assistant

Karla Hayes
Reconcilliation Accountant

**LUCAS COUNTY, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR FISCAL YEAR ENDED DECEMBER 31, 2005**

TABLE OF CONTENTS

INTRODUCTORY SECTION

	<u>PAGE</u>
TABLE OF CONTENTS	2
LETTER OF TRANSMITTAL	5
ELECTED OFFICIALS	10
ORGANIZATION CHART	11
CERTIFICATE OF ACHIEVEMENT	12

FINANCIAL SECTION

REPORT OF INDEPENDENT AUDITORS	14
MANAGEMENT'S DISCUSSION AND ANALYSIS	16

BASIC FINANCIAL STATEMENTS

Statement of Net Assets	23
Statement of Activities	24
Balance Sheet-Governmental Funds	26
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities	28
Statement of Revenues, Expenditures and Changes in Fund Balances-Governmental Funds	30
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	32
Statements of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual-(Non- GAAP Budgetary Basis)-Individual Major Governmental Funds	33
Statement of Net Assets-Proprietary Funds	38
Statement of Revenues, Expenses, and Changes in Fund Net Assets-Proprietary Funds	40
Statement of Cash Flows-Proprietary Funds	42
Statement of Fiduciary Net Assets-Fiduciary Fund	46
Combining Statement of Net Assets-Discretely Presented Component Units	47
Statement of Activities-Discretely Presented Component Units	48
Notes to the Financial Statements	50

LUCAS COUNTY, OHIO
TABLE OF CONTENTS
(continued)

COMBINING FINANCIAL STATEMENTS AND SCHEDULES	<u>PAGE</u>
General Fund	
Schedule of Expenditures-Budget and Actual-(Non-GAAP Budgetary Basis)	79
Nonmajor Governmental Funds	
Combining Balance Sheet- Nonmajor Governmental Funds	90
Combining Statement of Revenues, Expenditures and Changes in Fund Balances- Nonmajor Governmental Funds	92
Schedules of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual-(Non-GAAP Budgetary Basis)-Individual Nonmajor Governmental Funds	94
Enterprise Funds	
Schedules of Revenues, Expenses and Changes in Net Assets Budget and Actual-(Non-GAAP budgetary Basis)-Major Enterprise Funds	140
Combining Statement of Net Assets Nonmajor Enterprise Funds	143
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets- Nonmajor Enterprise Funds	144
Combining Statement of Cash Flows-Nonmajor Enterprise Funds	145
Schedules of Revenues, Expenses and Changes in Net Assets-Budget and Actual-(Non-GAAP Budgetary Basis)-Nonmajor Enterprise Funds	147
Internal Service Funds	
Combining Statement of Net Assets-Internal Service Funds	152
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets-Internal Service Funds	154
Combining Statement of Cash Flows-Internal Service Funds	156
Schedules of Revenues, Expenses and Changes in Net Assets-Budget and Actual-(Non-GAAP Budgetary Basis)-Individual Internal Service Funds	160
Fiduciary Funds	
Combining Statement of Changes in Assets and Liabilities-All Agency Funds	170

**LUCAS COUNTY, OHIO
TABLE OF CONTENTS
(continued)**

STATISTICAL SECTION

STATISTICAL TABLES AND SCHEDULES

	<u>TABLE</u>	<u>PAGE</u>
General Governmental Expenditures by Function-Last Ten Fiscal Years	1	178
General Governmental Revenues by Source-Last Ten Fiscal Years	2	180
General Governmental Expenditures and Revenues Adjusted for Inflation	3	182
Tax Revenues by Source-Last Ten Fiscal Years	4	183
Property Tax Levies and Collections-Real and Public Utility-Last Ten Fiscal Years	5	184
Assessed and Estimated Actual Value of Taxable Property-Last Ten Fiscal Years	6	186
Special Assessment Levies and Collections-Last Ten Fiscal Years	7	188
Property Tax Rates - Direct and Overlapping Governments-Last Ten Fiscal Years	8	190
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita-Last Ten Fiscal Years	9	192
Ratio of Annual Debt Service for General Bonded Debt to Total General Expenditures-Last Ten Fiscal Years	10	194
Computation of Legal Debt Margin	11	196
Computation of Direct and Overlapping Debt	12	197
Property Values, Bank Deposits and Construction Activity-Last Ten Fiscal Years	13	198
Top Ten Private Sector Principal Taxpayers for Fiscal Year Ended December 31,2005	14	200
Top Five Public Utility Taxpayers for Fiscal Years December 31,2005 and December 31,2004	15	200
Demographic Statistics	16	202
Miscellaneous Statistics	17	203
Map of Lucas County		206

This Page is Intentionally Left Blank.



Larry A. Kaczala

Lucas County Auditor

One Government Center
Fax (419) 213-4399

Suite 600

Toledo, Ohio 43604-2255
(419) 213-4340

May 5, 2006

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, 2005.

This report contains basic financial statements, management's discussion and analysis, supplemental financial statements, 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 results of its operations.

The CAFR is presented in three (3) sections: the **Introductory Section**, the **Financial Section** and the **Statistical Section**. The *Introductory Section* contains a table of contents, this letter of transmittal, a list of elected officials, an organization chart and a copy of the Certificate of Achievement for Excellence in Financial Reporting awarded for the 2004 Lucas County CAFR. The *Financial Section* contains our independent auditor's, Ernst & Young LLP, report of independent auditors, Management's Discussion and Analysis, the basic financial

statements, and relevant supplemental financial statements and schedules for 2005. The *Statistical Section* presents historical, financial, analytical, economic and demographic information that may be useful for further analysis and comparisons.

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

The County was formed by an Act of the Ohio General Assembly on June 20, 1835, in honor of Robert Lucas, then Governor of Ohio. The elected three-member Board of County Commissioners function 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 whom operate 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 Judges, Domestic Relations Court Judges, Juvenile Court Judges, Probate Court Judge, and Court of Appeals Judges. 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 assistance, 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 A** 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. While the County remains the home of four of the nation's largest glass companies, Daimler Chrysler AG, General Motors Corporation and Dana Corporation also continue to be major private employers in the County. However, in recent years, private service industries and governmental employers have provided more than three-fourths of the total employment in the Toledo MSA and approximately 70% of total payrolls in the County

The County's unemployment rate for 2005 was 6.9%, which is 1.0% higher than the statewide rate of 5.9%, and 1.8% higher than the national rate of 5.1%.

Three of the 2005 Fortune 500 corporations have their headquarters in the County. These are Dana Corporation,

Owens-Illinois, Inc., and Owens-Corning. The County is also one of the larger oil refining centers between Chicago and the eastern seaboard with BP Oil Co. and Sun Refining and Marketing Company, Inc.

Daimler Chrysler AG, 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. Daimler Chrysler AG has also constructed a \$30 million combination cross dock and parts sequencing facility in the County to serve its plants in the Midwest. In 2004, Daimler Chrysler began construction of a \$900 million, 3 million square foot manufacturing complex in north Toledo that is expected to be completed in 2006 to produce 2 redesigned Jeep vehicles.

MAJOR COUNTY INITIATIVES

Current Year Projects

Lucas County continues to promote economic development throughout the area. Lucas County officials and management continue to work closely with state and local governments, corporations, companies, small businesses, labor unions and charitable organizations to improve and expand business opportunities and the standard of living. The following are highlights of some of the activities Lucas County is concerned with:

- Lucas County is nearing completion of the expansion of the Maumee River Wastewater Treatment Plant. The fifteen million gallon per day plant was expanded to twenty two and one half million gallons per day. The expansion was provided to accommodate the existing demand and future growth of western Lucas County as projected through 2025. The total project costs were partially offset by grants and loans and the final costs will be determined in 2006. The construction costs were approximately \$15.5 million.
- With its focus on Business Services, The Lucas County Workforce Development Agency continues to bring more employers to the Source Northwest Ohio and to expand the number of career opportunities for job seekers. Fueled by expansion in the automotive manufacturing sector, hundreds of people have landed new jobs. Last program year the Source assisted more job seekers find employment than any

other urban county and was second in the state overall with 2072 residents finding new employment. Through the end of April this year, more than 1700 people had started new jobs with assistance of the Source - well ahead of the number for the same period the previous year.

- The Board of Lucas County Commissioners in conjunction with the other political jurisdictions (Municipalities, Townships and Villages) in the county have merged their economic development departments and efforts into the Lucas County Improvement Corporation. The goal of the merger is to become more efficient in the delivery of services to current and prospective local businesses in order to help foster job growth in Lucas County. This new regional collaboration will be moving to new offices in the MLK Plaza in the summer of 2006.
- Lucas County has loaned \$500 thousand to the Toledo/Lucas County Port Authority to assist in the development of a coking and electric generation facility along the east side of the Maumee River in Lucas County. The application process is complete, and the EPA has approved necessary permits. During Phase I of this project this facility will generate 200 high paying jobs in Lucas County. This project must be under construction by June 17, 2006 to retain its EPA permit.
- Lucas County is in the process of implementing the merger of the Mental Health Board and the Board of Alcohol and Drug Addiction Services. The state legislature passed enabling legislation that will allow the merger to take place in the summer of 2006. Both Boards have passed resolutions to proceed with the merger with the expectation that the new joint board can both improve service to the community and save taxpayer dollars in the process.
- Lucas County and its political sub divisions are implementing a new 800 MHz countywide public safety radio system. When completed in June 2007, the new system will provide functional and multi-agency interoperable communications capabilities for Lucas County's public safety responders and support adjacent jurisdictions' mutual aid communications. The completed system is projected to cost approximately \$31 million, \$16 million for system infrastructure and \$15 million in end user radios.

Future Projects

The County will continue to provide a variety of services required to meet the needs of its citizens and actively support economic development in the area. We look forward to the following significant activities made possible by the citizens of Lucas County and its government:

- Lucas County is evaluating an opportunity to save taxpayer dollars on energy costs for Lucas County buildings. The County has contracted with a local engineering firm and a national energy solution company to design, build and operate a Central Power Plant for its downtown campus. The Central Power Plant will provide heating and chilling to all buildings form a centralized facility and could enable the County to provide long-term savings to taxpayers form significantly reduced energy costs.
- The Board of County Commissioners have taken the first steps in an initiative that in many respects parallels the creation of the Triple A Minor League baseball park, Fifth Third Field. This initiative is focused on the development of a downtown Toledo multi-purpose arena that could also serve to increase the marketability of our existing convention center. The arena would possibly house a hockey team, basketball team, arena football league along with various concerts and family events. The Board of County Commissioners have engaged a project fiscal and management team to assist them in determining if a downtown arena can be as successful as Fifth Third Field.
- In 2006, the County will be implementing a major upgrade to the new Human Resources/Payroll, Procurement/Accounts Payable, and General Ledger accounting system. This upgrade will place the County in position to take full advantage of the management tools available for years to come. The County also implemented the Health and Safety module of the Human Resources System.

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 and Fiduciary 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 is 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 **Note B** and **Note L**, 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 1st. 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 rejected and 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 B** 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 the cash balances, as well as the unencumbered balance by fund and account. On a quarterly basis, these reports are made public and are available to the news media.

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 and to ensure 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 that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control is subject to periodic evaluation by management.

CASH MANAGEMENT

The County Treasurer utilizes cash management and forecasting techniques and procedures to provide for efficient and optimum use of the County's cash resources as permitted by applicable State of Ohio law.

Among the County's many investments, the County participates in the State Treasury Asset Reserve of Ohio (STAR OHIO) Investment pool. The statewide investment pool is administered by the Treasurer of the State of Ohio.

Certain deposits are collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the County's name. The pool of securities so pledged must have a current market value at least equal to 105% of all public monies on deposit with the depository including the amount covered by federal insurance.

Cash resources of all funds with the exception of Water, Sewer, and certain Fiduciary Funds are pooled for investment purposes. Currently, interest income derived from these pooled resources is credited to the County's General Fund with the exception of the equitable share distributed to the Self-Funded Health Insurance fund and the Motor Vehicle and Gas Tax fund.

INVESTMENT HIGHLIGHTS

(Amounts in 000's)

Investments and Earnings	<u>2005</u>	<u>2004</u>
Total investments and		
Deposits at year-end	\$ 247,042	\$ 262,960
Interest revenue	7,061	3,171

RISK MANAGEMENT

The County Risk Manager monitors and directs the entire insurance program of Lucas County. The County is self-insured for a portion of its general business insurance and insurance coverage after \$500 thousand per occurrence.

The County participates in the State of Ohio Retrospective Rated Workers' Compensation program with a maximum liability of \$300 thousand per accident.

Both programs, along with the self-funded health program for dental benefits, provide savings with proper risk management and loss control.

INDEPENDENT AUDIT

Included in this report on pages 14 and 15 is an unqualified report of independent auditors rendered by Ernst & Young LLP with respect to the basic financial statements of the County as of and for the year ended December 31, 2005. 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 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 (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 was awarded the Certificate for the fiscal years ended December 31, 1984 - 2004.

The Certificate is valid for a period of one year. We believe that our current report continues to conform to the guidelines and requirements of the program and will be submitted to the GFOA to determine its eligibility for another Certificate.

ACKNOWLEDGMENTS

Lucas County is proud to have been one of the first counties in Ohio, and one of the relatively few nationwide, to prepare a financial report in conformity with GAAP and the precise guidelines recommended by the GFOA. We are also proud to be one of the first counties to adopt the new reporting model required by GASB No. 34. This report is the result of the continued cooperation, and combined services of the *Elected Officials and management of Lucas County*.

I would especially like to recognize the following members of my staff, all of whom exercised proficiency and dedication throughout this report's publication.

Accounting

Thomas E. Nichter, Scott S. Smith, Gina-Marie Kaczala, Dave Polek, Tracy Berry, and Karla Hayes

Accounts Payable/Receivable

Pat Heffern, Rita-Hogan Faber, Brenda Lowe, Sue Nofziger.

Payroll

David Weimer

Special Assessments

Gary Langenderfer

Photography

Matthew Rogacki

Sincerely,



Larry A. Kaczala
Lucas County Auditor
Lucas County, Ohio

**LUCAS COUNTY, OHIO
ELECTED OFFICIALS
at DECEMBER 31, 2005**

Administrators

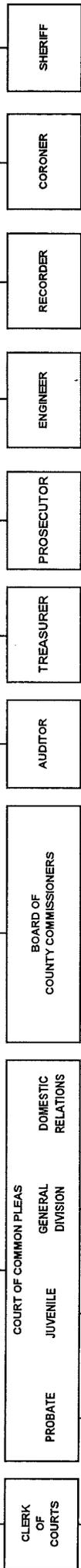
<i>Larry A. Kaczala</i>	Auditor
<i>Bernie Quilter</i>	Clerk of Courts
<i>James R. Patrick</i>	Coroner
<i>Pete Gerken</i>	Commissioner
<i>Maggie Thurber</i>	Commissioner
<i>Tina Skeldon Wozniak</i>	Commissioner (president)
<i>Keith Earley</i>	County Engineer
<i>Julia R. Bates</i>	Prosecutor
<i>Anita Lopez</i>	Recorder
<i>James A. Telb</i>	Sheriff
<i>Wade Kapszukiewicz</i>	Treasurer

Judges

<i>James D. Bates</i>	Common Pleas Court
<i>Gary Cook</i>	Common Pleas Court
<i>Denise Dartt</i>	Common Pleas Court
<i>Charles J. Doneghy</i>	Common Pleas Court
<i>Thomas Osowik</i>	Common Pleas Court
<i>Ruth Ann Franks</i>	Common Pleas Court
<i>James D. Jensen</i>	Common Pleas Court
<i>Frederick H. McDonald</i>	Common Pleas Court
<i>Jack Zouhary</i>	Common Pleas Court
<i>Charles S. Wittenberg</i>	Common Pleas Court
<i>David E. Lewandowski</i>	Domestic Relations Court
<i>Norman G. Zimmelman</i>	Domestic Relations Court
<i>James A. Ray</i>	Juvenile Court
<i>Denise Cubbon</i>	Juvenile Court
<i>Jack R. Puffenberger</i>	Probate Court
<i>Peter M. Handwork</i>	Sixth District Court of Appeals
<i>William Skow</i>	Sixth District Court of Appeals
<i>Dennis Parish</i>	Sixth District Court of Appeals
<i>Mark Pietrykowski</i>	Sixth District Court of Appeals
<i>Arlene Singer</i>	Sixth District Court of Appeals

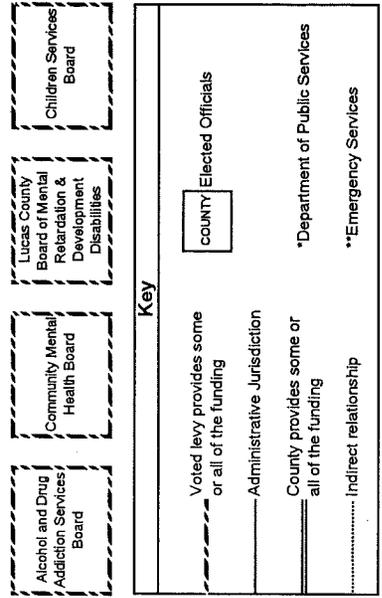
COUNTY ORGANIZATION LUCAS COUNTY

CITIZENS



COUNTY COMMISSIONS	
Public Assistance Examining Committee	Includes: Auditor President of Board of Comm. Juvenile Court Judge
County Budget Commission	Includes: Auditor Treasurer Prosecutor
Board of Revision	Includes: Auditor Treasurer President of Board of Comm.
Automatic Data Processing Board	Includes: Auditor Treasurer Recorder Clerk of Courts Rep. Of Board of Comm. Rep. Of Common Pleas (2) Rep. From Bd. Of Elections Rep. From Domestic Relations Court
County Record Commission	Includes: Auditor Recorder Prosecutor Clerk of Courts President of Board of Comm.
Veteran Service Commission	Appointed by: A Judge of the Common Pleas Court
Lucas County Board of Elections	Appointed by: Democratic Party Republican Party Secretary of State

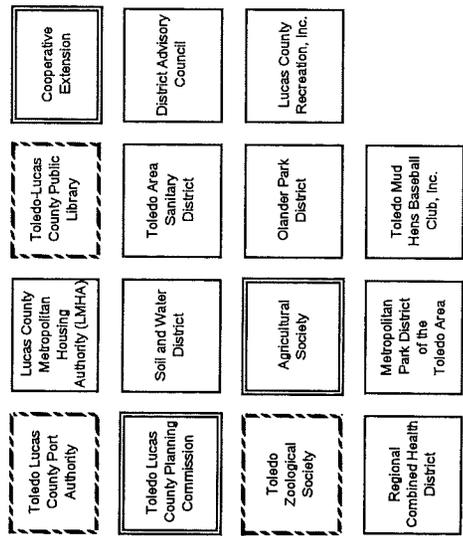
COUNTY BOARDS



Key

COUNTY Elected Officials
COUNTY Voted levy provides some or all of the funding
COUNTY Administrative Jurisdiction
COUNTY County provides some or all of the funding
COUNTY Indirect relationship
COUNTY *Department of Public Services
COUNTY **Emergency Services

AFFILIATED COUNTY AGENCIES



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, 2004

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.



Carla E. Fudge

President

Jeffrey R. Emmer

Executive Director

Financial Section



Pictured above is The Mud Hens 2005 Governors' Cup.

Named by Newsweek Magazine as the best minor league park, The Mud Hens will host the Triple-A, All-Star Game. The three day event July 10, 11 & 12, will

include live music, all-star entertainment with a fan festival. The High Level Bridge will be closed for the first time as it becomes the focal point of an extraordinary fireworks show on the eve of the All-Star Game.

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, 2005, 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 opinions 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 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 provides 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, 2005, and the respective changes in financial position and the cash flows, where applicable, thereof and the respective budgetary comparison for the General, Job and Family Services, Board of Mental Retardation, and Children Services Board Funds for the year then ended in conformity with accounting principles generally accepted in the United States.

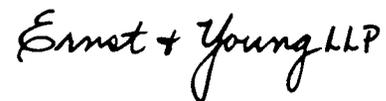
A Member Practice of Ernst & Young Global

As discussed in Note D to the financial statements, in fiscal 2005, the County adopted Government Accounting Standards Board (GASB) Statement No. 40, Deposits and Investment Risk Disclosures, which required additional disclosures relating to risk related to credit risk, custodial credit risk, interest rate risk, and foreign currency risk.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 5, 2006 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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 16 through 22 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries to 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, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory 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.



May 5, 2006

LUCAS COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2005
(Amounts in 000's)

The discussion and analysis of Lucas County's financial performance provides an overall review of the County's financial activities for the year ended December 31, 2005. 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 2005 are as follows:

- The assets of the County exceeded its liabilities at the close of the year ended December 31, 2005, by \$582,521 (net assets). Of this amount, \$320,195 may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net assets increased by \$1,581, which is .27% of the net assets at the beginning of the year 2005.
- At the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$165,624, an increase of \$1,926 from the prior year. Of this amount, \$130,954 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 \$37,023, which represents an increase of 3.8% from the prior year, and represents 33% of total general fund expenditures.
- Lucas County's total debt decreased by \$6,468 during the current year. This was due to debt retirement 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 then proceed to provide an increasingly detailed look at specific financial conditions.

The County's basic financial statements comprise three components: 1) County-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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 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, nonfinancial 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 here including public safety, social services programs, administration, and all departments with the exception of our Water and Sewer funds and Wastewater Treatment.

LUCAS COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2005
(Amounts in 000's)

- ◆ **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 MudHens Baseball Club, Inc., Lott Industries, Inc., and Preferred Properties, Inc., These component units are described in Note A of the Notes to the Financial Statements. 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.

The County-wide Financial Statements can be found on pages 23 - 25 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 reports 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, Job and Family Services, 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.

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 governmental fund financial statements can be found on pages 26 - 36 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 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 been included with governmental activities in the County-wide financial statements. The proprietary fund financial statements can

**LUCAS COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2005
(Amounts in 000's)**

be found on pages 38 - 45 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 accounting used for fiduciary funds is much like that of the proprietary funds. The fiduciary fund financial statement can be found on page 46 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 50 - 76 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 79 - 174 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 \$582,521 (\$480,599 in governmental activities and \$101,922 in business type activities) as of December 31, 2005. This is a decrease of \$6,956 (1.4%) for governmental activities, and an increase of \$8,537 (9.1%) for business type activities. By far, the largest portion of the County's net assets (41.7%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, 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, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Table 1
Net Assets
Governmental
Activities**

Assets	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
Current and other assets	\$371,057	\$376,845	\$22,561	\$23,744	\$393,618	\$400,589
Capital assets, net	<u>252,056</u>	<u>261,829</u>	<u>112,523</u>	<u>103,514</u>	<u>364,579</u>	<u>365,343</u>
Total Assets	<u>623,113</u>	<u>638,674</u>	<u>135,084</u>	<u>127,258</u>	<u>758,197</u>	<u>765,932</u>
Liabilities						
Current and other liabilities	(43,617)	(56,221)	(1,027)	(1,193)	(44,644)	(57,414)
Long-term liabilities due within one year	(13,515)	(9,949)	(893)	(820)	(14,408)	(10,769)
Long-term liabilities due in more than one year	<u>(85,382)</u>	<u>(84,949)</u>	<u>(31,242)</u>	<u>(31,860)</u>	<u>(116,624)</u>	<u>(116,809)</u>
Total liabilities	<u>(142,514)</u>	<u>(151,119)</u>	<u>(33,162)</u>	<u>(33,873)</u>	<u>(175,676)</u>	<u>(184,992)</u>
Net Assets						
Invested in capital assets, net of debt	163,910	166,931	80,389	75,052	244,299	241,983
Restricted:						
Capital projects	10,345	11,613	-	-	10,345	11,613
Debt service	7,682	9,689	-	-	7,682	9,689
Unrestricted	<u>298,662</u>	<u>299,322</u>	<u>21,533</u>	<u>18,333</u>	<u>320,195</u>	<u>317,655</u>
Total Net Assets	<u>\$480,599</u>	<u>\$487,555</u>	<u>\$101,922</u>	<u>\$93,385</u>	<u>\$582,521</u>	<u>\$580,940</u>

LUCAS COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2005
(Amounts in 000's)

An additional portion of the County's net assets (3.1%) represents resources that are subject to restrictions on how they can be used. The remaining balance of unrestricted assets (\$321,195) may be used to meet the County's ongoing obligations to citizens and creditors.

As of December 31, 2005, the County is able to report positive balances in both the governmental and business - type activities of \$480,599 and \$101,922, respectively. Table 2 (on following page) provides a summary of the changes in net assets for the year ended December 31, 2005.

Governmental Activities

Human Services accounts for \$119,321 of the \$445,392 total expenses for governmental activities, or 26.8% of total expenses. This is an increase of 9.8% over last year. The primary reason for the increase is due to additional services provided by the Jobs and Family Services department and the Children Services Board. The next largest program is Health, accounting for \$106,157, which represents 23.8% of total governmental expenses. This is an increase of 5.3% from last year. Health expenses increased because of services provided by the Board of Mental Retardation, and the Alcohol and Drug Addiction Services Board.

Tax revenue accounts for \$183,014 of the \$440,168 total revenue for governmental activity, or 41.4% of total revenue. Operating grants was the largest program revenue accounting for \$191,932, or 43.6% of total governmental revenue. This is a decrease of 0.8% and an increase of 4.8% respectively. The major recipients of intergovernmental revenue were Job and Family Services, receiving \$63,323, and Children Services Board, receiving \$15,754 and the General Fund, receiving \$19,638.

The County's direct charges to users of governmental services made up \$28,503 or 6.6% 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, and licences and permits associated with building inspectors. The revenue for these charges increased by less than 1% last year.

Business- type Activities

The net assets for the business - type activities for the County increased by \$8,537 during the year 2005. Major revenue sources were charges for service of \$13,321 and contributions of \$9,861 that resulted from assessment on construction projects. Charges for services increased by 1.6%, and contributions increase by 147%.

Financial Analysis of the County's Funds

As noted earlier, 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 \$37,023, while total fund balance reached \$38,452. These are increases of 3.8% and 6.5% 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 33.4% to total general fund expenditures, while total fund balance represents 34.6% of that same amount.

**LUCAS COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2005
(Amounts in 000's)**

**Table 2
Changes in Net Assets**

Revenues	Governmental Activities		Business- Type Activities		Total	
	2005	2004	2005	2004	2005	2004
Program Revenues:						
Charges for services	\$28,503	\$ 28,305	\$13,321	\$13,109	\$41,824	\$41,414
Operating grants and contributions	191,932	183,172	2,652	2,902	194,584	186,074
Capital grants and contributions	3,856	2,549	-	-	3,856	2,549
General Revenues:						
Taxes	180,014	184,632	-	-	180,014	184,632
Investment income	7,061	3,171	-	-	7,061	3,171
Grants, contributions, and charges not restricted to specific programs	5,965	10,950	9,861	3,987	15,826	14,937
Other	<u>19,837</u>	<u>26,419</u>	<u>-</u>	<u>-</u>	<u>19,837</u>	<u>26,419</u>
<i>Total Revenues</i>	<u>437,168</u>	<u>439,198</u>	<u>25,834</u>	<u>19,998</u>	<u>463,002</u>	<u>459,196</u>
Program Expenses						
General Government:						
Legislative and executive	47,238	44,370	-	-	47,238	44,370
Judicial system	59,625	55,222	-	-	59,625	55,222
Public safety	69,737	64,095	-	-	69,737	64,095
Public works	31,922	36,273	-	-	31,922	36,273
Health	106,157	100,803	-	-	106,157	100,803
Human services	119,321	108,666	-	-	119,321	108,666
Conservation and recreation	6,686	6,766	-	-	6,686	6,766
Miscellaneous	-	13,215	-	-	-	13,215
Interest and fiscal charges	4,706	5,269	-	-	4,706	5,269
Water supply system	-	-	2,768	2,459	2,768	2,459
Waste water Treatment	-	-	4,412	4,833	4,412	4,833
Sewer system	-	-	2,885	3,025	2,885	3,025
Sanitary engineer	-	-	4,297	4,106	4,297	4,106
Solid waste	-	-	1,476	1,907	1,476	1,907
Parking facilities	-	-	191	149	191	149
<i>Total Expenses</i>	<u>445,392</u>	<u>434,679</u>	<u>16,029</u>	<u>16,479</u>	<u>461,421</u>	<u>451,158</u>
Increase in Net Assets before Transfers	(8,224)	4,519	9,805	3,519	1,581	8,038
Transfers	<u>1,268</u>	-	<u>(1,268)</u>	-	-	-
Increase in Net Assets	(6,956)	4,519	8,537	3,519	1,581	8,038
Net Assets-beginning	<u>487,555</u>	<u>483,036</u>	<u>93,385</u>	<u>89,866</u>	<u>580,940</u>	<u>572,902</u>
Net Assets-ending	<u>\$480,599</u>	<u>\$487,555</u>	<u>\$101,922</u>	<u>\$93,385</u>	<u>\$582,521</u>	<u>\$580,940</u>

LUCAS COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2005
(Amounts in 000's)

The fund balance of the County's general fund increased by \$2,355 during the current fiscal year. Key factors in this increase are as follows:

- Total revenues increased by \$4.4 million. This was primarily due to an increase in taxes of \$1.2 million, and an increase in investment income of \$3.9 million.
- Total expenditures increased by \$1.8 million, which was made up of small variances across all of the functions.

The debt service fund has a total fund balance of \$7,682 all of which is reserved for the payment of debt service. The net decrease in fund balance during the current year in the debt service fund was \$2,007. This is primarily due to a reduction in taxes due to the expiration of a levy.

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

The fund balance of the Children Services Board decreased \$3,603 to \$27,760. The decrease is due to no growth in income offset by an increase in expenditures.

The fund balance of the Board of Mental Retardation decreased \$1,604 to \$11,810. The decrease is due to a decrease in intergovernmental revenue.

The fund balance of Job and Family Services increased by \$3,661 to \$15,113. The increase is due to intergovernmental revenue and transfers from the General Fund.

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

Unrestricted net assets of the Water Supply System at the end of the year amounted to \$2,262, those for the Wastewater Treatment Plant amounted to \$6,798, and for the Sewer System was \$5,039. The total growth in net assets for these were \$3,698, \$1,162 and \$2,777 respectively. Other factors concerning the finances of these three funds have already been addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights.

The County's budget is prepared according to Ohio Law. The significant budgeted fund is the General Fund. The total original appropriations for the General Fund, including those for transfers out, were \$136,734, while the final appropriations were \$139,355, resulting in a net increase of \$2,621. During 2005, the General Fund budget was amended numerous times. Significant changes to the original budget are briefly summarized as follows:

- \$939 to provide salary or benefit increases for various general fund departments.
- \$804 to fund the increase in demand for assigned council in the juvenile court.
- \$217 to purchase sheriff patrol cars in accordance with the County's replacement policy
- \$600 for transfers for capital improvement projects and debt service on the baseball stadium.

The variances between the final budget and actual results were spread over numerous line items, and there were no significant individual variances.

Capital Assets and Debt Administration

Capital assets. The County's capital assets for its governmental and business type activities as of December 31, 2005, amounts to \$364,579 (net of accumulated depreciation). This investment in capital asset includes land, buildings structures and improvements, furniture, fixtures equipment, and infrastructure. The total decrease in the County's capital assets for the current fiscal year was 0.2% (a 3.7% decrease for governmental activities and a 8.7% increase for business-type activities.)

LUCAS COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2005
(Amounts in 000's)

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

- Expended an additional \$2.8 million for the Wastewater Treatment expansion, bringing the total cost of the project to \$14 million so far.
- Completed a \$1.32 million Prisoner's tunnel between the jail and the courthouse.
- Completed \$5.8 million in infrastructure projects, with \$9.6 million remaining in construction in progress.
- Completed a \$222 thousand renovation of the parking garage.

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

Long-term debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$69,648. Of this amount, \$34,935 comprises debt backed by the full faith and credit of the government and \$16,848 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 \$17,865 is non-tax revenue bonds. The County also had outstanding \$32,093 of Ohio Water Development Authority (OWDA) loans and \$3,399 Ohio Public Works Commission (OPWC) loans.

The County's total bonded debt decreased by \$5,083 during the current fiscal year. This was due to required debt service payments offset by a bond issue of \$3,420 for special assessments, and \$3,005 to refund prior year bonds.

The County maintains an "A+" rating from Standard & Poor's, "AA-" from Fitch, and an "A1" rating from Moody's for general obligation debt. The bonds for the baseball stadium have been rated "A2" by Moody's, "A" by Standard and Poor's, and "AA-" by Fitch.

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 \$61.7 million, 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 H.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the County is currently 6.9%, which is a decrease from the rate of 7.4% a year ago. The state average unemployment rate was 5.9%, and the national average was 5.1%.
- Inflationary trends in the region compare favorably to national indices.

These factors were considered in preparing the County's budget for the 2006 fiscal year.

At the end of the current fiscal year, unreserved fund balance in the general fund was \$37,023. The County has prepared a budget for 2006 appropriating only \$306 of the unreserved balance. The County prepared a balanced budget for 2006, by reducing appropriations, without an increase in taxes or an increase in rates in the enterprise funds.

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 governments' finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to:

Larry A. Kaczala, Lucas County Auditor
One Government Center
Suite 600
Toledo, OH 43604-2255

LUCAS COUNTY, OHIO
STATEMENT OF NET ASSETS
DECEMBER 31, 2005
(Amounts in 000's)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets:				
Pooled cash and cash equivalents	\$ 8,076	\$ 299	\$ 8,375	\$ 5,114
Pooled investments	189,906	15,997	205,903	6,503
Receivables (net of allowance for uncollectibles)	140,905	4,831	145,736	1,614
Internal balances	1	(1)	-	-
Due from other governments	31,743	1,415	33,158	-
Prepaid expenses			-	236
Inventory of materials and supplies	426	20	446	331
Capital assets not being depreciated	30,324	14,444	44,768	1,555
Capital assets being depreciated (net)	221,732	98,079	319,811	15,822
Total assets	623,113	135,084	758,197	31,175
Liabilities:				
Accounts payable	13,030	314	13,344	1,806
Accrued wages and benefits	23,376	713	24,089	474
Due to other governments	1,106		1,106	-
Deferred revenue			-	332
Notes payable	6,105		6,105	7
Long-term liabilities				
Due within one year	13,515	893	14,408	171
Due in more than one year	85,382	31,242	116,624	6,714
Total liabilities	142,514	33,162	175,676	9,504
Net assets:				
Invested in capital assets, net of related debt	163,910	80,389	244,299	-
Restricted for:				
Capital projects	10,345		10,345	-
Debt service	7,682		7,682	-
Unrestricted	298,662	21,533	320,195	21,671
Total net assets	\$ 480,599	\$ 101,922	\$ 582,521	\$ 21,671

The Notes to the Financial Statements are an integral part of this statement.

LUCAS COUNTY, OHIO
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government -				
Legislative and executive	\$ 47,238	\$ 19,776	\$ 6,592	\$ -
Judicial	59,625	4,249	15,033	
Public safety	69,737	1,403	14,347	2,363
Public works	31,922	247	15,296	1,493
Health	106,157	1,845	54,625	
Human services	119,321	444	85,830	
Conservation and recreation	6,686	539	209	
Interest and fiscal charges	4,706			
Total governmental activities	<u>445,392</u>	<u>28,503</u>	<u>191,932</u>	<u>3,856</u>
Business-type activities:				
Water supply	2,768	1,043	552	
Wastewater treatment	4,412	5,000	574	
Sewer	2,885	524	1,416	
Sanitary engineer	4,297	4,466	110	
Solid waste	1,476	1,978	-	
Parking facilities	191	310	-	
Total business-type activities	<u>16,029</u>	<u>13,321</u>	<u>2,652</u>	<u>-</u>
Total primary government	<u>\$ 461,421</u>	<u>\$ 41,824</u>	<u>\$ 194,584</u>	<u>\$ 3,856</u>
Component Units:				
Lott Industries	\$ 10,728	\$ 6,974	\$ 4,005	\$ -
Preferred Properties	1,362	565	1,485	
Toledo Mud Hens	9,089	4,474		
Total component units	<u>\$ 21,179</u>	<u>\$ 12,013</u>	<u>\$ 5,490</u>	<u>\$ -</u>

General Revenues:
Property Tax
Sales Tax
Other Tax
Charges for services not restricted to specific programs
Intergovernmental revenue not restricted to specific programs
Investment Income
Miscellaneous
Capital contributions not restricted to specific programs
Transfers
Total general revenues and transfers
Changes in net assets
Net assets - beginning
Net assets - ending

The Notes to the Financial Statements are an integral part of this statement.

**Net (Expense) Revenue and
Changes in Net Assets**

Primary Government			Component Units
Governmental Activities	Business-type Activities	Total	
\$ (20,870)	\$ -	\$ (20,870)	\$ -
(40,343)		(40,343)	
(51,624)		(51,624)	
(14,886)		(14,886)	
(49,687)		(49,687)	
(33,047)		(33,047)	
(5,938)		(5,938)	
(4,706)		(4,706)	
<u>(221,101)</u>	<u>-</u>	<u>(221,101)</u>	<u>-</u>
	(1,173)	(1,173)	
	1,162	1,162	
	(945)	(945)	
	279	279	
	502	502	
	119	119	
<u>-</u>	<u>(56)</u>	<u>(56)</u>	<u>-</u>
<u>(221,101)</u>	<u>(56)</u>	<u>(221,157)</u>	<u>-</u>
			251
			688
			<u>(4,615)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,676)</u>
100,445		100,445	
70,827		70,827	
8,742		8,742	
757		757	
5,208		5,208	
7,061		7,061	
19,837		19,837	6,187
-	9,861	9,861	
1,268	(1,268)	-	
<u>214,145</u>	<u>8,593</u>	<u>222,738</u>	<u>6,187</u>
(6,956)	8,537	1,581	2,511
487,555	93,385	580,940	19,160
<u>\$ 480,599</u>	<u>\$ 101,922</u>	<u>\$ 582,521</u>	<u>\$ 21,671</u>

The Notes to the Financial Statements are an integral part of this statement.

**LUCAS COUNTY, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2005
(Amounts in 000's)**

	<u>General</u>	<u>Children Services Board</u>	<u>Board of Mental Retardation</u>
Assets:			
Pooled cash and cash equivalents	\$ 4,690	\$ 578	\$ 231
Pooled investments	23,439	28,609	11,428
Receivables (net of allowance for uncollectibles)			
Taxes	36,553	19,675	34,381
Accounts	360		
Special assessments	3		
Accrued interest	1,117		
Loans			
Due from other governments	5,931	1,735	2,865
Inventory: materials and supplies			
Total assets	<u>\$ 72,093</u>	<u>\$ 50,597</u>	<u>\$ 48,905</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 1,457	\$ 1,619	\$ 339
Accrued wages and benefits	2,241	566	846
Due to other funds	96	17	
Due to other governments	1,106		
Deferred revenue	28,741	20,635	35,910
Notes payable			
Total liabilities	<u>33,641</u>	<u>22,837</u>	<u>37,095</u>
Fund balances:			
Reserved for:			
Encumbrances	1,429	1,073	2,581
Inventory			
Loans receivable			
Debt service			
Unreserved reported in:			
General fund	37,023		
Special revenue funds		26,687	9,229
Capital projects funds			
Total fund balances	<u>38,452</u>	<u>27,760</u>	<u>11,810</u>
Total liabilities and fund balances	<u>\$ 72,093</u>	<u>\$ 50,597</u>	<u>\$ 48,905</u>

The Notes to the Financial Statements are an integral part of this statement.

<u>Job and Family Services</u>	<u>Capital Improvements</u>	<u>Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 167	\$ 432	\$ 129	\$ 1,035	\$ 7,262
8,267	20,214	6,367	51,276	149,600
			26,985	117,594
			278	638
		24,507		24,510
				1,117
			36	36
11,462	6	1,118	8,626	31,743
			356	356
<u>\$ 19,896</u>	<u>\$ 20,652</u>	<u>\$ 32,121</u>	<u>\$ 88,592</u>	<u>\$ 332,856</u>
\$ 4,310	\$ 1,018		\$ 3,889	\$ 12,632
455			912	5,020
18			35	166
				1,106
		24,439	32,478	142,203
	6,105			6,105
<u>4,783</u>	<u>7,123</u>	<u>24,439</u>	<u>37,314</u>	<u>167,232</u>
5,366	3,184		12,963	26,596
			356	356
			36	36
		7,682		7,682
				37,023
9,747			37,923	83,586
	10,345			10,345
<u>15,113</u>	<u>13,529</u>	<u>7,682</u>	<u>51,278</u>	<u>165,624</u>
<u>\$ 19,896</u>	<u>\$ 20,652</u>	<u>\$ 32,121</u>	<u>\$ 88,592</u>	<u>\$ 332,856</u>

The Notes to the Financial Statements are an integral part of this statement.

LUCAS COUNTY, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET ASSETS OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2005
(Amounts in 000's)

Total governmental fund balances	\$ 165,624
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	252,056
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 145 net capital assets included above as capital assets used in governmental activities.	30,056
Long-term assets are not available to pay for current period expenditures and therefore deferred in the funds.	139,203
Long term liabilities, including bonds payable, OWDA loans, OPWC loans, capital leases, compensated absences, and landfill obligation are not due and payable in the current period and therefore are not reported in the funds.	<u>(106,340)</u>
Net assets of governmental activities	<u><u>\$ 480,599</u></u>

The Notes to the Financial Statements are an integral part of this statement.

This page left blank intentionally.

LUCAS COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>General</u>	<u>Children Services Board</u>	<u>Board of Mental Retardation</u>
Revenues:			
Taxes	\$ 93,069	\$ 19,108	\$ 33,106
Charges for services	14,223		
Licenses and permits	33		
Fines and forfeits	520		
Special assessments	121		
Intergovernmental revenue	19,638	15,754	10,399
Investment income	7,061		
Miscellaneous revenue	1,483	4,124	24
Total revenues	<u>136,148</u>	<u>38,986</u>	<u>43,529</u>
Expenditures:			
Current:			
General government:			
Legislative and executive	25,425		
Judicial	42,052		
Public safety	39,629		
Public works	275		
Health	721		45,133
Human services	1,409	42,589	
Conservation and recreation	871		
Miscellaneous	515		
Capital outlay			
Debt service:			
Principal retirement			
Interest and fiscal charges			
Total expenditures	<u>110,897</u>	<u>42,589</u>	<u>45,133</u>
Excess (deficiency) of revenues over (under) expenditures	<u>25,251</u>	<u>(3,603)</u>	<u>(1,604)</u>
Other Financing Sources (Uses):			
Refunding bonds issued			
Bonds issued			
Capital leases			
Refunded bonds redeemed			
Transfers in			
Transfers out	(22,896)		
Total other financing sources (uses)	<u>(22,896)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	2,355	(3,603)	(1,604)
Fund balance at beginning of year	<u>36,097</u>	<u>31,363</u>	<u>13,414</u>
Fund balance at end of year	<u>\$ 38,452</u>	<u>\$ 27,760</u>	<u>\$ 11,810</u>

The Notes to the Financial Statements are an integral part of this statement.

Job and Family Services	Capital Improvements	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
		\$ 1,898	\$ 35,645	\$ 182,826
			14,280	28,503
				33
			204	724
	1,020	1,384		2,525
63,323	24		92,347	201,485
				7,061
48	1,988	2,740	9,430	19,837
<u>63,371</u>	<u>3,032</u>	<u>6,022</u>	<u>151,906</u>	<u>442,994</u>
			16,169	41,594
			15,511	57,563
			26,403	66,032
			15,752	16,027
			57,934	103,788
63,228			10,525	117,751
			5,653	6,524
			6,867	7,382
	8,343		6,014	14,357
		10,285		10,285
	211	4,495		4,706
<u>63,228</u>	<u>8,554</u>	<u>14,780</u>	<u>160,828</u>	<u>446,009</u>
<u>143</u>	<u>(5,522)</u>	<u>(8,758)</u>	<u>(8,922)</u>	<u>(3,015)</u>
		3,005		3,005
	3,420			3,420
159			14	173
		(2,925)		(2,925)
3,434	4,018	6,671	10,821	24,944
(75)			(705)	(23,676)
<u>3,518</u>	<u>7,438</u>	<u>6,751</u>	<u>10,130</u>	<u>4,941</u>
3,661	1,916	(2,007)	1,208	1,926
11,452	11,613	9,689	50,070	163,698
<u>\$ 15,113</u>	<u>\$ 13,529</u>	<u>\$ 7,682</u>	<u>\$ 51,278</u>	<u>\$ 165,624</u>

The Notes to the Financial Statements are an integral part of this statement.

LUCAS COUNTY, OHIO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$	1,926
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeds capital outlay in the current period.		(9,730)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(5,826)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt.		6,607
Some expenses reported in the statement of activities do not require the use of financial resources and, therefore, are not reported as expenditures in governmental funds.		(209)
The net revenue of certain activities of internal service funds is reported with governmental activities.		<u>276</u>
Change in net assets of governmental activities	\$	<u><u>(6,956)</u></u>

The Notes to the Financial Statements are an integral part of this statement.

LUCAS COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
GENERAL FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Taxes	\$ 90,773	\$ 90,773	\$ 93,779	\$ 3,006
Charges for services	14,326	14,326	14,400	74
Licenses and permits	51	51	29	(22)
Fines and forfeits	555	555	529	(26)
Special assessments	68	68	21	(47)
Intergovernmental revenue	19,057	19,057	19,254	197
Investment income	5,432	5,432	6,620	1,188
Miscellaneous revenue	2,255	2,255	1,482	(773)
Total revenues	132,517	132,517	136,114	3,597
Expenditures:				
Current:				
General government:				
Legislative and executive	27,766	28,329	27,323	1,006
Judicial	41,592	43,728	43,000	728
Public safety	40,327	40,640	40,526	114
Public works	326	326	254	72
Health	1,105	840	700	140
Human services	1,678	1,684	1,433	251
Conservation and recreation	853	973	913	60
Miscellaneous	1,390	739	556	183
Total expenditures	115,037	117,259	114,705	2,554
Excess of revenues over (under) expenditures	17,480	15,258	21,409	6,151
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers (out)	(21,697)	(22,096)	(21,955)	141
Total other financing sources (uses)	(21,697)	(22,096)	(21,955)	141
Net change in fund balance	(4,217)	(6,838)	(546)	6,292
Fund balance at beginning of year	25,607	25,607	25,607	-
Prior year encumbrances appropriated	1,218	1,218	1,218	-
Fund balance at end of year	<u>\$ 22,608</u>	<u>\$ 19,987</u>	<u>\$ 26,279</u>	<u>\$ 6,292</u>

The Notes to the Financial Statements are an integral part of this statement.

LUCAS COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
CHILDREN SERVICES BOARD - SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 19,001	\$ 19,001	\$ 19,095	\$ 94
Intergovernmental revenue	15,933	15,933	18,204	2,271
Miscellaneous revenue	4,133	4,133	4,138	5
<i>Total revenue</i>	39,067	39,067	41,437	2,370
Expenditures:				
Current:				
Human services				
Personal services	22,813	22,813	22,602	211
Materials and supplies	1,163	1,163	1,155	8
Charges and services	20,227	20,227	19,515	712
Capital outlay and equipment	477	477	288	189
<i>Total expenditures</i>	44,680	44,680	43,560	1,120
Net change in fund balance	(5,613)	(5,613)	(2,123)	3,490
Fund balance at beginning of year	28,648	28,648	28,648	-
Prior year encumbrances appropriated	769	769	769	-
Fund balance at end of year	<u>\$ 23,804</u>	<u>\$ 23,804</u>	<u>\$ 27,294</u>	<u>\$ 3,490</u>

The Notes to the Financial Statements are an integral part of this statement.

LUCAS COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
BOARD OF MENTAL RETARDATION - SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 32,628	\$ 32,628	\$ 33,041	\$ 413
Charges for services	-	-	-	-
Intergovernmental revenue	-	-	1,628	1,628
Miscellaneous revenue	10,900	10,900	9,457	(1,443)
<i>Total revenue</i>	43,528	43,528	44,126	598
Expenditures:				
Current:				
Health				
Personal services	35,910	35,910	35,732	178
Materials and supplies	2,083	2,083	1,636	447
Charges and services	12,191	12,191	10,141	2,050
Capital outlay and equipment	839	839	757	82
<i>Total expenditures</i>	51,023	51,023	48,266	2,757
Net change in fund balance	(7,495)	(7,495)	(4,140)	3,355
Fund balance at beginning of year	8,301	8,301	8,301	-
Prior year encumbrances appropriated	3,645	3,645	3,645	-
Fund balance at end of year	<u>\$ 4,451</u>	<u>\$ 4,451</u>	<u>\$ 7,806</u>	<u>\$ 3,355</u>

The Notes to the Financial Statements are an integral part of this statement.

LUCAS COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
JOB AND FAMILY SERVICES - SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental revenue	\$ 57,062	\$ 57,062	\$ 51,860	\$ (5,202)
Miscellaneous revenue	-	-	49	49
<i>Total revenue</i>	57,062	57,062	51,909	(5,153)
Expenditures:				
Current:				
Human services				
Personal services	20,286	20,286	19,914	372
Materials and supplies	646	646	426	220
Charges and services	55,019	55,019	49,402	5,617
Capital outlay and equipment	302	302	271	31
<i>Total expenditures</i>	76,253	76,253	70,013	6,240
<i>Excess of revenues over (under) expenditures</i>	(19,191)	(19,191)	(18,104)	1,087
Other financing sources:				
Transfers in	3,607	3,607	3,433	(174)
<i>Total other financing sources</i>	3,607	3,607	3,433	(174)
 Net change in fund balance	 (15,584)	 (15,584)	 (14,671)	 913
Fund balance at beginning of year	7,166	7,166	7,166	-
Prior year encumbrances appropriated	8,529	8,529	8,529	-
Fund balance at end of year	<u>\$ 111</u>	<u>\$ 111</u>	<u>\$ 1,024</u>	<u>\$ 913</u>

The Notes to the Financial Statements are an integral part of this statement.

This page left blank intentionally.

**LUCAS COUNTY, OHIO
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2005**

	Business-type Activities - Enterprise		
	Water Supply System	Wastewater Treatment	Sewer System
Assets:			
Current assets:			
Pooled cash and cash equivalents	\$ 33	\$ 79	\$ 65
Pooled investments	1,631	3,916	4,411
Receivables (net of allowances for uncollectables)	617	1,645	573
Due from other funds			
Due from other governments		1,415	
Inventory: materials and supplies		20	
Total current assets	<u>2,281</u>	<u>7,075</u>	<u>5,049</u>
Noncurrent assets - capital assets:			
Land	200	39	10
Land improvements	66,179		66,830
Buildings, structures, and improvements	2,840	17,442	
Furniture, fixtures, and equipment	1,641	9,286	
Construction in progress		14,042	
Less accumulated depreciation	(27,201)	(14,316)	(27,316)
Total noncurrent assets	<u>43,659</u>	<u>26,493</u>	<u>39,524</u>
Total assets	<u>\$ 45,940</u>	<u>\$ 33,568</u>	<u>\$ 44,573</u>
Liabilities:			
Current liabilities:			
Accounts payable	\$ 19	\$ 106	\$ 10
Accrued wages and benefits		170	
Due to other funds			
Claims payable - current			
Current portion of long-term debt	167	545	145
Total current liabilities	<u>186</u>	<u>821</u>	<u>155</u>
Noncurrent liabilities:			
OWDA loans payable	4,266	22,536	1,982
Claims payable - noncurrent			
OPWC loans payable		150	1,178
Total noncurrent liabilities	<u>4,266</u>	<u>22,686</u>	<u>3,160</u>
Total liabilities	<u>4,452</u>	<u>23,507</u>	<u>3,315</u>
Net Assets:			
Invested in capital assets, net of related debt	39,226	3,263	36,219
Unrestricted	2,262	6,798	5,039
Total net assets	<u>41,488</u>	<u>10,061</u>	<u>41,258</u>
Total liabilities and net assets	<u>\$ 45,940</u>	<u>\$ 33,568</u>	<u>\$ 44,573</u>

The Notes to the Financial Statements are an integral part of this statement.

<u>Funds</u> Nonmajor Enterprise Funds	<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 122	\$ 299	\$ 814
6,039	15,997	40,306
1,996	4,831	10
	-	167
	1,415	-
	20	70
<u>8,157</u>	<u>22,562</u>	<u>41,367</u>
153	402	83
	133,009	
3,006	23,288	30
3,016	13,943	1,256
	14,042	
<u>(3,328)</u>	<u>(72,161)</u>	<u>(1,224)</u>
<u>2,847</u>	<u>112,523</u>	<u>145</u>
<u>\$ 11,004</u>	<u>\$ 135,085</u>	<u>\$ 41,512</u>
\$ 179	\$ 314	\$ 563
543	713	142
1	1	-
	-	5,698
36	893	
<u>759</u>	<u>1,921</u>	<u>6,403</u>
1,130	29,914	
	-	4,908
	1,328	
<u>1,130</u>	<u>31,242</u>	<u>4,908</u>
<u>1,889</u>	<u>33,163</u>	<u>11,311</u>
1,681	80,389	145
7,434	21,533	30,056
<u>9,115</u>	<u>101,922</u>	<u>30,201</u>
<u>\$ 11,004</u>	<u>\$ 135,085</u>	<u>\$ 41,512</u>

The Notes to the Financial Statements are an integral part of this statement.

LUCAS COUNTY, OHIO
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Business-type Activities - Enterprise		
	Water Supply System	Wastewater Treatment	Sewer System
Operating revenues:			
Charges for services	\$ 1,043	\$ 5,000	\$ 524
Miscellaneous	552	574	1,416
Total operating revenues	1,595	5,574	1,940
Operating expenses:			
Personal services		1,226	
Contract services	399	649	981
Materials and supplies	14	355	16
Heat, light and power	394	629	101
Depreciation	1,684	453	1,640
Miscellaneous		-	
Employee medical benefit			
Total operating expenses	2,491	3,312	2,738
Operating income (loss)	(896)	2,262	(798)
Nonoperating revenues (expenses):			
Interest and fiscal charges	(277)	(1,100)	(147)
Total nonoperating revenues (expenses)	(277)	(1,100)	(147)
Income (loss) before contributions and operating transfers	(1,173)	1,162	(945)
Capital contributions	6,139		3,722
Transfer in			
Transfer out	(1,268)		
Change in net assets	3,698	1,162	2,777
Net assets at beginning of year	37,790	8,899	38,481
Net assets at end of year	\$ 41,488	\$ 10,061	\$ 41,258

The Notes to the Financial Statements are an integral part of this statement.

<u>Funds</u>		<u>Governmental</u>
Nonmajor Enterprise Funds	Total	Activities - Internal Service Funds
\$ 6,754	\$ 13,321	\$ 37,627
110	2,652	3
6,864	15,973	37,630
3,947	5,173	1,283
1,174	3,203	3,714
379	764	1,232
37	1,161	-
284	4,061	42
71	71	17
-	-	31,066
<u>5,892</u>	<u>14,433</u>	<u>37,354</u>
972	1,540	276
<u>(72)</u>	<u>(1,596)</u>	<u>-</u>
<u>(72)</u>	<u>(1,596)</u>	<u>-</u>
900	(56)	276
-	9,861	-
-	-	-
-	(1,268)	-
900	8,537	276
<u>8,215</u>	<u>93,385</u>	<u>29,925</u>
<u>\$ 9,115</u>	<u>\$ 101,922</u>	<u>\$ 30,201</u>

The Notes to the Financial Statements are an integral part of this statement.

LUCAS COUNTY, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Business-Type Activities - Enterprise Funds			
	Water Supply System	Waste- Water Treatment	Sewer System	Nonmajor Enterprise Funds
Cash flows from operating activities:				
Cash received from customers	\$ 1,512	\$ 8,387	\$ 1,934	\$ 6,668
Cash paid to suppliers	(830)	(1,686)	(1,194)	(1,754)
Cash paid to employees		(1,209)		(3,867)
Net cash provided by operating activities	682	5,492	740	1,047
Cash flows from noncapital financing activities:				
Transfers out	(1,268)			
Net cash used in noncapital financing activities	(1,268)	-	-	-
Cash flows from capital and related financing activities:				
Principal payments - OWDA loans	(320)	(1,044)	(218)	(69)
Principal payments - OPWC loans		(14)	(49)	
Principal payments - capital leases				
Purchase of capital assets		(2,804)		(403)
Interest paid	(277)	(1,100)	(147)	(72)
Net cash used in capital and related financing activities	(597)	(4,962)	(414)	(544)
Cash flows from investing activities:				
Proceeds from sales of investments	2,022	532	583	1,222
Payments for investments	(1,174)	(1,431)	(1,229)	(2,334)
Net cash provided by (used in) investing activities	848	(899)	(646)	(1,112)
Net increase in cash	(335)	(369)	(320)	(609)
Cash and cash equivalents, January 1	368	448	385	731
Cash and cash equivalents, December 31	<u>\$ 33</u>	<u>\$ 79</u>	<u>\$ 65</u>	<u>\$ 122</u>

The Notes to the Financial Statements are an integral part of this statement.

<u>Total</u>	<u>Governmental Activities Internal Service Funds</u>
\$ 18,501	\$ 37,690
(5,464)	(34,401)
<u>(5,076)</u>	<u>(1,278)</u>
7,961	2,011
<u>(1,268)</u>	<u> </u>
<u>(1,268)</u>	<u> -</u>
(1,651)	
(63)	
(3,207)	
<u>(1,596)</u>	<u> </u>
<u>(6,517)</u>	<u> -</u>
4,359	10,081
(6,168)	(16,327)
<u>(1,809)</u>	<u>(6,246)</u>
(1,633)	(4,235)
1,932	5,049
<u>\$ 299</u>	<u>\$ 814</u>

The Notes to the Financial Statements are an integral part of this statement.

LUCAS COUNTY, OHIO
STATEMENT OF CASH FLOWS (continued)
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

**Reconciliation of Operating Income (Loss) to Net Cash Provided
by Operating Activities**

	<u>Business-Type Activities - Enterprise</u>		
	<u>Water Supply System</u>	<u>Waste- Water Treatment</u>	<u>Sewer System</u>
Operating income (loss)	\$ (896)	\$ 2,262	\$ (798)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	1,684	453	1,640
(Increase) decrease in operating assets:			
Accounts receivable	(82)	8	(6)
Due from other funds			
Due from other governments		2,804	
Inventory		(4)	
Increase (decrease) in operating liabilities:			
Accounts payable	(24)	(49)	(96)
Accrued wages and benefits		18	
Due to other funds			
Total adjustments	<u>1,578</u>	<u>3,230</u>	<u>1,538</u>
Net cash provided by operating activities	<u>\$ 682</u>	<u>\$ 5,492</u>	<u>\$ 740</u>

**Noncash capital and related
financing activities:**

Enterprise funds received approximately \$9.8 million of contributed fixed assets, approximately \$6.1 million to the Water Supply System, and \$2.0 million to the Sewer System.

The Notes to the Financial Statements are an integral part of this statement.

<u>Funds</u>		<u>Governmental Activities - Internal Service Funds</u>
Nonmajor Enterprise Funds	<u>Total</u>	
\$ 972	\$ 1,540	\$ 276
284	4,061	42
(196)	(276)	54
	-	4
	2,804	
	(4)	29
(93)	(262)	1,604
80	98	2
	-	-
<u>75</u>	<u>6,421</u>	<u>1,735</u>
<u>\$ 1,047</u>	<u>\$ 7,961</u>	<u>\$ 2,011</u>

The Notes to the Financial Statements are an integral part of this statement.

**LUCAS COUNTY, OHIO
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUND
DECEMBER 31, 2005
(Amounts in 000's)**

	Agency Funds
Assets:	
Pooled cash and cash equivalents	\$ 26,846
Segregated cash accounts	5,918
Due from other governments	14,503
Total assets	\$ 47,267
 Liabilities:	
Unapportioned monies external to county	\$ 27,533
Deposits held due to others	7,281
Payroll withholdings	2,034
Due to other governments	10,419
Total liabilities	\$ 47,267

The Notes to the Financial Statements are an integral part of this statement.

LUCAS COUNTY, OHIO
COMBINING STATEMENT OF NET ASSETS
DISCRETELY PRESENTED COMPONENT UNITS
DECEMBER 31, 2005
(Amounts in 000's)

	Toledo Mud Hens Baseball Club, Inc.	Lott Industries Inc.	Preferred Properties Inc.	Total
Assets:				
Current assets-				
Pooled cash and cash equivalents	\$ 3,613	\$ 1,337	\$ 164	\$ 5,114
Pooled investments	40	6,463		6,503
Receivables (net of allowances for uncollectables) accounts	165	1,075	374	1,614
Prepaid expenses	146	13	77	236
Inventory: materials and supplies	165	166		331
Total current assets	<u>4,129</u>	<u>9,054</u>	<u>615</u>	<u>13,798</u>
Noncurrent assets-				
Property, plant and equipment-				
Land		188	956	1,144
Buildings, structures and improvements		8,650	7,890	16,540
Furniture, fixtures and equipment	2,049	4,455	160	6,664
Construction in progress			411	411
Less: accumulated depreciation		<u>(5,651)</u>	<u>(1,731)</u>	<u>(7,382)</u>
Total noncurrent assets	<u>2,049</u>	<u>7,642</u>	<u>7,686</u>	<u>17,377</u>
Total assets	<u>\$ 6,178</u>	<u>\$ 16,696</u>	<u>\$ 8,301</u>	<u>\$ 31,175</u>
Liabilities:				
Current liabilities-				
Accounts Payable	\$ 1,478	\$ 267	\$ 61	\$ 1,806
Accrued wages and benefits	273	201		474
Deferred revenue	332			332
Current portion of long-term debt		160	18	178
Total current liabilities	2,083	628	79	2,790
Noncurrent liabilities-				
Notes Payable			7	7
Bonds Payable		3,605		3,605
Other long term obligations			3,102	3,102
Total noncurrent liabilities-	-	3,605	3,109	6,714
Total liabilities	<u>2,083</u>	<u>4,233</u>	<u>3,188</u>	<u>9,504</u>
Net Assets:				
Unrestricted	<u>4,095</u>	<u>12,463</u>	<u>5,113</u>	<u>21,671</u>
Total net assets	<u>\$ 4,095</u>	<u>\$ 12,463</u>	<u>\$ 5,113</u>	<u>\$ 21,671</u>

The Notes to the Financial Statements are an integral part of this statement.

LUCAS COUNTY, OHIO
STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Toledo Mud Hens Baseball Club inc.</u>
		<u>Charges for Services</u>	<u>Grants and Contributions</u>	
Toledo Mud Hens Baseball Club				
Recreation	\$ 9,089	\$ 4,474	\$ -	\$ (4,615)
Lott Industries				
Health	10,728	6,974	4,005	-
Preferred Properties Inc.				
Health	1,362	565	1,485	-
Total component units	<u>\$ 21,179</u>	<u>\$ 12,013</u>	<u>\$ 5,490</u>	<u>\$ (4,615)</u>

General Revenues:

Miscellaneous	5,865
Total general revenues	<u>5,865</u>
Changes in net assets	1,250
Net assets - beginning	<u>2,845</u>
Net assets - ending	<u><u>\$ 4,095</u></u>

The Notes to the Financial Statements are an integral part of this statement.

**Net (Expense) Revenue and
Changes in Net Assets**

Lott Industries Inc.	Preferred Properties Inc.	Total
\$ -	\$ -	\$ (4,615)
251	-	251
-	688	688
<u>\$ 251</u>	<u>\$ 688</u>	<u>\$ (3,676)</u>
259	63	6,187
<u>259</u>	<u>63</u>	<u>6,187</u>
510	751	2,511
11,953	4,362	19,160
<u>\$ 12,463</u>	<u>\$ 5,113</u>	<u>21,671</u>

The Notes to the Financial Statements are an integral part of this statement.

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005
(Amounts in 000's)

Note A - Description of Lucas County and Basis of Presentation

The County: Lucas 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 are 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 County-wide basis to oversee the County's judicial system.

The accompanying financial statements present the County (Primary Government) and its component units, which are legally separate organizations which the elected officials of the primary government are financially accountable. The financial data of the component units are included in the County's reporting entity because of the significance of their operational or financial relationships with the County. Blended component units, although legally separate entities, are, in substance, part of the government operations.

A discretely presented component unit is an entity that is legally separate from the County but for which the County is financially accountable, or its relationship with the County is such that exclusion would cause the County's financial statements to be misleading or incomplete.

The component unit column in the Government-Wide Financial Statements include the County's discretely presented component units. They are reported in a separate column to emphasize that they are legally separate from the County. A brief description of each component unit, and its relationships to the County follows:

Toledo Mud Hens Baseball Club, Inc. is 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 requires 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., 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 the component unit 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 the component unit 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 is a not-for-profit corporation organized to provide affordable and accessible housing to persons with disabilities. One third of the board of the component unit 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. This imposes a financial obligation on the County, and the component unit is fiscally dependent on the primary government. Preferred Properties, Inc. is reported on a fiscal year ending June 30. Complete financial statements of the component unit can be obtained from its administrative office at 2001 Collingwood, Toledo, Ohio 43620.

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005
(Amounts in 000's)

Note A - Description of Lucas County and Basis of Presentation (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, Lucas County Board of Education and Toledo-Lucas County Convention and Visitors Bureau 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.

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. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service funds is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

The statement of net assets presents the financial condition of the governmental and business-type activities for 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 and for the business-type activities of the County. 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 for the goods or services offered by the program,

grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are 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 business segment or governmental 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 this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

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

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note A - Description of Lucas County and Basis of Presentation (continued)

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 Special Revenue Fund:** This fund accounts for County-wide property tax levy, state grants and reimbursements used for County child care programs.
- **Board of Mental Retardation Special Revenue 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 Special Revenue 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.
- **Capital Improvements Capital Projects 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 debt.

Proprietary 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 proprietary funds.

- **Water Supply System Enterprise Fund:** This fund accounts for the distribution of treated water to individuals and commercial users of Lucas County.
- **Sewer System Enterprise Fund:** This fund accounts for sanitary sewer services provided to individuals and commercial users in Lucas County and portions of Wood County.
- **Wastewater Treatment Enterprise 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.

Additionally the County reports which Internal Service Funds 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.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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.

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note A - Description of Lucas County and Basis of Presentation (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 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.

Note B - Summary of Significant Accounting Policies

The accompanying financial statements of the County are prepared in conformity with generally accepted accounting principles (GAAP) for local government units as prescribed in statements and interpretations issued by the Government Accounting Standards Board (GASB) and other recognized authoritative sources. The County has elected not to apply Financial Accounting Standards Board (FASB) Statements and interpretations issued after November 30, 1989, to its enterprise fund activities.

Government-wide Financial Statements: The government-wide financial statements are prepared using the economic resources measurements 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 measurements 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 governmental-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund 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 proprietary activities.

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 deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-Exchange Transactions: Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. 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 thirty 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 K). 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

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note B - Summary of Significant Accounting Policies
(continued)

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.

Deferred Revenue: Deferred revenue arises 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, 2005 but which were levied to finance fiscal year 2006 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

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.

Budgetary Information: 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).

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.

The County's budgetary process accounts for certain transactions on a basis other than GAAP. The major difference between the budget basis and the GAAP basis are:

(1) Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).

(2) Expenditures are recorded when encumbered, or paid in cash (budget), as opposed to when susceptible to accrual (GAAP).

The actual results of operations, compared to the final appropriation, which include amendments to the original appropriation, for each fund type by expenditure function and revenue source are presented in the *Combined Statement of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual (non-GAAP Budgetary Basis)- All Governmental Fund Types*. The difference between the accrual and cash basis statements was not significant. The reserve for encumbrances is carried forward as part of the budgetary authority for the next year and is included in the revised budget amounts shown in the budget to actual comparisons.

Cash Equivalents: Investments of the cash management pool, and investments with original maturities of three months or less at the time they are purchased by the County are considered to be cash equivalents. Investments with an initial maturity of more than three months are considered to be investments.

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note B - Summary of Significant Accounting Policies
(continued)

Inventory 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.

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.

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:

- 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

Use of Estimates: The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Grants and Other Intergovernmental Revenues: Local Government fund revenues are recorded as receivables and revenues when measurable and avail-

able. 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.

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 operating 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.

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

For governmental funds, the current portion of unpaid compensated absences is the amount that has matured, which means that there is a reimbursable leave still outstanding following an employee's resignation or retirement.

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note B - Summary of Significant Accounting Policies
(continued)

These amounts are recorded in the account "accrued wages and benefits" in the fund from which the employees who have accumulated unpaid leave are paid. The non-current portion of the liability is not reported.

Ohio law requires that vacation time not be accumulated for more than three years. Normally, all vacation time is to be taken in the year available unless administrative written approval for carryover is obtained. 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 paid for unused compensatory time upon termination of employment. All sick, vacation and compensatory payments are made at employees' current wage rates, and paid from the fund where the time was accumulated.

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 for its 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 thousand 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 usage of the program to cover actuarial estimates of the amounts needed to pay current-year claims. The claims liability of \$10.6 million reported in the fund at December 31, 2005 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 claims that have been incurred but not reported. 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 5.25%.

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 nor designated and are appropriable in future periods.

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.

Investment income is recorded in the General and Self-funded Health funds. Investment income in the General fund includes earnings on all pooled investments.

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note C - Reconciliation of Government-wide and Fund financial Statements

I. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets.

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds, and net assets - governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and therefore not reported in the funds." Details of this difference are as follows:

Bonds payable	\$ 69,648
OWDA loans payable	1,327
OPWC loans payable	2,030
Capital leases payable	3,022
Landfill liability payable	12,099
Compensated absences	<u>18,214</u>
<i>Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental funds.</i>	<u>\$106,340</u>

II. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balance includes a reconciliation between net changes in *fund balances - total governmental funds and changes in net assets of governmental activities*. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is

allocated over their estimated useful lives and reported as depreciation expenses." The details of the difference are as follows:

Capital outlay	\$14,357
Capital outlay in excess of capital asset additions	(984)
Depreciation expense	<u>(23,103)</u>
<i>Net adjustment</i>	<u>(\$9,730)</u>

Another element of that reconciliation states that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets." The details of this difference are as follows:

Proceeds of capital lease transaction	\$ (174)
Proceeds of bonds	(6,425)
Principal retirement	<u>13,206</u>
<i>Net adjustment</i>	<u>\$6,607</u>

Note D - Pooled Cash and Cash Equivalents, Segregated Cash, Investments and Deposits

Cash balances are combined into one pool for making daily cash and investment transactions. GASB Statement No. 3, *Deposits with Financial Institutions, Investment (including Repurchase Agreements), and Reverse Repurchase Agreements*, requires cash and cash equivalents held by the County to be categorized into the following credit risk categories:

1. Insured or collateralized with securities held by the County, or by its agent in the County's name.
2. Collateralized with securities held by the pledging financial institutions's trust department or agent in the County's name.
3. Uncollateralized.

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

**Note D - Pooled Cash and Cash Equivalents,
Segregated Cash, Investments and Deposits
(continued)**

At December 31, 2005, the carrying amount of the County's cash and cash equivalents for all funds was \$41,139. Items in transit and outstanding checks caused the difference in the carrying amount of \$41,139 and the bank balance of \$52,852. Of the bank balance, \$2,373 was covered by federal depository insurance (category 1), \$22,227 thousand was insured by a financial institution collateral pool, \$18,252 was in a *Certificate of Deposit* (category 2), and \$10,000 thousand was in a money market account (category 3).

Investment income is recorded in the General and Self-funded Health funds. Investment income in the General fund includes earnings on all pooled investments investment income earned during 2005 totaled approximately \$7.1 million.

The County Treasurer is permitted by Ohio law to deposit or invest County funds provided that they mature or are redeemable within two years from date of purchase. The Treasurer is permitted to invest or deposit in the following classification of obligations:

- 1) Obligations of, or backed by the faith of, the United States Government.
- 2) Obligations issued by any Federal agency.
- 3) Deposits in institutions eligible under Ohio law. All deposits are collateralized with eligible securities, as described by state statutes, which are pledged to a collateral pool for each individual financial institution, in amounts equal to at least 105% of the carrying value of all public deposits held by each institution.
- 4) Obligations of the State.
- 5) Repurchase agreements with institutions eligible under Ohio law not to exceed 30 days, where the institution agrees unconditionally to repurchase any of the securities listed in (1) or (2).

6) Commercial paper issued by any corporation incorporated under the laws of the United States or a state if both of the following conditions apply. Two nationally recognized rating agencies rank the commercial paper in either of their two highest categories; the total amount invested in commercial paper at any time does not exceed five per cent of the county's total average portfolio, as determined and calculated by the investing authority.

7) Bankers acceptances, if the following conditions are met: The acceptances mature in two hundred seventy days or fewer from the date of settlement; the acceptances are eligible for purchase by the federal reserve system; the total amount invested in bankers acceptances at any time does not exceed ten per cent of the county's total average portfolio, as determined and calculated by the investing authority.

8) The State Treasurer's Investment pool (STAROhio). Investment authority for the State Treasurer's Investment pool is established by the State Legislature and reflected in the Ohio Revised Code.

9) No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.

The County adopted GASB 40, *Deposit and Investment Risk Disclosure*, which requires certain additional disclosures related to the interest rate, credit, foreign currency and custodial risks associated with interest-bearing investments as of December 31, 2005.

The County's investments are stated at fair value. Money market investments that mature within one year of acquisition and participating interest-earning investments that mature within one year are reported at amortized cost. The fair value of the position in STAR Ohio is the same as the value of the pool shares.

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

**Note D - Pooled Cash and Cash Equivalents,
Segregated Cash, Investments and Deposits
(continued)**

The cost and fair values, exclusive of accrued interest, of investments at December 31, 2005, consisted of the following:

	2005		2004	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
U.S. Treasury Bills	\$ 960	\$ 960	\$ 823	\$ 823
U.S. Agency Securities	183,276	181,871	168,975	167,442
	184,236	182,831	169,798	168,265
STAR Ohio	<u>23,072</u>	<u>23,072</u>	<u>19,868</u>	<u>19,868</u>
Total	<u>\$207,308</u>	<u>\$205,903</u>	<u>\$189,666</u>	<u>\$188,133</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. As of December 31, 2005, the County

had the following interest-bearing investments and maturities. The County's investment policy minimizes interest rate risk by (1) maintaining adequate liquidity so that current obligations can be met without a sale of securities; (2) diversification of maturities; (3) diversification of assets.

<u>Investment Type</u>	<u>Investment Maturities (in years)</u>		
	<u>Fair Value</u>	<u>Less than 1 year</u>	<u>1-5 years</u>
U.S. T Bills	\$ 960	\$ 960	\$ -
U.S. Government Agency Securities	181,871	119,290	62,581
Total	<u>\$182,831</u>	<u>\$120,250</u>	<u>\$62,581</u>

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 in U.S. Treasury Bills and U.S. Agency Securities are all rated Aaa by Standard & Poors and Aaa by Moody's

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.

Foreign Currency Risk: 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, 2005, the County had no exposure to foreign currency risk. The County does not have a formal policy addressing this risk.

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note E - Due to / Due from other funds balances as of December 31, 2005 follow:

<u>Payable Fund</u>	<u>Receivable Fund</u>	<u>Amounts in (000's)</u>
General	Central Supplies	\$ 8
Children Services Board	Central Supplies	2
Nonmajor Governmental Funds	Central Supplies	3
General	Vehicle Maintenance	31
Job and Family Services	Vehicle Maintenance	1
Nonmajor Governmental Funds	Vehicle Maintenance	10
General	County Telephone	43
Job and Family Services	County Telephone	17
Children Services Board	County Telephone	15
Nonmajor Governmental Funds	County Telephone	22
Nonmajor Enterprise Funds	County Telephone	1
General	Centralized Drug Testing	<u>14</u>
		<u>\$167</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.

<u>Transfer From</u>	<u>Transfer To</u>				
	<u>Job and Family Services</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
General	\$3,434	\$5,966	\$2,675	\$10,821	\$22,896
Job and Family Services	-	-	75	-	75
Nonmajor governmental	-	705	-	-	705
Water supply system	-	-	<u>\$1,268</u>	-	<u>1,268</u>
<i>Total</i>	<u>\$3,434</u>	<u>\$6,671</u>	<u>\$4,018</u>	<u>\$10,821</u>	<u>\$24,944</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.

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note F - Capital Assets

Construction-in-progress: The County has active construction projects as of December 31, 2005 of \$14,042 for the expansion of the Wastewater Treatment Plant, \$4,815 for a payroll / HR system, and \$4,387 in other miscellaneous projects. The estimated cost to complete these projects is \$16,253.

Capital asset activity for the County for the year ended December 31, 2005, appears on following page:

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

Governmental activities:		
General government		\$ 5,137
Public Safety		2,216
Public Works		15,029
Health		368
Human Services		263
Recreation		48
Internal Service		<u>42</u>
<i>Total depreciation expense - governmental activities</i>		<u>\$23,103</u>
Business-type activities:		
Water		\$ 1,684
Wastewater Treatment		453
Sewer		1,640
Other		<u>284</u>
<i>Total depreciation expense - business-type activities</i>		<u>\$ 4,061</u>

Activity for the discretely presented component units for the year ended December 31, 2005 as follows:

	Beginning Balance	Changes in Assets	Ending Balance
	(Amounts in 000's)		
Capital assets, not being depreciated:			
Land	\$ 1,132	\$ 12	\$ 1,144
Construction in progress	<u>1,455</u>	<u>(1,044)</u>	<u>411</u>
<i>Total capital assets, not being depreciated</i>	2,587	(1,032)	1,555
Capital assets being depreciated:			
Buildings, structures and improvements	14,582	1,958	16,540
Furniture, fixtures and equipment	<u>6,740</u>	<u>(76)</u>	<u>6,664</u>
<i>Total, capital assets being depreciated</i>	21,322	1,882	23,204
<i>Total accumulated depreciation</i>	<u>(7,522)</u>	<u>140</u>	<u>(7,382)</u>
<i>Total capital assets, being depreciated, net</i>	13,800	2,022	15,822
<i>Component units capital assets, net</i>	<u>\$16,387</u>	<u>\$ 990</u>	<u>\$17,377</u>

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(CONTINUED)
DECEMBER, 2005

Note F- Capital Assets (continued)	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Governmental Activities:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 21,122			\$ 21,122
Construction in progress	6,688	4,694	2,180	9,202
Total capital assets, not being depreciated	<u>27,810</u>	<u>4,694</u>	<u>2,180</u>	<u>30,324</u>
<i>Capital assets,being depreciated:</i>				
Buildings, structures, and improvements	205,334	1,683		207,017
Furniture, fixtures, and equipment	41,665	2,101	1,226	42,540
Infrastructure	<u>301,868</u>	<u>7,161</u>		<u>309,029</u>
Total capital assets being depreciated	<u>548,867</u>	<u>10,945</u>	<u>1,226</u>	<u>558,586</u>
<i>Less accumulated depreciation for:</i>				
Buildings, structures and improvements	68,252	4,626		72,878
Furnitures, fixtures and equipment	31,949	3,829	1,097	34,681
Infrastructure	<u>214,647</u>	<u>14,648</u>		<u>229,295</u>
Total accumulated depreciation	<u>314,848</u>	<u>23,103</u>	<u>1,097</u>	<u>336,854</u>
Total capital assets being depreciated,net	<u>234,019</u>	<u>(12,158)</u>	<u>129</u>	<u>221,732</u>
Governmental activities capital assets, net	<u>\$ 261,829</u>	<u>\$ (7,464)</u>	<u>\$ 2,309</u>	<u>\$ 252,056</u>
Business-Type Activities:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 402			\$ 402
Construction in progress	11,238	2,804		14,042
Total capital assets, not being depreciated	<u>11,640</u>	<u>2,804</u>	<u>-</u>	<u>14,444</u>
<i>Capital assets,being depreciated:</i>				
Buildings, structures, and improvements	23,287			23,287
Land Improvements	123,148	9,863		133,011
Furniture, fixtures, and equipment	13,540	403		13,943
Total capital assets being depreciated	<u>159,975</u>	<u>10,266</u>	<u>-</u>	<u>170,241</u>
<i>Less accumulated depreciation for:</i>				
Buildings, structures and improvements	6,811	594		7,405
Land Improvements	48,288	3,237		51,525
Furnitures, fixtures and equipment	<u>13,002</u>	<u>230</u>		<u>13,232</u>
Total accumulated depreciation	<u>68,101</u>	<u>4,061</u>	<u>-</u>	<u>72,162</u>
Total capital assets being depreciated,net	<u>91,874</u>	<u>6,205</u>	<u>-</u>	<u>98,079</u>
Business-type activities capital assets, net	<u>\$ 103,514</u>	<u>\$ 9,009</u>	<u>\$ -</u>	<u>\$ 112,523</u>

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note G - 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. All notes are in the capital projects fund. Notes outstanding at December 31, 2005 follow:

Note Issue	Rate	Beginning Balance	Issued	Redeemed	Ending Balance
Various purpose improvements	2.5%	\$ 8,430	\$ -	\$ 8,430	\$ -
Various purpose improvements	3.05%	<u>-</u>	<u>6,105</u>	<u>-</u>	<u>6,105</u>
<i>Total capital project notes</i>		<u>\$ 8,430</u>	<u>\$6,105</u>	<u>\$ 8,430</u>	<u>\$ 6,105</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 March 2006. There was no outstanding debt at December 31, 2005. Preferred Properties, Inc. and Affiliates have a note payable of \$6 thousand with an interest rate of 7.5% due in June 2006. They also have various mortgages payable totaling \$2,935 secured by real estate with interest rates varying from 0% to 7.9%. Preferred Properties, Inc. has available a \$250 line of credit with an interest rate at 1.0% over prime (7.25% at June 30, 2005). At June 30, there was no outstanding debt.

Note H - 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.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note H - Long-term Debt and Other Obligations
(continued)

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.

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental-type activities. The original amount of general obligation bonds issued in prior years was \$141 million. During the year, \$3,005 of new general obligation bonds were issued to currently refund and redeem the 1995 General Obligation Bonds.

The County currently refunded and redeemed the 1995 General Obligation Bonds to reduce its total debt service payments over the next five years by \$251,049 and to obtain an economic gain (difference between the present values of the old and new debt service payment) of \$173,574

Self-supporting bonds are secured by an unvoted property tax levy (special assessments); however, each appropriate bond indenture provides for principal and interest to be paid from user charges.

The County issued \$3,420 of special assessment bonds in 2005 to provide funds for the construction of various sewers and water lines. These bonds will be repaid from amounts levied against the property owners benefitted 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. At December 31, 2005, the County had \$650 thousand set aside for the retirement of this debt. These funds are included in pooled cash and investments.

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 the capacity to issue approximately \$61.8 million of additional unvoted general obligation debt. Lott Industries, Inc., a discretely presented component unit of the County has bonds payable of \$3,760 that mature on August 1, 2021, with a variable interest rate that was 2.06% at December 31, 2005.

Nontax Revenue Bonds: In 2001, the County issued \$20 million 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 million 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 faith or credit or taxing power of the County. The Nontax Revenue Bonds are special obligations of the County 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.

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS - (continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note H - Long-term Debt and Other Obligations (continued)

Long-term Debt: Long-term debt and other obligations of the County were as follows

<u>Years Issued</u>	<u>Interest Rate</u>	<u>Maturity Date through</u>	<u>Balance January 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2005</u>	<u>Amounts Due In One Year</u>
Bonds							
<i>General Obligation Bonds- Unvoted</i>							
1986 County public assistance building	8.000%	12/01/11	\$ 1,540	\$ -	\$ 220	\$ 1,320	\$ 220
1986 Convention center land	6.500%	12/01/12	2,705	-	335	2,370	335
1988 Family Court Center construction & Courthouse renovation	7.375%	08/01/07	2,625	-	875	1,750	875
1995 Correctional facilities	4.300%						
	6.800%	12/01/15	1,650	-	1,650	-	-
1995 Court services building	4.300%						
	6.800%	12/01/15	1,485	-	1,485	-	-
1996 Current Refunding	4.250%						
	5.375%	12/01/11	6,030	-	730	5,300	770
2001 Juvenile Justice Center	4.375%						
	5.000%	12/01/21	15,245	-	625	14,620	650
2002 Regional jail refunding	2.500%						
	2.750%	12/01/07	1,090	-	360	730	365
2003 Court of Appeals	2.250%						
	5.000%	12/01/23	6,075	-	235	5,840	235
2005 Current Refunding	3.500%						
	4.000%	12/01/25	-	3,005	-	3,005	230
<i>General Obligation Bonds- voted</i>							
1996 Library improvement	4.300%						
	6.000%	12/01/05	1,515	-	1,515	-	-
1997 Library improvement	3.800%						
	5.300%	12/01/05	2,100	-	2,100	-	-
<i>Total general obligation bonds voted and unvoted</i>			42,060	3,005	10,130	34,935	3,680
<i>Special Assessment- Governmental Commitment (Self-Supporting)</i>							
1974-	5.125%						
1977 Sanitary sewer	7.625%	11/01/14	146	-	13	133	13
1987 Sanitary sewer	7.500%	12/01/07	45	-	15	30	15
1988 Sanitary sewer	7.500%	12/01/08	120	-	30	90	30
1989 Sanitary sewer	6.750%						
	7.000%	12/01/09	465	-	80	385	85
1990 waterline	6.800%						
	6.850%	12/01/10	180	-	25	155	25
1992 Sewers & waterlines	3.400%						
	6.650%	12/01/11	245	-	30	215	30

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS - (continued)
DECEMBER 31, 2005

Note H - Long-term Debt and Other Obligations (continued)

Years Issued	Interest Rate	Maturity Date through	Balance January 1, 2005	Additions	Deductions	Balance December 31, 2005	Amounts Due In One Year
Bonds							
<i>Special Assessment-Governmental Commitment (Self-Supporting) (continued)</i>							
1992 Sewer & waterlines	3.400%						
	6.650%	12/01/12	525	-	55	470	55
1994 Sewer & waterlines	4.000%						
	6.050%	12/01/13	555	-	45	510	50
1995 Sewers & waterlines	4.300%						
	6.800%	12/01/14	435	-	35	400	35
1996 Sewers & waterlines	4.250%						
	6.500%	12/01/16	1,925	-	50	1,875	155
1997 Sewers & waterlines	4.900%						
	5.450%	12/01/17	915	-	50	865	50
1998 Sewers & waterlines	4.250%						
	5.000%	12/01/18	1,935	-	100	1,835	105
1999 Sewers & waterlines	4.000%						
	6.000%	12/01/19	450	-	20	430	20
2000 Sewers & waterlines	5.200%						
	5.600%	12/01/20	1,365	-	60	1,305	60
2001 Sewers & waterlines	4.100%						
	5.100%	12/01/21	1,425	-	60	1,365	65
2002 Sewers & waterlines	2.500%						
	4.600%	12/01/22	980	-	40	940	40
2003 Sewers & waterlines	2.250%						
	5.000%	12/01/23	960	-	35	925	35
2004 Sewers & waterlines	3.000%						
	5.250%	12/01/24	1,545	-	45	1,500	60
2005 Sewers & waterlines	3.500%						
	4.250%	12/01/25	-	1,620	-	1,620	45
2005 Technology drive	3.500%						
	4.000%	12/01/15	-	765	-	765	60
2005 Technology drive	3.500%						
	4.250%	12/01/25	-	1,035	-	1,035	25
<i>Total special assessment bonds- governmental commitment-(self-supporting)</i>			<u>14,216</u>	<u>3,420</u>	<u>788</u>	<u>16,848</u>	<u>1,058</u>
Non-Tax Revenue Bonds							
2001 Baseball Stadium	6.375%						
	6.625%	12/01/21	18,455	-	590	17,865	635
Total bonds			<u>\$74,731</u>	<u>\$6,425</u>	<u>\$11,508</u>	<u>\$69,648</u>	<u>\$5,373</u>
Ohio Water Development Authority (OWDA) Loans							
<i>Special Assessment-Governmental Commitment</i>							
1983-	7.380%						
1984 Sewers	7.670%	01/01/07	\$ 547	\$ -	\$ 264	\$ 283	\$ 142
1991 Sewers	6.160%						
	7.450%	07/01/11	857	-	108	749	56
1994 water	6.720%	07/01/19	308	-	13	295	7
<i>Total Governmental Activity Loans</i>			<u>1,712</u>	<u>-</u>	<u>385</u>	<u>1,327</u>	<u>205</u>

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS - (continued)
DECEMBER 31, 2005

Note H - Long-term Debt and Other Obligations (continued)

Years Issued	Interest Rate	Maturity Date through	Balance January 1, 2005	Additions	Deductions	Balance December 31, 2005	Amounts Due In One Year
<i>Business-Type Activities</i>							
<i>Enterprise Funds</i>							
1984 Sewer system	6.240%	01/01/07	1,708	-	171	1,537	87
1980-	6.250%						
1984 Wastewater treatment	11.190%	07/01/13	1,235	-	114	1,121	59
1990 Water supply system	7.760%	01/01/10	238	-	41	197	22
1991 Water supply system	7.450%						
	7.500%	07/01/11	448	-	59	389	32
1993 Water supply system	6.160%	07/01/18	805	-	40	765	21
1994 Sewer system	6.720%	07/01/14	603	-	47	556	24
1994 Wastewater treatment	5.770%	07/01/15	7,613	-	548	7,065	282
1995 Water supply system	6.350%	01/01/21	400	-	15	385	8
1997 Water supply system	5.860%	07/01/17	1,336	-	76	1,260	39
1997 Sanitary Engineer	5.860%	07/01/17	1,235	-	69	1,166	36
2001 Water supply system	5.390%	01/01/21	1,109	-	45	1,064	23
2003 Water supply system	4.400%	01/01/13	242	-	26	216	13
2003 Water supply system	3.850%	07/01/13	175	-	18	157	9
2004 Wastewater treatment	3.850%	07/01/29	15,270	-	382	14,888	197
Total Business-Type Activity Loans			<u>32,417</u>	<u>-</u>	<u>1,651</u>	<u>30,766</u>	<u>852</u>
Total OWDA loans			<u>\$ 34,129</u>	<u>\$ -</u>	<u>\$ 2,036</u>	<u>\$ 32,093</u>	<u>\$ 1,057</u>
Ohio Public Works							
Commission Loans							
<i>Governmental Commitment</i>							
1994 Road improvements	0.000%	07/01/05	92	-	69	23	23
1995 Road improvements	0.000%	07/01/06	57	-	38	19	19
1997 Road improvements	0.000%	07/01/07	55	-	22	33	11
1999 Road improvements	0.000%	07/01/10	228	-	44	184	22
2000 Road improvements	0.000%	07/01/11	566	-	96	470	48
2001 Road improvements	0.000%	01/01/11	268	-	42	226	21
2002 Road improvements	0.000%	01/01/12	706	-	90	616	45
2003 Road improvements	0.000%	01/01/13	513	-	54	459	27
Total Governmental Activity Loans			<u>\$2,485</u>	<u>\$0</u>	<u>\$455</u>	<u>\$2,030</u>	<u>\$216</u>
<i>Business-Type Activities</i>							
<i>Enterprise Funds</i>							
1994 Wastewater	0.000%	01/01/16	171	-	14	157	7
2004 Sewer system	0.000%	07/02/05	92	-	10	82	5
2005 Road improvements	0.000%	01/01/15	-	1,169	39	1,130	29
Total Business-Type Activity Loans			<u>263</u>	<u>1,169</u>	<u>63</u>	<u>1,369</u>	<u>41</u>
Total OPWC loans			<u>\$2,748</u>	<u>\$1,169</u>	<u>\$518</u>	<u>\$3,399</u>	<u>\$257</u>
Other Governmental Activities Obligations							
Capital lease Obligations							
Governmental			<u>\$ 3,706</u>	<u>\$ 174</u>	<u>\$ 858</u>	<u>\$ 3,022</u>	<u>\$ 1,858</u>
Accrued wages and benefits-governmental							
			<u>\$ 18,005</u>	<u>\$ 2,743</u>	<u>\$ 2,534</u>	<u>\$ 18,214</u>	<u>\$ 3,000</u>
Landfill obligation							
			<u>\$ 12,264</u>	<u>\$ 46</u>	<u>\$ 46</u>	<u>\$ 12,264</u>	<u>\$ 165</u>
Claims Payable							
			<u>\$ 8,773</u>	<u>\$ 32,899</u>	<u>\$ 31,066</u>	<u>\$ 10,606</u>	<u>\$ 5,698</u>

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS - (continued)
DECEMBER 31, 2005

Note H - Long-term Debt and Other Obligations (continued)

A summary of the County's future long-term debt funding requirements as of December 31, 2005 follows: (Amounts in 000's)

Year of Funding	Bonds					
	General Obligation		Special Assessment- Government Commitment		Non-Tax Revenue	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ 3,680	\$ 1,760	\$ 1,058	\$ 848	\$ 635	\$ 1,186
2007	3,785	1,545	1,115	770	680	1,145
2008	2,640	1,342	1,150	714	725	1,102
2009	2,735	1,209	1,175	657	780	1,056
2010	2,835	1,071	1,110	598	835	1,006
2011-2015	9,365	3,555	5,585	2,157	5,160	4,142
2016-2020	7,315	1,717	3,910	894	7,270	2,156
2021-2025	2,580	190	1,745	201	1,780	121
Total	<u>\$ 34,935</u>	<u>\$ 12,389</u>	<u>\$ 16,848</u>	<u>\$ 6,839</u>	<u>\$ 17,865</u>	<u>\$ 11,914</u>

Year of Funding	Loans			
	OWDA		OPWC	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ 1,057	\$ 1,659	\$ 257	\$ -
2007	2,060	1,538	430	-
2008	2,019	1,420	408	-
2009	2,133	1,307	408	-
2010	2,225	1,187	395	-
2011-2015	10,620	4,082	897	-
2016-2020	4,600	1,962	319	-
2021-2025	3,818	1,096	285	-
2026-2030	3,561	315	-	-
Total	<u>\$ 32,093</u>	<u>\$ 14,566</u>	<u>\$ 3,399</u>	<u>\$ -</u>

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note H - Long-term Debt and Other Obligations
(continued)

Capital Lease Obligations: The County has a lease agreement for a portion of the Government Center. The lease is classified as a capital lease. The portion of the Government Center leased by the County has been recorded as land and building for \$16.9 million.

The County has entered into certain other 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.

Operating Leases: At December 31, 2005, the County had 5 operating leases for automobiles and equipment. Operating lease payments are recorded as expenditures/expenses for the current period. The County's operating lease expense in 2005 was \$29. The County's future minimum lease payments under lease obligations which have been capitalized and operating leases as of December 31, 2005 are as follows:

<u>Year</u>	<u>Government activities Capital Leases</u>	<u>Operating Leases</u>
2006	\$ 1,964	\$ 13
2007	1,128	2
2008	56	-
2009	<u>13</u>	<u>-</u>
<i>Total minimum lease payments</i>	3,161	<u>\$ 15</u>
Less: amount representing interest	<u>139</u>	
<i>Present value of future minimum lease payments</i>	<u>\$ 3,022</u>	

Accrued Wages and Benefits: Unpaid vested hours at December 31, 2005 representing this liability for all governmental funds are as follows:

	<u>Hours</u>
Vacation	440
Sick	325
Compensation	26

Deferred Compensation: County employees have the option of participating in three state-wide deferred compensation plans, created in accordance with the *Internal Revenue Code Section 457*. Under these plans, employees elect to have a portion of their pay deferred until a future time. According to these plans, the deferred compensation is not available to employees until termination, retirement, death or unforeseeable

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note H - Long-term Debt and Other Obligations
(continued)

emergency. The deferred pay and any income earned thereon is not subject to income tax until actually received by the employee.

All amounts of compensation deferred under these plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefit of the participants and their beneficiaries.

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, 2005 there were 162 series of Industrial, Hospital and Commercial Housing Revenue Bonds outstanding. The aggregate principal amount payable for the 21 series issued after January 1, 1995 was \$316,276. The aggregate principal amount payable for the 141 series issued and with bonds outstanding issued prior to January 1, 1995, could not be determined; however, their original issue amounts total \$1,350,587.

Note I - Employee Retirement Systems and Pension Plan

All eligible employees of the County, participate in the Public Employees Retirement System of Ohio (PERS). Ohio Public Employees Retirement System

(OPERS) administers three separate pension plans. 1) *The Traditional Pension Plan (TP)* - a cost-sharing multiple-employer defined benefit pension plan. 2) *The Member-Directed Plan (MD)* - 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 member and (vested) employer contributions plus any investment earnings thereon. 3) *The Combined Plan (CO)* - a cost-sharing multiple-employer defined benefit pension plan. Under the Combined Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the Traditional Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan. OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional Plan and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by State statute under Chapter 145 of the Ohio Revised Code.

Law enforcement officers in the County Sheriff's department contribute 10.1% of their annual compensation and the County contributes 16.7% of the same base. The County is required to contribute 22.05% of annual compensation for employees of the County engineer based upon a contract with their respective union. All other eligible County employees contribute 8.5% of their annual compensation with the County contributing 13.55% of the same amount. The County's contribution to PERS for the years ending December 31, 2005, 2004, and 2003, were \$24.2 million, \$23.2 million, and \$22.5 million respectively, equal to the requested contribution for each year. All contributions to PERS were made within the required due dates. The Ohio Revised Code provides statutory authority for employee and employer contributions.

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note J - Other Post-Retirement Obligations

In addition to pension benefits, OPERS provides retirement, disability, survivor and post-retirement health care benefits to qualifying members of both the Traditional and the Combined Plans; however, health care benefits are not statutorily guaranteed. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

The Ohio Revised Code provides the statutory authority requiring public employees to fund post-retirement health care through their contributions to OPERS. OPERS provides post-retirement health coverage to age and service retirants with ten (10) or more years qualifying Ohio service credit. Health care coverage for disability recipients and to primary survivor recipients of such retirants is available. The health care coverage provided by the retirement system is considered an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. For local government employers, the rate was 13.55% of covered payroll and 16.70% for law enforcement employers, with 4.0% used to fund healthcare for regular employees and law enforcement employees.

The following assumptions and calculations were based on PERS latest actuarial review performed as of December 31, 2004.

An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The differences between assumed and actual experience (actuarial gains and losses) becomes part of the unfunded actuarial accrued liability.

All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 2004 was 8.0%.

An annual increase of 4.0% compounded annually, is the base portion of the individual pay increase

assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.0% base increase, were assumed to range from .50% to 6.3%. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 1% to 6% for the next 8 years. In subsequent years (9 and beyond), health care costs were assumed to increase 4.0% annually.

OPEBs are advance-funded on an actuarially determined basis. At December 31, 2005, the number of active contributing participants in the Traditional and Combined Plans totaled 376,109. The rates stated above are the actuarially determined contribution requirements for OPERS. The employer contributions to fund post-employment benefits in 2005 was \$6.7 million. The portion of employer contributions used to fund post-employment benefits can be determined by multiplying actual employer contributions times .2952 for local government employers and .2395 for law enforcement employers.

The actuarial value of the Retirement System's net assets available for OPEB was \$10.8 billion at December 31, 2004 (the latest information available). The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$29.5 billion and \$18.7 billion, respectively,

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, will be effective January 1, 2007. In addition to the HCPP, OPERS has taken additional action to improve the solvency of the Health Care Fund in 2005 by creating a separate investment pool for health care assets. As an additional component of the HCPP, member and employer contribution rates increased as of January 1, 2006, which will allow additional funds to be allocated to the health care plan. As no information has been provided by OPERS, therefore management is unable to determine the impact of the adoption of GASB 43 "Financial Reporting for Post employment Benefit Plans other than Pensions" and GASB 45 "Accounting and Financial Reporting by Employers for Postemployment Benefit Plans other than Pensions" at the plan level.

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note J - Other Post-Retirement Obligations
(continued)

The OPERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to:

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
 277 EAST TOWN STREET
 COLUMBUS, OHIO 43215-4642
 PHONE: (614) 222-6701

Note K - Property Taxes, Sales Taxes, and Deferred Revenues

Property taxes include amounts levied against real, public utility and tangible personal (business) property. The assessed value by property classification, upon which taxes collected in 2005 were based is as follows:

Real property	\$7,594,417
Public utility and tangible personal property	<u>1,116,011</u>
<i>Total assessed property value</i>	<u><u>\$8,710,428</u></u>

In 2005, real property taxes were levied on December 27, 2004, on the assessed values as of January 1, 2004, the lien date. Assessed values are established by the County Auditor at 35% of appraised market value. A revaluation of real property is required to be completed no less than every six years, with a statistical update every third year. The most recent revaluation was completed in 2001.

Tangible personal property tax is assessed on equipment and inventory held by businesses. Tangible property is assessed at 23% of true value (as defined). In 2005, each business was eligible to receive a \$10 thousand exemption in assessed value which was reimbursed by the State.

Real property taxes are payable annually or semi-annually. In 2005, if paid annually, payment was due by January 31st. If paid semi-annually, the first payment (at least ½ of amount billed) was due January 31st, with the remainder due July 31st.

By July 2005, the final collection date, 93.8% of the total current and delinquent property taxes billed in 2005 were collected.

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 60 days of 2006 were recorded as 2005 revenue, the remaining taxes receivable are offset by a credit to deferred revenue. Although total property taxes levied for the next fiscal year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31, 2005, and are not available

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note K - Property Taxes, Sales Taxes, and Deferred Revenue (continued)

for appropriation and use until 2006. The deferred revenues are offset by these property tax receivables and special assessment receivables related to future capital service projects.

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 2005 amounted to \$70.8 million.

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 16.00 mills have been levied for voted millage. A summary of voted millage follows:

<u>Purpose</u>	<u>Voter Authorized Rate(a)</u>	<u>Rate Levied for Current Year Collection Agricultural/ Residential/(b)</u>	<u>Commercial/ Industrial</u>	<u>Final Collection Year</u>
Senior services	.45	.449265	.450000	2009
Metroparks	1.70	1.237322	1.557675	2008/2012
Community mental health	1.50	1.198126	1.400684	2005/2009
Board of mental retardation	5.00	3.420240	4.318889	continuous
Children services	2.40	2.086808	2.373739	2006/2008
Port authorit	.40	.237511	.354268	2009
Libary	2.20	1.694898	2.089742	2005/2007
Zoo improvements	.95	.593166	.855650	2005
Zoo operating	.70	.608331	.692341	2007
911 Telephone	.70	.608331	.692341	2006
Total	<u>16.00</u>	<u>12.133998</u>	<u>14.785329</u>	

(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.

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note L - Reconciliation of Budget Basis to GAAP Basis

A reconciliation for the major governmental funds at December 31, 2005 from the budget basis to a GAAP basis for net change in fund balance follows: (Amounts in 000's).

	<u>General Fund</u>	<u>Children Services Board</u>	<u>Board of Mental Retardation</u>	<u>Job and Family Services</u>
Budget Basis	(\$546)	(\$2,123)	(\$4,140)	(\$14,671)
Net adjustments for revenue accruals	34	(2,451)	(597)	-
Net adjustments for expenditure accruals	2,379	(102)	552	1,419
Net adjustment for encumbrances	1,429	1,073	2,581	5,366
Net adjustments for other financing sources (uses) accruals	(941)	-	-	85
GAAP Basis	<u>(\$2,355)</u>	<u>(\$3,603)</u>	<u>(\$1,604)</u>	<u>(\$7,801)</u>

**Note M - Amendments to Original Appropriations
Budget**

Amendments beyond the object level must be approved by the Board of County Commissioners. In 2005, the original appropriation measure for the General Fund, Job & Family Services, and Debt Service funds were increased by the Commissioners by \$3.5 million, \$8 million, and \$3 million, respectively.

Note N - 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 cleanup, monitor and maintain the site.

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note N - Contingencies (continued)

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 \$12.4 million will be needed to enact the plan, of which approximately \$165 of the costs are to be incurred in the next year. The current liability of \$165 is included in long-term liability due within a year in the Capital Projects Fund with the remaining \$12,099 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. The major programs are through: Ohio Department of Alcohol and Drug Addiction; Community Development Block Grant; Ohio Department of Human Services; and Ohio Department of Mental Health. These programs are subject to financial and compliance audits by grantors or their representatives. Audits of certain programs have been completed under guidance of OMB Circular A-133 and are included in a separately issued report. There were no material instances of noncompliance or findings noted within these reports.

Note O - Joint Venture

Lucas County has entered into a contractual agreement with the City of Toledo, Defiance County, Fulton County,

Henry County, and Williams County to form the Corrections Commission of Northwest Ohio to operate a regional jail in northwestern Ohio. Each entity is responsible for a portion of the capital and operating budget as follows:

City of Toledo	35.65%
Lucas County	31.84%
Defiance County	9.35%
Fulton County	8.65%
Williams County	8.65%
Henry County	<u>5.86%</u>
	<u>100.00%</u>

The Corrections Commission of Northwest Ohio is an 18 member board made up of the president of the Board of County Commissioners, Sheriff, presiding judge of the Court of Common Pleas for each County, the Mayor, Chief of Police, and presiding Municipal Court Judge for The City of Toledo. Each participating entity has an equal degree of control over budgeting and financing.

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 approximately \$730 of bonds outstanding at year end for construction of the regional jail.

Complete financial statements of the Corrections Commission of Northwest Ohio can be obtained from its administrative office as follows:

CORRECTIONS COMMISSION OF NORTHWEST OHIO
 03151 ROAD 24.25 RT. 1, BOX 100-A
 STRYKER, OHIO 43557

LUCAS COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS-(continued)
DECEMBER 31, 2005
(Amounts in 000's)

Note P - 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.

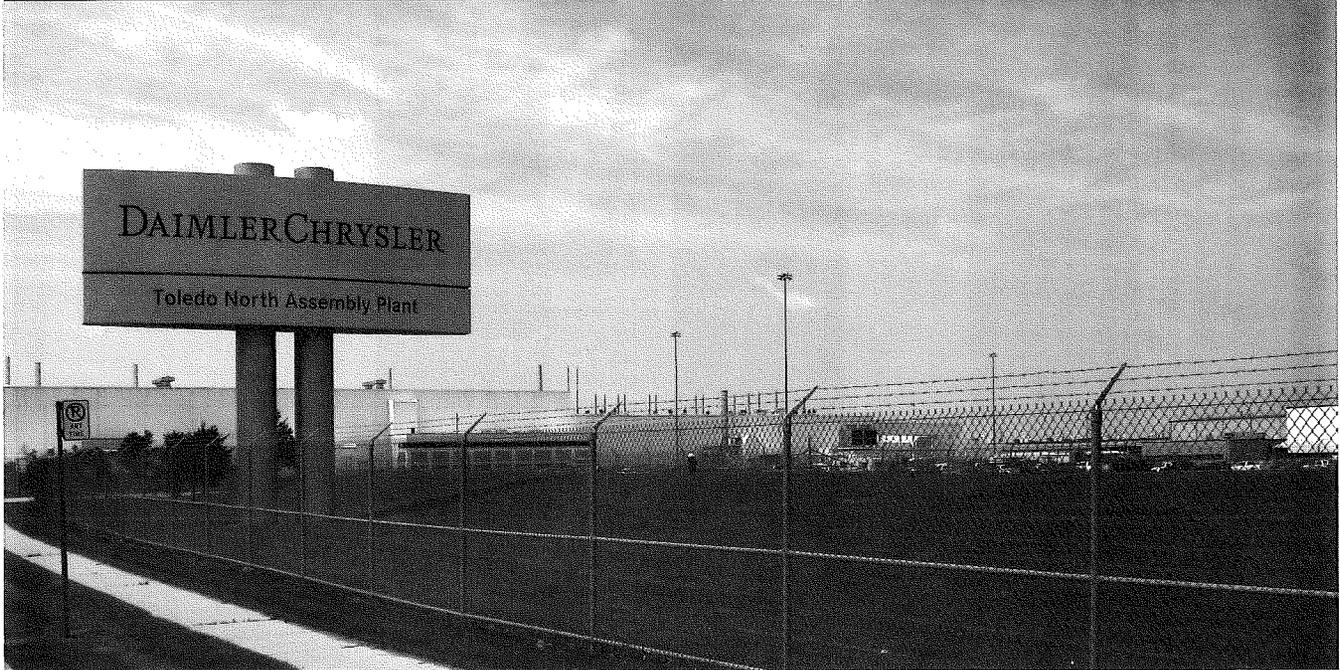
The claims liability of \$10.6 million reported in the internal service funds at December 31, 2005, is based on the requirements of GASB Statement No. 10 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported (see table below). Changes in the funds' claims liability amounts for 2005 and 2004 were:

Note Q - New Accounting Standards

The Government Accounting Standards Board (GASB) has issued GASB statement 44 "Economic Condition Reporting; the Statistical Section - an Amendment of NCGA Statement 1", which amends the statistical schedules disclosed in the required supplementary information. The provisions of this statement are in effect for periods beginning after June 15, 2005, and will impact the required supplementary information in the Comprehensive Annual Financial Report.

	<u>Balance at Beginning of Year</u>	<u>Current years Claims</u>	<u>Change in Provision for Workers Compensation Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2005	\$8,773	\$31,375	\$1,524	\$31,066	\$10,606
2004	\$8,148	\$30,353	(\$109)	\$29,619	\$8,773

Combining Financial Statements and Schedules

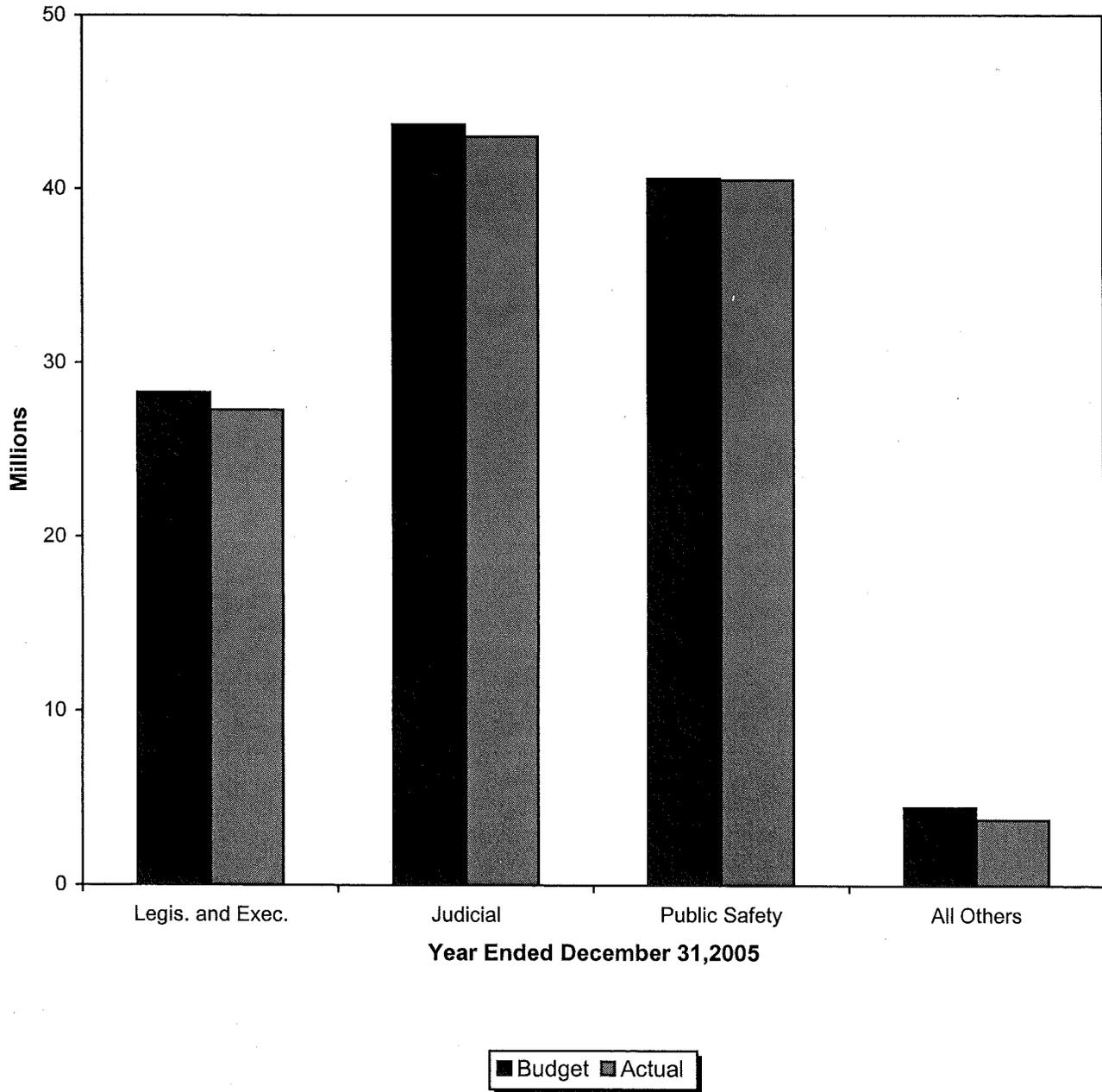


The Dodge Nitro (pilot) is currently being built at The Toledo Jeep Plant. Nitro will be their first-ever midsize SUV being built at the North Plant. The Nitro which is assembled on the Jeep Liberty 4x4 platform along with the Jeep Liberty will arrive in dealerships late 2006, as a 2007 model year.

Chrysler is spending \$600 million overall on the Nitro project to include an expanded 160,000 square foot plant addition along with 150 new robots installed.

**LUCAS COUNTY, OHIO
GENERAL FUND
December 31, 2005**

Expenditures - Budget and Actual
General Fund



General Fund - The General Fund accounts for all financial resources and expenditures except for those to be accounted for in other funds or account groups.

**LUCAS COUNTY, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
(NON-GAAP BUDGETARY BASIS)
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance: Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
General Government-				
Legislative and executive				
<i>Department of Personnel-</i>				
Personal services	681	698	677	21
Materials and supplies	9	9	9	-
Charges and services	83	84	82	2
Capital outlay and equipment	5	7	7	-
<i>Commissioners-</i>				
Personal services	498	513	493	20
Materials and supplies	13	13	13	-
Charges and services	48	42	38	4
Capital outlay and equipment	2	1	-	1
<i>Management and Budget-</i>				
Personal services	361	358	335	23
Materials and supplies	5	5	5	-
Charges and services	34	37	35	2
Capital outlay and equipment	3	4	4	-
<i>Auditor-</i>				
Personal services	1,432	1,445	1,428	17
Materials and supplies	85	71	70	1
Charges and services	231	260	245	15
Capital outlay and equipment	2	7	6	1
<i>Auditor Personal Property-</i>				
Personal services	433	374	364	10
Materials and supplies	5	5	2	3
Charges and services	15	15	12	3
Capital outlay and equipment	1	1	1	-
<i>Auditor Real Property Evaluation-</i>				
Personal services	774	805	803	2
Materials and supplies	9	9	9	-
Charges and services	15	15	11	4
Capital outlay and equipment	-	-	-	-

LUCAS COUNTY, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -(continued)
(NON-GAAP BUDGETARY BASIS)
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance:</u>
	<u>Original</u>	<u>Final</u>		<u>Positive</u> <u>(Negative)</u>
General Government - continued				
<i>Legislative and executive - continued</i>				
<i>Treasurer-</i>				
Personal services	1,004	995	971	24
Materials and supplies	21	21	17	4
Charges and services	226	260	204	56
Capital outlay and equipmen	-	-	-	-
<i>Treasurer Personal Property-</i>				
Personal services	237	214	208	6
Materials and supplies	6	4	4	-
Charges and services	12	15	13	2
<i>Budget Commission-</i>				
Personal services	95	98	98	-
Materials and supplies	-	-	-	-
Charges and services	-	-	-	-
<i>Board of Revision-</i>				
Personal services	157	172	171	1
Materials and supplies	9	9	4	5
Charges and services	2	2	2	-
Capital outlay and equipment	-	-	-	-
<i>Audit-</i>				
Charges and services	166	193	192	1
<i>Planning Commission-</i>				
Charges and services	345	434	434	-
<i>Data Processing-</i>				
Personal services	2,119	2,126	2,087	39
Materials and supplies	22	21	15	6
Charges and services	1,219	1,280	1,025	255
Capital outlay and equipment	59	135	129	6
<i>Collect CT Costs-</i>				
Personal services	-	-	-	-
Materials and supplies	1	1	-	1
Charges and services	9	9	3	6
Capital outlay and equipment	-	-	-	-

LUCAS COUNTY, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -(continued)
(NON-GAAP BUDGETARY BASIS)
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance: Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<i>Hotel Motel Administration-</i>				
Personal services	62	62	62	-
Materials and supplies	2	2	1	1
Charges and services	6	6	4	2
Capital outlay and equipment	3	2	-	2
<i>County Administrator-</i>				
Personal services	398	481	480	1
Materials and supplies	7	7	3	4
Charges and services	22	14	10	4
Capital outlay and equipment	1	-	-	-
<i>Support Services-</i>				
Personal services	346	332	331	1
Materials and supplies	4	4	4	-
Charges and services	9	10	9	1
Capital outlay and equipment	-	1	1	-
<i>Board of Elections-</i>				
Personal services	1,515	1,534	1,529	5
Materials and supplies	265	252	243	9
Charges and services	915	885	873	12
Capital outlay and equipment	12	37	37	-
<i>Building Operations-</i>				
Charges and services	6,220	6,341	6,258	83
Capital outlay and equipment	183	48	48	-
<i>Facilities-</i>				
Personal services	3,662	3,681	3,606	75
Materials and supplies	250	206	196	10
Charges and services	1,082	1,298	1,251	47
Capital outlay and equipment	36	15	13	2
<i>Recorder-</i>				
Personal services	778	823	781	42
Materials and supplies	16	14	13	1
Charges and services	14	18	17	1
Capital outlay and equipment	-	-	-	-

LUCAS COUNTY, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -(continued)
(NON-GAAP BUDGETARY BASIS)
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance: Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
General Government - continued				
<i>Legislative and executive - continued</i>				
<i>Dept. of Public Service-</i>				
Personal services	20	19	19	-
Materials and supplies	-	-	-	-
Charges and services	2	1	-	1
Capital outlay and equipment	-	-	-	-
<i>Centralized Records Center-</i>				
Personal services	97	96	84	12
Materials and supplies	1	2	1	1
Charges and services	3	4	3	1
Capital outlay and equipment	1	2	1	1
<i>Taxes-</i>				
Charges and services	230	208	162	46
<i>Insurance-</i>				
Personal services	76	76	18	58
Charges and services	961	962	935	27
<i>Other-</i>				
Charges and services	114	119	104	15
<i>Total legislative and executive</i>	27,766	28,329	27,323	1,006
<i>Judicial</i>				
<i>Prosecutor-</i>				
Personal services	5,185	5,342	5,295	47
Materials and supplies	25	47	47	-
Charges and services	109	140	138	2
Capital outlay and equipment	5	5	5	-
<i>Court Rehabilitation & Correction-</i>				
Personal services	396	403	403	-
Materials and supplies	17	16	15	1
Charges and services	39	37	36	1
Capital outlay and equipment	8	8	7	1
<i>Court of Appeals-</i>				
Materials and supplies	48	48	43	5
Charges and services	422	449	401	48
Capital outlay and equipment	28	28	12	16

LUCAS COUNTY, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -(continued)
(NON-GAAP BUDGETARY BASIS)
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

General Government - continued	Budgeted Amounts		Actual	Variance: Positive (Negative)
	Original	Final		
<i>Judicial - continued</i>				
<i>Common Pleas Court-</i>				
Personal services	3,147	3,189	3,158	31
Materials and supplies	77	72	68	4
Charges and services	292	302	285	17
Capital outlay and equipment	46	38	38	-
<i>Work Release-</i>				
Personal services	1,773	1,741	1,708	33
Materials and supplies	64	62	61	1
Charges and services	206	206	199	7
Capital outlay and equipment	31	38	36	2
<i>Jury Commission-</i>				
Personal services	88	89	84	5
Materials and supplies	24	22	22	-
Charges and services	142	202	200	2
Capital outlay and equipment	1	-	-	-
<i>Adult Probation-</i>				
Personal services	1,489	1,451	1,429	22
Materials and supplies	140	179	172	7
Charges and services	30	31	26	5
Capital outlay and equipment	-	1	-	1
<i>Pretrial Presentence Division-</i>				
Personal services	1,942	1,955	1,953	2
Materials and supplies	210	169	153	16
Charges and services	54	49	45	4
Capital outlay and equipment	-	5	5	-
<i>Domestic Relations Court-</i>				
Personal services	2,616	2,635	2,629	6
Materials and supplies	19	19	18	1
Charges and services	155	166	165	1
Capital outlay and equipment	3	16	15	1
<i>Juvenile Court-</i>				
Personal services	7,403	7,495	7,463	32
Materials and supplies	230	232	229	3
Charges and services	351	346	334	12
Capital outlay and equipment	38	43	42	1

**LUCAS COUNTY, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -(continued)
(NON-GAAP BUDGETARY BASIS)
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance:</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
General Government - continued				
<i>Judicial - continued</i>				
<i>Common Pleas Security-</i>				
Personal services	1,073	1,186	1,171	15
Materials and supplies	3	4	3	1
Charges and services	20	12	10	2
Capital outlay and equipmen	3	7	6	1
<i>Detention Home-</i>				
Personal services	2,955	3,122	3,111	11
Materials and supplies	194	168	162	6
Charges and services	412	429	321	108
Capital outlay and equipment	3	15	14	1
<i>Probate Court-</i>				
Personal services	2,007	2,036	2,012	24
Materials and supplies	17	17	17	-
Charges and services	51	48	44	4
Capital outlay and equipment	-	-	-	-
<i>Integrated Justice System-</i>				
Personal services	127	133	131	2
Materials and supplies	2	1	1	-
Charges and services	246	263	242	21
Capital outlay and equipment	51	47	36	11
<i>Clerk of Courts-</i>				
Personal services	1,843	1,960	1,953	7
Materials and supplies	287	302	302	-
Charges and services	77	78	74	4
Capital outlay and equipment	12	2	2	-
<i>Community Supervision-</i>				
Personal services	538	615	612	3
Materials and supplies	6	6	6	-
Charges and services	123	115	102	13
Capital outlay and equipment	2	4	4	-
<i>Public Defenders</i>				
Charges and services	3,781	4,968	4,852	116
<i>Municipal Courts-</i>				
Personal services	688	699	663	36
Charges and services	100	98	93	5

**LUCAS COUNTY, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -(continued)
(NON-GAAP BUDGETARY BASIS)
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance: Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
General Government - continued				
<i>Judicial - continued</i>				
<i>Law Library-</i>				
Personal services	118	117	117	-
<i>Other-</i>				
Charges and services	-	-	-	-
<i>Total judicial</i>	41,592	43,728	43,000	728
Public safety				
<i>Medical Corrections-</i>				
Personal services	916	897	896	1
Materials and supplies	25	22	22	-
Charges and services	572	683	678	5
Capital outlay and equipment	4	4	4	-
<i>Coroner-</i>				
Personal services	1,049	1,048	1,034	14
Materials and supplies	4	4	4	-
Charges and services	53	60	56	4
Capital outlay and equipment	7	6	6	-
<i>Sheriff - Corrections Center-</i>				
Personal services	17,911	18,195	18,193	2
Materials and supplies	242	290	284	6
Charges and services	1,353	1,297	1,248	49
Capital outlay and equipment	26	27	24	3
<i>Sheriff - Law Enforcement-</i>				
Personal services	5,569	5,500	5,497	3
Materials and supplies	131	184	184	-
Charges and services	675	661	656	5
Capital outlay and equipment	13	12	12	-
<i>Sheriff - Administration</i>				
Personal services	2,414	2,213	2,212	1
Materials and supplies	40	40	39	1
Charges and services	264	436	419	17
Capital outlay and equipment	5	4	4	-

**LUCAS COUNTY, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -(continued)
(NON-GAAP BUDGETARY BASIS)
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)**

	Budgeted Amounts		Actual	Variance: Positive (Negative)
	Original	Final		
Public safety - continued				
<i>Public Safety Court Security-</i>				
Personal services	3,970	4,070	4,069	1
Charges and services	58	24	22	2
<i>Incarceration Facility-</i>				
Charges and services	4,639	4,576	4,576	-
<i>Other-</i>				
Charges and services	387	387	387	-
<i>Total public safety</i>	40,327	40,640	40,526	114
Public works				
<i>Engineer-</i>				
Personal services	177	198	192	6
Materials and supplies	9	-	-	-
Charges and services	70	57	37	20
Capital outlay and equipment	-	-	-	-
<i>Ditch Maintenance-</i>				
Personal services	-	-	-	-
Charges and services	70	71	25	46
<i>Total public works</i>	326	326	254	72
Health				
<i>Health Services-</i>				
Charges and services	1,096	830	700	130
<i>Registration of Vital Statistics-</i>				
Charges and services	9	10	-	10
<i>Total health</i>	1,105	840	700	140

**LUCAS COUNTY, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -(continued)
(NON-GAAP BUDGETARY BASIS)
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance: Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Human services				
<i>Veterans Service Commission-</i>				
Personal services	400	422	417	5
Materials and supplies	11	11	11	-
Charges and services	1,239	1,223	980	243
Capital outlay and equipment	3	1	-	1
 <i>Veterans Service-</i>				
Charges and services	25	27	25	2
 <i>Other-</i>				
Charges and services	-	-	-	-
 <i>Total human services</i>	 1,678	 1,684	 1,433	 251
 Conservation and recreation				
<i>Recreation-</i>				
Personal services	120	168	165	3
Materials and supplies	21	33	32	1
Charges and services	375	434	379	55
Capital outlay and equipment	11	13	12	1
 <i>Agriculture-</i>				
Charges and services	326	325	325	-
 <i>Other-</i>				
Charges and services	-	-	-	-
 <i>Total conservation and recreation</i>	 853	 973	 913	 60
 Miscellaneous				
<i>Contingencies-</i>				
Charges and services	757	420	239	181
 <i>Other-</i>				
Charges and services	633	319	317	2
 <i>Total miscellaneous</i>	 1,390	 739	 556	 183
 <i>Total expenditures</i>	 <u>\$ 115,037</u>	 <u>\$ 117,259</u>	 <u>\$ 114,705</u>	 <u>\$ 2,554</u>

This page left blank intentionally.

LUCAS COUNTY, OHIO
NONMAJOR GOVERNMENTAL
December 31, 2005

Special Revenue Funds- *The Special Revenue funds account for all specific financial resources (other than expendable trusts, or major capital projects) that are legally restricted for specified expenditure purposes. The following are the Special Revenue funds which Lucas County operates:*

Community Mental Health- To account for revenues received from a county-wide property tax levy, federal and state grants, and reimbursements used for various county mental health programs.

Real Estate Assessment- To account for state mandated county-wide real estate reappraisals.

Motor Vehicle and Gas Tax- To account for monies received by the County for State gasoline tax and vehicle registration fees used for county road and bridge improvements programs.

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

Emergency Telephone System- To account for a county-wide property tax levy used for emergency telephone assistance.

Senior Services- To account for a county-wide property tax levy used for senior services.

Drug & Alcohol Service Board- To account for federal and state grants used to administer various programs for drug and alcohol abuse.

Zoo Operating- To account for a county-wide property tax levy. Monies are distributed directly to the Toledo Zoological Society.

Child Support Enforcement Agency- To account for revenues from: fees, fines, federal and state grants and other similar revenue sources, and to account for legally restricted expenditures used for the collection and protection of support payments made and owed to parents and children.

Capital Projects Funds- Capital Projects funds account for financial resources to be used for the construction of acquisition of major capital facilities (other than those finances by proprietary funds and trust funds). The

following are the Capital funds which Lucas County operates:

Other Special Revenue Funds- To account for revenues from: fees, taxes, fines, federal and state grants, licenses and other similar revenue sources, and to account for legally restricted expenditures for specified purposes. Summarized information on the financial activity and balances of the following Special Revenue funds include:

- Dog and Kennel
- Hotel Lodging Tax
- Community Development Grant
- Emergency Management Agency
- Marriage License
- Coroner's Lab Fund
- Law Enforcement Drug Fund
- Delinquent Real Estate Tax and Assessment Collection Fund
- Tax Installment Payment Plan
- Emergency Planning Fund
- Indigent Guardianship
- Community MR/RES Services
- Economic Development
- Indigent Drivers
- Probation Service
- Motor Vehicle Enforcement and Education
- Building Regulations
- Certificate of Title Administration
- Recorder Equipment
- Juvenile Treatment Center
- Juvenile Felony Care
- Adult Probation Grant
- Correctional Treatment Facility
- Common Pleas Civil Mediation
- Sheriff's Policing
- Workforce Development
- Administration of Justice
- Communication System
- Toxicology Lab
- Concealed Handgun
- Juvenile Indigent Drivers

When compared to combined Special Revenue fund totals, other special revenue funds comprise less than 10% in each of the following categories: assets, liabilities, revenues and expenditures.

Permanent Zoo Improvements- To account for a County-wide 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, 2005
(Amounts in 000's)**

	Nonmajor Special Revenue Funds				
	Community Mental Health	Real Estate Assessment	Motor Vehicle and Gas Tax	Emergency Medical Services	Emergency Telephone System
ASSETS					
Pooled cash and cash equivalents	\$ 163	\$ 50	\$ 64	\$ 22	\$ 193
Pooled investments	8,055	2,501	3,166	1,111	9,575
Receivables (net of allowance for uncollectables)					
Taxes	11,508				5,727
Accounts			8		
Loans					
Due from other governments	769		6,020		255
Inventory of materials and supplies			356		
Total assets	<u>\$ 20,495</u>	<u>\$ 2,551</u>	<u>\$ 9,614</u>	<u>\$ 1,133</u>	<u>\$ 15,750</u>
LIABILITIES					
Accounts payable	\$ 467	\$ 16	\$ 203	\$ 125	\$ 224
Accrued wages and benefits	26	69	154	37	15
Due to other funds	1	2		1	
Deferred revenue	12,109		4,152		5,997
Total liabilities	<u>12,603</u>	<u>87</u>	<u>4,509</u>	<u>163</u>	<u>6,236</u>
Fund balances:					
Reserved for:					
Encumbrances	1,330	354	1,417	484	1,740
Inventory			356		
Loans receivable					
Unreserved undesignated	6,562	2,110	3,332	486	7,774
Total fund balances	<u>7,892</u>	<u>2,464</u>	<u>5,105</u>	<u>970</u>	<u>9,514</u>
Total liabilities and fund balances	<u>\$ 20,495</u>	<u>\$ 2,551</u>	<u>\$ 9,614</u>	<u>\$ 1,133</u>	<u>\$ 15,750</u>

Senior Services	Drug & Alcohol Service Board	Zoo Operating	Child Support Enforcement Agency	Other Special Revenue Funds	Total	Capital Project	
						Permanent Zoo Improvements	Total Nonmajor Governmental Funds
\$ 3	\$ 25	\$ 3	\$ 17	\$ 495	\$ 1,035	\$ -	\$ 1,035
141	1,238	173	820	24,496	51,276		51,276
4,048		5,702			26,985		26,985
			123	147	278		278
				36	36		36
170	626	269		517	8,626		8,626
				-	356		356
<u>\$ 4,362</u>	<u>\$ 1,889</u>	<u>\$ 6,147</u>	<u>\$ 960</u>	<u>\$ 25,691</u>	<u>\$ 88,592</u>	<u>\$ -</u>	<u>\$ 88,592</u>
	\$ 659		\$ 204	\$ 1,991	\$ 3,889		\$ 3,889
	12		224	375	912		912
			6	25	35		35
4,233		5,987			32,478		32,478
<u>4,233</u>	<u>671</u>	<u>5,987</u>	<u>434</u>	<u>2,391</u>	<u>37,314</u>	<u>-</u>	<u>37,314</u>
	1,922		138	5,578	12,963		12,963
					356		356
				36	36		36
129	(704)	160	388	17,686	37,923	-	37,923
129	1,218	160	526	23,300	51,278	-	51,278
<u>\$ 4,362</u>	<u>\$ 1,889</u>	<u>\$ 6,147</u>	<u>\$ 960</u>	<u>\$ 25,691</u>	<u>\$ 88,592</u>	<u>\$ -</u>	<u>\$ 88,592</u>

LUCAS COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Nonmajor Special Revenue Funds					
	Community Mental Health	Real Estate Assessment	Motor Vehicle and Gas Tax	Emergency Medical Services	Emergency Telephone System	Senior Services
REVENUES						
Taxes	\$ 11,102	\$ -	\$ -	\$ -	\$ 5,522	\$ 3,866
Charges for services		4,110	198			
Fines and forfeits			49			
Inergovernmental revenue	30,598		15,464			
Miscellaneous revenue	230	20	356	-		
Total revenues	<u>41,930</u>	<u>4,130</u>	<u>16,067</u>	<u>-</u>	<u>5,522</u>	<u>3,866</u>
EXPENDITURES						
Current:						
General government:						
Legislative and executive		4,396				
Judicial						
Public safety				9,121	5,975	
Public works			15,752			
Health	41,351					
Human services						3,847
Conservation and recreation						
Miscellaneous						
Capital outlay						
Total expenditures	<u>41,351</u>	<u>4,396</u>	<u>15,752</u>	<u>9,121</u>	<u>5,975</u>	<u>3,847</u>
Excess of revenues over (under) expenditures	<u>579</u>	<u>(266)</u>	<u>315</u>	<u>(9,121)</u>	<u>(453)</u>	<u>19</u>
OTHER FINANCING SOURCES (USES)						
OPWC loan proceeds						
Proceeds of cap.lease trans						
Transfers in				8,959		
Transfers out			(411)			
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(411)</u>	<u>8,959</u>	<u>-</u>	<u>-</u>
Net change in fund balances	579	(266)	(96)	(162)	(453)	19
Fund balance at beginning of year	<u>7,313</u>	<u>2,730</u>	<u>5,201</u>	<u>1,132</u>	<u>9,967</u>	<u>110</u>
Fund balance at end of year	<u>\$ 7,892</u>	<u>\$ 2,464</u>	<u>\$ 5,105</u>	<u>\$ 970</u>	<u>\$ 9,514</u>	<u>\$ 129</u>

Drug & Alcohol Service Board	Zoo Operating	Child Support Enforcement Agency	Other Special Revenue Funds	Total	Capital Projects	Total Nonmajor Governmental Funds
					Permanent Zoo Improvements	
\$ -	\$ 5,561	\$ -	\$ 3,759	\$ 29,810	\$ 5,835	\$ 35,645
		1,607	8,365	14,280		14,280
			155	204		204
9,958		9,050	27,277	92,347		92,347
		220	8,604	9,430		9,430
<u>9,958</u>	<u>5,561</u>	<u>10,877</u>	<u>48,160</u>	<u>146,071</u>	<u>5,835</u>	<u>151,906</u>
			11,773	16,169		16,169
		12,087	3,424	15,511		15,511
			11,307	26,403		26,403
			-	15,752		15,752
10,292			6,291	57,934		57,934
			6,678	10,525		10,525
	5,557		96	5,653		5,653
			6,867	6,867		6,867
			15	15	5,999	6,014
<u>10,292</u>	<u>5,557</u>	<u>12,087</u>	<u>46,451</u>	<u>154,829</u>	<u>5,999</u>	<u>160,828</u>
(334)	4	(1,210)	1,709	(8,758)	(164)	(8,922)
			14	14		14
			1,862	10,821		10,821
			(294)	(705)		(705)
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,582</u>	<u>10,130</u>	<u>-</u>	<u>10,130</u>
(334)	4	(1,210)	3,291	1,372	(164)	1,208
<u>1,552</u>	<u>156</u>	<u>1,736</u>	<u>20,009</u>	<u>49,906</u>	<u>164</u>	<u>50,070</u>
<u>\$ 1,218</u>	<u>\$ 160</u>	<u>\$ 526</u>	<u>\$ 23,300</u>	<u>\$ 51,278</u>	<u>\$ -</u>	<u>\$ 51,278</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
COMMUNITY MENTAL HEALTH - SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Taxes	\$ 11,125	\$ 11,088	\$ (37)
Intergovernmental revenue	29,550	30,571	1,021
Miscellaneous revenue	510	230	(280)
<i>Total revenue</i>	41,185	41,889	704
Expenditures:			
Current:			
Health			
Personal services	985	937	48
Materials and supplies	11	10	1
Charges and services	46,728	42,882	3,846
Capital outlay and equipment	-	-	-
<i>Total expenditures</i>	47,724	43,829	3,895
<i>Excess of revenues over (under) expenditures</i>	(6,539)	(1,940)	4,599
Fund balance at beginning of year	3,491	3,491	-
Prior year encumbrances appropriated	4,526	4,526	-
Fund balance at end of year	\$ 1,478	\$ 6,077	\$ 4,599

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
REAL ESTATE ASSESSMENT - SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Charges for services	\$ 3,993	\$ 4,109	\$ 116
Miscellaneous revenue	14	21	7
	<u>4,007</u>	<u>4,130</u>	<u>123</u>
Expenditures:			
Current:			
Legislative and executive			
Personal services	2,814	2,763	51
Materials and supplies	45	31	14
Charges and services	1,648	1,603	45
Capital outlay and equipment	520	451	69
	<u>5,027</u>	<u>4,848</u>	<u>179</u>
<i>Total expenditures</i>			
	<u>5,027</u>	<u>4,848</u>	<u>179</u>
<i>Excess of revenues over (under) expenditures</i>	(1,020)	(718)	302
Fund balance at beginning of year	2,635	2,635	-
Prior year encumbrances appropriated	279	279	-
Fund balance at end of year	<u>\$ 1,894</u>	<u>\$ 2,196</u>	<u>\$ 302</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
MOTOR VEHICLE & GAS TAX - SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Charges for services	\$ 125	\$ 198	\$ 73
Fines and forfeits	55	49	(6)
Intergovernmental revenue	15,830	15,295	(535)
Miscellaneous revenue	<u>215</u>	<u>356</u>	<u>141</u>
<i>Total revenue</i>	16,225	15,898	(327)
Expenditures:			
Current:			
Public works			
Personal services	5,747	5,710	37
Materials and supplies	273	254	19
Charges and services	13,300	11,628	1,672
Capital outlay and equipment	<u>501</u>	<u>495</u>	<u>6</u>
<i>Total expenditures</i>	<u>19,821</u>	<u>18,087</u>	<u>1,734</u>
<i>Excess of revenues over (under) expenditures</i>	(3,596)	(2,189)	1,407
Fund balance at beginning of year	1,247	1,247	-
Prior year encumbrances appropriated	<u>2,564</u>	<u>2,564</u>	<u>-</u>
Fund balance at end of year	<u>\$ 215</u>	<u>\$ 1,622</u>	<u>\$ 1,407</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
EMERGENCY MEDICAL SERVICES - SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Miscellaneous revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Total revenue</i>	-	-	-
Expenditures:			
Current:			
Public safety			
Personal services	1,419	1,394	25
Materials and supplies	510	477	33
Charges and services	7,709	7,688	21
Capital outlay and equipment	<u>147</u>	<u>138</u>	<u>9</u>
<i>Total expenditures</i>	<u>9,785</u>	<u>9,697</u>	<u>88</u>
<i>Excess of revenues over (under) expenditures</i>	(9,785)	(9,697)	88
Other financing sources:			
Operating transfers in	<u>8,958</u>	<u>8,958</u>	<u>-</u>
<i>Total other financing sources</i>	<u>8,958</u>	<u>8,958</u>	<u>-</u>
<i>Excess of revenues and other financing sources over (under) expenditures</i>	(827)	(739)	88
Fund balance at beginning of year	781	781	-
Prior year encumbrances appropriated	485	485	-
Fund balance at end of year	<u>\$ 439</u>	<u>\$ 527</u>	<u>\$ 88</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
EMERGENCY TELEPHONE SYSTEM - SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Taxes	\$ 5,436	\$ 5,519	\$ 83
Miscellaneous revenue	-	-	-
<i>Total revenue</i>	5,436	5,519	83
Expenditures:			
Current:			
Public safety			
Personal services	919	544	375
Materials and supplies	22	14	8
Charges and services	13,223	6,906	6,317
Capital outlay and equipment	153	138	15
<i>Total expenditures</i>	14,317	7,602	6,715
<i>Excess of revenues over (under) expenditures</i>	(8,881)	(2,083)	6,798
Fund balance at beginning of year	8,440	8,440	-
Prior year encumbrances appropriated	1,461	1,461	-
Fund balance at end of year	\$ 1,020	\$ 7,818	\$ 6,798

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
SENIOR SERVICES - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Taxes	\$ 4,430	\$ 3,863	\$ (567)
Intergovernmental revenue	-	-	-
<i>Total revenue</i>	4,430	3,863	(567)
Expenditures:			
Current:			
Human services			
Charges and services	4,000	3,847	153
<i>Total expenditures</i>	4,000	3,847	153
<i>Excess of revenues over (under) expenditures</i>	430	16	(414)
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ 430</u>	<u>\$ 16</u>	<u>\$ (414)</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
DRUG & ALCOHOL SERVICES BOARD - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Intergovernmental revenue	\$ 11,891	\$ 10,780	\$ (1,111)
<i>Total revenue</i>	11,891	10,780	(1,111)
Expenditures:			
Current:			
Health			
Personal services	486	486	-
Materials and supplies	9	8	1
Charges and services	12,308	12,306	2
Capital outlay and equipment	1	1	-
<i>Total expenditures</i>	12,804	12,801	3
<i>Excess of revenues over (under) expenditures</i>	(913)	(2,021)	(1,108)
Fund balance at beginning of year	(1,125)	(1,125)	-
Prior year encumbrances appropriated	2,074	2,074	-
Fund balance at end of year	\$ 36	\$ (1,072)	\$ (1,108)

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
ZOO OPERATING - SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Taxes	\$ 6,500	\$ 5,556	\$ (944)
Miscellaneous revenue	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total revenue</i>	6,500	5,556	(944)
Expenditures:			
Current:			
Conservation and recreation			
Charges and services	<u>6,300</u>	<u>5,557</u>	<u>743</u>
<i>Total expenditures</i>	<u>6,300</u>	<u>5,557</u>	<u>743</u>
<i>Excess of revenues over (under) expenditures</i>	200	(1)	(201)
Fund balance at beginning of year	1	1	-
Fund balance at end of year	<u>\$ 201</u>	<u>\$ -</u>	<u>\$ (201)</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
CHILD SUPPORT ENFORCEMENT AGENCY - SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Charges for services	\$ 1,450	\$ 1,484	\$ 34
Intergovernmental revenue	10,851	9,049	(1,802)
Miscellaneous revenue	61	220	159
<i>Total revenue</i>	12,362	10,753	(1,609)
Expenditures:			
Current:			
General government			
Judicial			
Personal services	9,424	9,346	78
Materials and supplies	230	165	65
Charges and services	3,156	2,777	379
Capital outlay and equipment	64	29	35
<i>Total expenditures</i>	12,874	12,317	557
<i>Excess of revenues over (under) expenditures</i>	(512)	(1,564)	(1,052)
Fund balance at beginning of year	1,625	1,625	-
Prior year encumbrances appropriated	508	508	-
Fund balance at end of year	<u>\$ 1,621</u>	<u>\$ 569</u>	<u>\$ (1,052)</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
DOG AND KENNEL - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Charges for services	\$ 1,258	\$ 1,283	\$ 25
Fines and forfeits	75	76	1
Miscellaneous revenue	129	111	(18)
<i>Total revenue</i>	1,462	1,470	8
Expenditures:			
Current:			
General government			
Health			
Personal services	1,195	1,192	3
Materials and supplies	87	82	5
Charges and services	173	164	9
Capital outlay and equipment	30	30	-
<i>Total expenditures</i>	1,485	1,468	17
<i>Excess of revenues over (under) expenditures</i>	(23)	2	25
Other financing sources:			
Operating transfers in	-	-	-
<i>Total other financing sources</i>	-	-	-
<i>Excess of revenues and other financing sources over (under) expenditures</i>	(23)	2	25
Fund balance at beginning of year	301	301	-
Prior year encumbrances appropriated	7	7	-
Fund balance at end of year	<u>\$ 285</u>	<u>\$ 311</u>	<u>\$ 25</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
HOTEL LODGING TAX - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
 (Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Taxes	<u>\$ 5,000</u>	<u>\$ 3,759</u>	<u>\$ (1,241)</u>
<i>Total revenue</i>	5,000	3,759	(1,241)
Expenditures:			
Current:			
Miscellaneous			
Charges and services	<u>4,900</u>	<u>3,759</u>	<u>1,141</u>
<i>Total expenditures</i>	<u>4,900</u>	<u>3,759</u>	<u>1,141</u>
<i>Excess of revenues over (under) expenditures</i>	100	-	(100)
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u><u>\$ 100</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (100)</u></u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
COMMUNITY DEVELOPMENT GRANT - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Positive (Negative)</u>
Revenues:			
Charges for services	\$ -	\$ 642	\$ 642
Intergovernmental revenue	-	6,740	6,740
Miscellaneous revenue	27,500	(160)	(27,660)
<i>Total revenue</i>	27,500	7,222	(20,278)
Expenditures:			
Current:			
General government			
Legislative and executive			
Personal services	72	59	13
Materials and supplies	40	11	29
Charges and services	2,982	900	2,082
Capital outlay and equipment	727	557	170
<i>Total legislative & executive</i>	3,821	1,527	2,294
Judicial			
Personal services	876	474	402
Materials and supplies	31	8	23
Charges and services	2,748	2,075	673
Capital outlay and equipment	197	132	65
<i>Total judicial</i>	3,852	2,689	1,163
Public safety			
Personal services	230	184	46
Materials and supplies	-	-	-
Charges and services	532	140	392
Capital outlay and equipment	8,435	2,338	6,097
<i>Total public safety</i>	9,197	2,662	6,535
Health			
Personal services	4	-	4
Charges and services	766	4	762
Capital outlay and equipment	40	765	(725)
<i>Total health</i>	810	769	41
Conservation & recreation			
Charges and services	289	137	152
<i>Total conservation & recreation</i>	<u>\$ 289</u>	<u>\$ 137</u>	<u>\$ 152</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
COMMUNITY DEVELOPMENT GRANT - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Human Services			
Personal services	\$ 44	\$ 3	\$ 41
Materials and supplies	25	7	18
Charges and services	1,444	1,048	396
Capital outlay and equipment	17	7	10
	<hr/>	<hr/>	<hr/>
<i>Total human services</i>	1,530	1,065	465
Miscellaneous			
Charges and services	9	9	-
	<hr/>	<hr/>	<hr/>
<i>Total miscellaneous</i>	9	9	-
	<hr/>	<hr/>	<hr/>
<i>Total expenditures</i>	19,508	8,858	10,650
	<hr/>	<hr/>	<hr/>
<i>Excess of revenues over (under) expenditures</i>	7,992	(1,636)	(9,628)
Other financing (uses):			
Operating transfers in	-	100	100
Operating transfers out	(8,124)	-	8,124
	<hr/>	<hr/>	<hr/>
<i>Total other financing sources (uses)</i>	(8,124)	100	8,224
	<hr/>	<hr/>	<hr/>
<i>Excess of revenues and other financing sources over (under) expenditures and other financing uses</i>	(132)	(1,536)	(1,404)
Fund balance at beginning of year	(1,050)	(1,050)	-
Prior year encumbrances appropriated	1,544	1,544	-
Fund balance at end of year	<u>\$ 362</u>	<u>\$ (1,042)</u>	<u>\$ (1,404)</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
EMERGENCY MANAGEMENT AGENCY - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Intergovernmental revenue	\$ 260	\$ 264	\$ 4
Miscellaneous revenue	16	13	(3)
<i>Total revenue</i>	<u>276</u>	<u>277</u>	<u>1</u>
Expenditures:			
Current:			
Public safety			
Personal services	284	276	8
Materials and supplies	5	4	1
Charges and services	182	131	51
Capital outlay and equipment	3	3	-
<i>Total expenditures</i>	<u>474</u>	<u>414</u>	<u>60</u>
<i>Excess of revenues over (under) expenditures</i>	(198)	(137)	61
Other financing sources:			
Operating transfers in	143	143	-
<i>Total other financing sources</i>	<u>143</u>	<u>143</u>	<u>-</u>
<i>Excess of revenues and other financing sources over (under) expenditures</i>	(55)	6	61
Fund balance at beginning of year	108	108	-
Prior year encumbrances appropriated	15	15	-
Fund balance at end of year	<u>\$ 68</u>	<u>\$ 129</u>	<u>\$ 61</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
CORONER'S LAB FUND - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Charges for services	\$ 355	\$ 482	\$ 127
<i>Total revenue</i>	355	482	127
Expenditures:			
Current:			
Health			
Materials and supplies	57	54	3
Charges and services	397	376	21
Capital outlay and equipment	22	15	7
<i>Total expenditures</i>	476	445	31
<i>Excess of revenues over (under) expenditures</i>	(121)	37	158
Other financing (uses):			
Operating transfers out	(241)	(241)	-
<i>Total other financing sources (uses)</i>	(241)	(241)	-
<i>Excess of revenues and other financing sources over (under) expenditures and other financing uses</i>	(362)	(204)	158
Fund balance at beginning of year	387	387	-
Prior year encumbrances appropriated	28	28	-
Fund balance at end of year	\$ 53	\$ 211	\$ 158

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
MARRIAGE LICENSE - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Charges for services	\$ 200	\$ 156	\$ (44)
<i>Total revenue</i>	200	156	(44)
Expenditures:			
Current:			
Health			
Charges and services	200	167	33
<i>Total expenditures</i>	200	167	33
<i>Excess of revenues over (under) expenditures</i>	-	(11)	(11)
Fund balance at beginning of year	46	46	-
Fund balance at end of year	\$ 46	\$ 35	\$ (11)

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT DRUG FUND - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Fines and forfeits	\$ -	\$ -	\$ -
<i>Total revenue</i>	-	-	-
Expenditures:			
Current:			
Public safety			
Charges and services	-	-	-
<i>Total expenditures</i>	-	-	-
<i>Excess of revenues over (under) expenditures</i>	-	-	-
Fund balance at beginning of year	13	13	-
Fund balance at end of year	\$ 13	\$ 13	\$ -

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
DELINQUENT REAL ESTATE TAX AND ASSESSMENT
COLLECTION - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Charges for services	\$ 1,350	\$ 1,236	\$ (114)
Miscellaneous revenue	600	489	(111)
	<hr/>	<hr/>	<hr/>
<i>Total revenue</i>	1,950	1,725	(225)
Expenditures:			
Current:			
General government			
Legislative and executive			
Personal services	1,311	1,151	160
Materials and supplies	53	43	10
Charges and services	714	605	109
Capital outlay and equipment	16	9	7
	<hr/>	<hr/>	<hr/>
<i>Total expenditures</i>	2,094	1,808	286
<i>Excess of revenues over (under) expenditures</i>	(144)	(83)	61
Fund balance at beginning of year	1,040	1,040	-
Prior year encumbrances appropriated	62	62	-
	<hr/>	<hr/>	<hr/>
Fund balance at end of year	<u>\$ 958</u>	<u>\$ 1,019</u>	<u>\$ 61</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
TAX INSTALLMENT PAYMENT PLAN - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Charges for services	\$ 28	\$ 78	\$ 50
<i>Total revenue</i>	28	78	50
Expenditures:			
Current:			
General government			
Legislative and executive			
Personal services	50	50	-
Materials and supplies	6	5	1
Charges and services	21	18	3
Capital outlay and equipment	5	1	4
<i>Total expenditures</i>	82	74	8
<i>Excess of revenues over (under) expenditures</i>	(54)	4	58
Fund balance at beginning of year	229	229	-
Fund balance at end of year	\$ 175	\$ 233	\$ 58

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
EMERGENCY PLANNING FUND - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Charges for services	\$ 75	\$ 65	\$ (10)
Miscellaneous revenue	5	8	3
	<hr/>	<hr/>	<hr/>
<i>Total revenue</i>	80	73	(7)
Expenditures:			
Current:			
General government			
Public safety			
Materials and supplies	3	2	1
Charges and services	130	93	37
Capital outlay and equipment	2	2	-
	<hr/>	<hr/>	<hr/>
<i>Total expenditures</i>	135	97	38
<i>Excess of revenues over (under) expenditures</i>	(55)	(24)	31
Fund balance at beginning of year	5	5	-
Prior year encumbrances appropriated	25	25	-
Fund balance at end of year	<u>\$ (25)</u>	<u>\$ 6</u>	<u>\$ 31</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
INDIGENT GUARDIANSHIP FUND - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Miscellaneous revenue	\$ 85	\$ 70	\$ (15)
<i>Total revenue</i>	85	70	(15)
Expenditures:			
Current:			
General government			
Judicial			
Charges and services	85	50	35
<i>Total expenditures</i>	85	50	35
<i>Excess of revenues over (under) expenditures</i>	-	20	20
Fund balance at beginning of year	41	41	-
Prior year encumbrances appropriated	-	-	-
Fund balance at end of year	\$ 41	\$ 61	\$ 20

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
COMMUNITY MR/RES SERVICES - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Intergovernmental revenue	\$ 7,000	\$ 4,396	\$ (2,604)
<i>Total revenue</i>	7,000	4,396	(2,604)
Expenditures:			
Current:			
Health			
Charges and services	<u>6,907</u>	<u>3,628</u>	<u>3,279</u>
<i>Total expenditures</i>	<u>6,907</u>	<u>3,628</u>	<u>3,279</u>
<i>Excess of revenues over (under) expenditures</i>	93	768	675
Fund balance at beginning of year	2,438	2,438	-
Prior year encumbrances appropriated	424	424	-
Fund balance at end of year	<u>\$ 2,955</u>	<u>\$ 3,630</u>	<u>\$ 675</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
ECONOMIC DEVELOPMENT FUND - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Intergovernmental revenue	\$ -	\$ 540	\$ 540
Miscellaneous revenue	-	1,000	1,000
<i>Total revenue</i>	-	1,540	1,540
Expenditures:			
Current:			
General government			
Legislative and executive			
Personal services	353	348	5
Materials and supplies	6	6	-
Charges and services	435	283	152
Capital outlays and equipment	-	-	-
<i>Total expenditures</i>	<u>794</u>	<u>637</u>	<u>157</u>
<i>Excess of revenues over (under) expenditures</i>	(794)	903	1,697
Other financing sources:			
Operating transfers in	<u>632</u>	<u>632</u>	-
<i>Total other financing sources</i>	<u>632</u>	<u>632</u>	-
<i>Excess of revenues and other financing sources over (under) expenditures and other uses</i>	(162)	1,535	1,697
Fund balance at beginning of year	705	705	-
Prior year encumbrances appropriated	11	11	-
Fund balance at end of year	<u>\$ 554</u>	<u>\$ 2,251</u>	<u>\$ 1,697</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
INDIGENT DRIVERS FUND - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Fines and forfeits	<u>\$ 10</u>	<u>\$ 69</u>	<u>\$ 59</u>
<i>Total revenue</i>	10	69	59
Expenditures:			
Current:			
Judicial			
Charges and services	<u>10</u>	<u>-</u>	<u>10</u>
<i>Total expenditures</i>	<u>10</u>	<u>-</u>	<u>10</u>
<i>Excess of revenues over (under) expenditures</i>	-	69	69
Fund balance at beginning of year	237	237	-
Fund balance at end of year	<u><u>\$ 237</u></u>	<u><u>\$ 306</u></u>	<u><u>\$ 69</u></u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
PROBATION SERVICE - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Charges for services	\$ 150	\$ 207	\$ 57
<i>Total revenue</i>	150	207	57
Expenditures:			
Current:			
Legislative and executive			
Personal services	18	9	9
Charges and services	97	78	19
Capital outlay and equipment	434	385	49
<i>Total expenditures</i>	549	472	77
<i>Excess of revenues over (under) expenditures</i>	(399)	(265)	134
Fund balance at beginning of year	567	567	-
Prior year encumbrances appropriated	8	8	-
Fund balance at end of year	\$ 176	\$ 310	\$ 134

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
MV ENFORCEMENT AND EDUCATION - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Charges for services	\$ 10	\$ 10	\$ -
<i>Total revenue</i>	10	10	-
Expenditures:			
Current:			
Judicial			
Charges and services	10	-	10
<i>Total expenditures</i>	10	-	10
<i>Excess of revenues over (under) expenditures</i>	-	10	10
Fund balance at beginning of year	34	34	-
Fund balance at end of year	\$ 34	\$ 44	\$ 10

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
BUILDING REGULATIONS - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Charges for services	\$ 1,550	\$ 1,612	\$ 62
<i>Total revenue</i>	1,550	1,612	62
Expenditures:			
Current:			
Legislative and executive			
Personal services	1,231	1,228	3
Materials and supplies	34	23	11
Charges and services	566	437	129
Capital outlay and equipment	33	13	20
<i>Total expenditures</i>	1,864	1,701	163
<i>Excess of revenues over (under) expenditures</i>	(314)	(89)	225
Fund balance at beginning of year	1,262	1,262	-
Prior year encumbrances appropriated	153	153	-
Fund balance at end of year	\$ 1,101	\$ 1,326	\$ 225

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
CERTIFICATE OF TITLE ADMINISTRATION - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Charges for services	\$ 1,600	\$ 1,684	\$ 84
<i>Total revenue</i>	1,600	1,684	84
Expenditures:			
Current:			
Legislative and executive			
Personal services	1,632	1,568	64
Materials and supplies	54	49	5
Charges and services	241	185	56
Capital outlay and equipment	19	13	6
<i>Total expenditures</i>	1,946	1,815	131
<i>Excess of revenues over (under) expenditures</i>	(346)	(131)	215
Fund balance at beginning of year	1,118	1,118	-
Prior year encumbrances appropriated	25	25	-
Fund balance at end of year	\$ 797	\$ 1,012	\$ 215

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
RECORDER EQUIPMENT - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Charges for services	\$ 400	\$ 394	\$ (6)
<i>Total revenue</i>	400	394	(6)
Expenditures:			
General government:			
Legislative and executive			
Materials and supplies	37	21	16
Charges and services	775	399	376
Capital outlay and equipment	30	9	21
<i>Total expenditures</i>	842	429	413
<i>Excess of revenues over (under) expenditures</i>	(442)	(35)	407
Fund balance at beginning of year	996	996	-
Prior year encumbrances appropriated	34	34	-
Fund balance at end of year	\$ 588	\$ 995	\$ 407

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
JUVENILE TREATMENT CENTER - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Intergovernmental revenue	\$ 2,525	\$ 2,490	\$ (35)
<i>Total revenue</i>	2,525	2,490	(35)
Expenditures:			
Current:			
Public safety			
Personal services	2,171	2,142	29
Materials and supplies	194	185	9
Charges and services	117	95	22
Capital outlay and equipment	150	91	59
<i>Total expenditures</i>	2,632	2,513	119
<i>Excess of revenues over (under) expenditures</i>	(107)	(23)	84
Fund balance at beginning of year	173	173	-
Prior year encumbrances appropriated	2	2	-
Fund balance at end of year	\$ 68	\$ 152	\$ 84

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
JUVENILE FELONY CARE - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Intergovernmental revenue	\$ 2,534	\$ 3,444	\$ 910
<i>Total revenue</i>	2,534	3,444	910
Expenditures:			
Current:			
Public safety			
Personal services	373	331	42
Materials and supplies	11	2	9
Charges and services	2,207	1,989	218
Capital outlay and equipment	38	3	35
<i>Total expenditures</i>	2,629	2,325	304
<i>Excess of revenues over (under) expenditures</i>	(95)	1,119	1,214
Fund balance at beginning of year	2,612	2,612	-
Prior year encumbrances appropriated	444	444	-
Fund balance at end of year	\$ 2,961	\$ 4,175	\$ 1,214

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
ADULT PROBATION GRANT - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Intergovernmental revenue	\$ 1,081	\$ 881	\$ (200)
<i>Total revenue</i>	1,081	881	(200)
Expenditures:			
Current			
General government			
Judicial			
Personal services	660	624	36
Materials and supplies	5	5	-
Charges and services	310	243	67
Capital outlay and equipment	27	24	3
<i>Total expenditures</i>	<u>1,002</u>	<u>896</u>	<u>106</u>
<i>Excess of revenues over (under) expenditures</i>	79	(15)	(94)
Fund balance at beginning of year	37	37	-
Prior year encumbrances appropriated	70	70	-
Fund balance at end of year	<u>\$ 186</u>	<u>\$ 92</u>	<u>\$ (94)</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
CORRECTIONAL TREATMENT FACILITY - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Intergovernmental revenue	\$ 4,227	\$ 3,571	\$ (656)
<i>Total revenue</i>	4,227	3,571	(656)
Expenditures:			
Current			
Public safety			
Personal services	2,932	2,903	29
Materials and supplies	260	252	8
Charges and services	436	412	24
Capital outlay and equipment	71	70	1
<i>Total expenditures</i>	<u>3,699</u>	<u>3,637</u>	<u>62</u>
<i>Excess of revenues over (under) expenditures</i>	528	(66)	(594)
Fund balance at beginning of year	385	385	-
Prior year encumbrances appropriated	64	64	-
Fund balance at end of year	<u>\$ 977</u>	<u>\$ 383</u>	<u>\$ (594)</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
COMMON PLEAS CIVIL MEDIATION - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Intergovernmental revenue	\$ 105	\$ 112	\$ 7
<i>Total revenue</i>	105	112	7
Expenditures:			
Current			
Public safety			
Personal services	82	82	-
Materials and supplies	1	1	-
Charges and services	1	-	1
Capital outlay and equipment	1	-	1
<i>Total expenditures</i>	85	83	2
<i>Excess of revenues over (under) expenditures</i>	20	29	9
Fund balance at beginning of year	165	165	-
Fund balance at end of year	<u>\$ 185</u>	<u>\$ 194</u>	<u>\$ 9</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
SHERIFF'S POLICING - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Intergovernmental revenue	\$ 890	\$ 616	\$ (274)
<i>Total revenue</i>	890	616	(274)
Expenditures:			
Current			
Public safety			
Personal services	736	587	149
Charges and services	4	-	4
Capital outlay and equipment	-	-	-
<i>Total expenditures</i>	740	587	153
<i>Excess of revenues over (under) expenditures</i>	150	29	(121)
Fund balance at beginning of year	(141)	(141)	-
Prior year encumbrances appropriated	(1)	(1)	-
Fund balance at end of year	\$ 8	\$ (113)	\$ (121)

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
ADMINISTRATION OF JUSTICE - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Miscellaneous Revenue	\$ 3	\$ 5	\$ 2
<i>Total revenue</i>	3	5	2
Expenditures:			
Current			
Judicial			
Personal services	-	-	-
Materials and supplies	-	-	-
Charges and services	2	2	-
Capital outlay and equipment	-	-	-
<i>Total expenditures</i>	2	2	-
<i>Excess of revenues over (under) expenditu.</i>	1	3	2
Fund balance at beginning of year	4	4	-
Prior year encumbrances appropriated	-	-	-
Fund balance at end of year	\$ 5	\$ 7	\$ 2

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
LOCAL DEVELOPMENT - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Miscellaneous Revenue	\$ 800	\$ -	\$ (800)
<i>Total revenue</i>	800	-	(800)
Expenditures:			
Current			
Legislative and executive			
Personal services	-	-	-
Materials and supplies	-	-	-
Charges and services	500	500	-
Capital outlay and equipment	-	-	-
<i>Total expenditures</i>	500	500	-
<i>Excess of revenues over (under) expenditures</i>	300	(500)	(800)
Other financing sources:			
Operating transfers in	-	357	357
<i>Total other financing sources</i>	-	357	357
<i>Excess of revenues and other financing sources over (under) expenditures</i>	300	(143)	(443)
Fund balance at beginning of year	712	712	-
Prior year encumbrances appropriated	-	-	-
Fund balance at end of year	\$ 1,012	\$ 569	\$ (443)

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
COMMUNICATION SYSTEM - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Miscellaneous Revenue	\$ -	\$ -	\$ -
<i>Total revenue</i>	-	-	-
Expenditures:			
Current			
Legislative and executive			
Personal services	-	-	-
Materials and supplies	-	-	-
Charges and services	990	103	887
Capital outlay and equipment	-	-	-
<i>Total expenditures</i>	<u>990</u>	<u>103</u>	<u>887</u>
<i>Excess of revenues over (under) expenditures</i>	(990)	(103)	887
Other financing sources:			
Operating transfers in	<u>892</u>	<u>892</u>	-
<i>Total other financing sources</i>	<u>892</u>	<u>892</u>	-
<i>Excess of revenues and other financing sources over (under) expenditures</i>	(98)	789	887
Fund balance at beginning of year	94	94	-
Prior year encumbrances appropriated	9	9	-
Fund balance at end of year	<u>\$ 5</u>	<u>\$ 892</u>	<u>\$ 887</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
TOXICOLOGY LAB - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Miscellaneous revenue	\$ -	\$ 3	\$ 3
<i>Total revenue</i>	-	3	3
Expenditures:			
Current:			
Public safety			
Personal services	295	294	1
Materials and supplies	48	48	-
Charges and services	94	90	4
Capital outlay and equipment	45	45	-
<i>Total expenditures</i>	<u>482</u>	<u>477</u>	<u>5</u>
<i>Excess of revenues over (under) expenditures</i>	(482)	(474)	8
Other financing sources:			
Operating transfers in	241	241	-
<i>Total other financing sources</i>	<u>241</u>	<u>241</u>	<u>-</u>
<i>Excess of revenues and other financing sources over (under) expenditures</i>	(241)	(233)	8
Fund balance at beginning of year	236	236	-
Prior year encumbrances appropriated	16	16	-
Fund balance at end of year	<u>\$ 11</u>	<u>\$ 19</u>	<u>\$ 8</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
WORKFORCE DEVELOPMENT AGENCY - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Intergovernmental revenue	\$ 9,000	\$ 3,938	\$ (5,062)
Miscellaneous Revenue	-	20	20
<i>Total revenue</i>	9,000	3,958	(5,042)
Expenditures:			
Current			
Public safety			
Personal services	1,046	1,024	22
Materials and supplies	43	43	-
Charges and services	7,226	7,155	71
Capital outlay and equipment	101	94	7
<i>Total expenditures</i>	8,416	8,316	100
<i>Excess of revenues over (under) expenditures</i>	584	(4,358)	(4,942)
Fund balance at beginning of year	(2,792)	(2,792)	-
Prior year encumbrances appropriated	2,216	2,216	-
Fund balance at end of year	\$ 8	\$ (4,934)	\$ (4,942)

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
CONCEALED HANDGUN - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Revenues:			
Charges for services	\$ 40	\$ 23	\$ (17)
Miscellaneous Revenue	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total revenue</i>	40	23	(17)
Expenditures:			
Current			
Legislative and executive			
Personal services	-	-	-
Materials and supplies	-	-	-
Charges and services	20	12	8
Capital outlay and equipment	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total expenditures</i>	<u>20</u>	<u>12</u>	<u>8</u>
<i>Excess of revenues over (under) expenditure</i>	20	11	(9)
Fund balance at beginning of year	26	26	-
Prior year encumbrances appropriated	-	-	-
Fund balance at end of year	<u>\$ 46</u>	<u>\$ 37</u>	<u>\$ (9)</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
JUVENILE INDIGENT DRIVERS FUND - OTHER SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Revenues:			
Fines and forfeits	\$ -	\$ -	\$ -
<i>Total revenue</i>	-	-	-
Expenditures:			
Current:			
Judicial			
Charges and services	-	-	-
<i>Total expenditures</i>	-	-	-
<i>Excess of revenues over (under) expenditures</i>	-	-	-
Fund balance at beginning of year	5	5	-
Fund balance at end of year	\$ 5	\$ 5	\$ -

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
CAPITAL IMPROVEMENTS - CAPITAL PROJECTS FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Special assessments.....	\$ -	\$ 1,020	\$ 1,020
Intergovernmental revenue.....	-	20	20
Miscellaneous revenue.....	53,500	3,157	(50,343)
<i>Total revenues.....</i>	53,500	4,197	(49,303)
Expenditures:			
Current:			
Capital outlay-	32,997	12,531	20,466
Human Service-	-	-	-
Debt service			
Principal retirement.....	8,430	8,430	-
Interest and fiscal charges.....	211	211	-
<i>Total expenditures.....</i>	41,638	21,172	20,466
<i>Excess of revenues over (under) expenditures..</i>	11,862	(16,975)	(28,837)
Other financing sources (uses):			
Proceeds of notes.....	-	6,105	6,105
Proceeds of bonds.....	-	3,420	3,420
Operating transfers in.....	-	2,749	2,749
Operating transfers (out).....	(6,115)	-	6,115
<i>Total other financing sources (uses).....</i>	(6,115)	12,274	18,389
<i>Excess of revenue and other financing sources over (under) expenditures and other uses.....</i>	5,747	(4,701)	(10,448)
Fund balance at beginning of year.....	9,760	9,760	-
Prior year encumbrances appropriated.....	7,050	7,050	-
Fund balance at end of year.....	\$ 22,557	\$ 12,109	\$ (10,448)

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
PERMANENT ZOO IMPROVEMENT - CAPITAL PROJECTS FUND
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Final</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Taxes	\$ -	\$ 5,999	\$ 5,999
Miscellaneous revenue	-	-	-
<i>Total revenues</i>	-	5,999	5,999
Expenditures:			
Current:			
Capital outlay-			
Construction contracts	5,999	5,999	0
<i>Total expenditures</i>	5,999	5,999	0
<i>Excess revenues over (under) expenditures</i>	(5,999)	-	5,999
Fund balance at beginning of year	-	-	-
Fund balance (deficit) at end of year	<u>\$ (5,999)</u>	<u>\$ -</u>	<u>\$ 5,999</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
BOND RETIREMENT-DEBT SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes.....	\$ 1,606	\$ 1,898	\$ 292
Special assessments.....	576	1,119	543
Miscellaneous revenue.....	3,393	3,377	(16)
<i>Total revenues.....</i>	<i>5,575</i>	<i>6,394</i>	<i>819</i>
Expenditures:			
Current:			
Debt Service-			
Principal retirement.....	11,909	11,896	13
Capital outlay.....	-	-	-
Miscellaneous.....	1,003	-	1,003
Interest and fiscal charges.....	4,334	4,329	5
<i>Total expenditures.....</i>	<i>17,246</i>	<i>16,225</i>	<i>1,021</i>
<i>Excess revenues over (under) expenditures..</i>	<i>(11,671)</i>	<i>(9,831)</i>	<i>1,840</i>
Other financing sources (uses):			
Operating transfers in.....	-	-	-
Operating transfers (out).....	7,201	8,196	995
<i>Total other financing sources (uses).....</i>	<i>7,201</i>	<i>8,196</i>	<i>995</i>
<i>Excess of revenue and other financing sources over (under) expenditures and other uses....</i>	<i>(4,470)</i>	<i>(1,635)</i>	<i>2,835</i>
Fund balance at beginning of year.....	14,131	14,131	-
Prior year encumbrances appropriated.....	-	-	-
Fund balance at end of year.....	\$ 9,661	\$ 12,496	\$ 2,835

LUCAS COUNTY, OHIO
ENTERPRISE FUNDS
December 31, 2005

Enterprise Funds- *Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises. The intent of Lucas County is that the costs of providing services to the general public on a continuing basis be financed or recovered primarily through user charges. The following are the Enterprise funds which Lucas County operates:*

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

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

Wastewater Treatment- To account 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.

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

Solid Waste- To account for the administration of solid waste disposal county-wide.

Parking Facilities- To account for operation of parking facilities.

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
WATER SUPPLY SYSTEM-ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Operations revenues:			
Charges for services	\$ 895	\$ 961	\$ 66
Miscellaneous	660	552	(108)
<i>Total operating revenues</i>	1,555	1,513	(42)
Operating expenses:			
Materials and supplies	28	15	13
Contract services	1,107	908	199
<i>Total operating expenss</i>	1,135	923	212
Operating income (loss)	420	590	170
Non-operating revenues (expenses):			
<i>Principal retirement</i>	(325)	(320)	5
<i>Interest and fiscal charges</i>	(280)	(277)	3
<i>Total nonoperating revenues (expense)</i>	(605)	(597)	8
<i>Income (loss) before operating transfers</i>	(185)	(7)	178
Transfer in	-	-	178
Net income (loss)	(185)	(7)	178
Net assets at beginning of year	1,394	1,394	-
Prior year encumbrances appropriated	185	185	-
Net assets at end of year	<u>\$ 1,394</u>	<u>\$ 1,572</u>	<u>\$ 178</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
WASTEWATER TREATMENT-ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Operations revenues:			
Charges for services	\$ 5,133	\$ 5,007	\$ (126)
Miscellaneous	<u>250</u>	<u>574</u>	<u>324</u>
<i>Total operating revenues</i>	5,383	5,581	198
Operating expenses:			
Personal services	1,265	1,209	56
Materials and supplies	445	435	10
Contract services	2,309	1,909	400
Capital outlay and equipment	<u>27</u>	<u>19</u>	<u>8</u>
<i>Total operating expense</i>	<u>4,046</u>	<u>3,572</u>	<u>474</u>
Operating income (loss)	1,337	2,009	672
Non-operating revenues (expenses):			
<i>Principal retirement</i>	(1,096)	(1,060)	36
<i>Interest and fiscal charges</i>	<u>(1,104)</u>	<u>(1,100)</u>	<u>4</u>
<i>Total nonoperating revenues (expense)</i>	<u>(2,200)</u>	<u>(2,160)</u>	<u>40</u>
Net income (loss)	<u>(863)</u>	<u>(151)</u>	<u>712</u>
Net assets at beginning of year	2,641	2,641	-
Prior year encumbrances appropriated	<u>827</u>	<u>827</u>	<u>-</u>
Net assets at end of year	<u>\$ 2,605</u>	<u>\$ 3,317</u>	<u>\$ 712</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
SEWER SYSTEM-ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Operations revenues:			
Charges for services	\$ 450	\$ 517	\$ 67
Miscellaneous	1,430	1,327	(103)
<i>Total operating revenues</i>	1,880	1,844	(36)
Operating expenses:			
Personal services	-	-	-
Materials and supplies	20	16	4
Contract services	1,537	1,160	377
Capital outlay and equipment	-	-	-
Miscellaneous	-	-	-
<i>Total operating expense</i>	1,557	1,176	381
Operating income (loss)	323	668	345
Non-operating revenues (expenses):			
Principal retirement	(240)	(255)	(15)
Interest and fiscal charges	(160)	(147)	13
<i>Total nonoperating revenues (expense)</i>	(400)	(402)	(2)
<i>Income (loss) before operating transfers</i>	(77)	266	343
Transfer Out	-	-	-
Net income (loss)	(77)	266	343
Net assets at beginning of year	2,904	2,904	-
Prior year encumbrances appropriated	76	76	-
Net assets at end of year	<u>\$ 2,903</u>	<u>\$ 3,246</u>	<u>\$ 343</u>

LUCAS COUNTY, OHIO
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2005
(Amounts in 000's)

	<u>Sanitary Engineer</u>	<u>Solid Waste</u>	<u>Parking Facilities</u>	<u>Total Other Enterprise Funds</u>
ASSETS				
Current assets:				
Pooled cash and cash equivalents	\$ 48	\$ 38	\$ 36	\$ 122
Pooled investments	2,363	1,872	1,804	6,039
Receivables (net of allowances for uncollectables)				-
Accounts	1,756	214	26	1,996
Total current assets	<u>4,167</u>	<u>2,124</u>	<u>1,866</u>	<u>8,157</u>
Noncurrent assets-capital assets:				
Land	153			153
Buildings, structures, and improvements	3,006			3,006
Furniture, fixtures, and equipment	2,122	894		3,016
Less accumulated depreciation	<u>(2,748)</u>	<u>(580)</u>		<u>(3,328)</u>
Total non-current	2,533	314	-	2,847
Total assets	<u>\$ 6,700</u>	<u>\$ 2,438</u>	<u>\$ 1,866</u>	<u>\$ 11,004</u>
LIABILITIES				
Current liabilities:				
Accounts payable	20	118	41	179
Accrued wages and benefits	478	65		543
Due to other funds	1			1
Current portion of long-term debt	36			36
Total current liabilities	<u>535</u>	<u>183</u>	<u>41</u>	<u>759</u>
Noncurrent liabilities:				
OWDA loans payable	<u>1,130</u>			<u>1,130</u>
Total noncurrent liabilities	<u>1,130</u>	<u>-</u>	<u>-</u>	<u>1,130</u>
Total liabilities	<u>1,665</u>	<u>183</u>	<u>41</u>	<u>1,889</u>
NET ASSETS				
Invested in capital assets, net of related debt	1,367	314		1,681
Unrestricted	3,668	1,941	1,825	7,434
Total net assets	<u>5,035</u>	<u>2,255</u>	<u>1,825</u>	<u>9,115</u>
Total liabilities and net assets	<u>\$ 6,700</u>	<u>\$ 2,438</u>	<u>\$ 1,866</u>	<u>\$ 11,004</u>

LUCAS COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Sanitary Engineer</u>	<u>Solid Waste</u>	<u>Parking Facilities</u>	<u>Total</u>
Operating revenues:				
Charges for services	\$ 4,466	\$ 1,978	\$ 310	\$ 6,754
Miscellaneous	110			110
Total operating revenues	<u>4,576</u>	<u>1,978</u>	<u>310</u>	<u>6,864</u>
Operating expenses:				
Personal services	3,378	569		3,947
Contract services	265	830	79	1,174
Materials and supplies	333	5	41	379
Miscellaneous	-	-	71	71
Heat, light and power	37			37
Depreciation	212	72		284
Total operating expenses	<u>4,225</u>	<u>1,476</u>	<u>191</u>	<u>5,892</u>
Operating income	<u>351</u>	<u>502</u>	<u>119</u>	<u>972</u>
Nonoperating revenues (expenses):				
Interest and fiscal charges	(72)			(72)
Total nonoperating revenues (expenses)	<u>(72)</u>	<u>-</u>	<u>-</u>	<u>(72)</u>
Increase in net assets	279	502	119	900
Net assets at beginning of year	<u>4,756</u>	<u>1,753</u>	<u>1,706</u>	<u>8,215</u>
Net assets at end of year	<u>\$ 5,035</u>	<u>\$ 2,255</u>	<u>\$ 1,825</u>	<u>\$ 9,115</u>

LUCAS COUNTY, OHIO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Sanitary Engineer</u>	<u>Solid Waste</u>	<u>Parking Facilities</u>	<u>Total</u>
Cash flows from operating activities:				
Cash received from customers	\$ 4,361	\$ 1,997	\$ 310	\$ 6,668
Cash paid to suppliers	(644)	(960)	(150)	(1,754)
Cash paid to employees	(3,315)	(552)		(3,867)
Net cash provided by operating activities	<u>402</u>	<u>485</u>	<u>160</u>	<u>1,047</u>
Cash flows from capital and related financing activities:				
Principal payments - OWDA loans	(69)			(69)
Purchase of fixed assets	(108)	(295)		(403)
Interest paid	(72)			(72)
Net cash used in capital and related financing activities	<u>(249)</u>	<u>(295)</u>	<u>-</u>	<u>(544)</u>
Cash flows from investing activities:				
Proceeds from sales of investments	534	336	352	1,222
Payments for investments	(931)	(710)	(693)	(2,334)
Net cash used in investing activities	<u>(397)</u>	<u>(374)</u>	<u>(341)</u>	<u>(1,112)</u>
Net increase in cash	(244)	(184)	(181)	(609)
Cash and cash equivalents, January 1	292	222	217	731
Cash and cash equivalents, December 31	<u>\$ 48</u>	<u>\$ 38</u>	<u>\$ 36</u>	<u>\$ 122</u>

LUCAS COUNTY, OHIO
COMBINING STATEMENT OF CASH FLOWS (continued)
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

**Reconciliation of Operating Income to Net Cash Provided
by Operating Activities**

	<u>Sanitary Engineer</u>	<u>Solid Waste</u>	<u>Parking Facilities</u>	<u>Total</u>
Operating income	\$ 351	\$ 502	\$ 119	\$ 972
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	212	72		284
(Increase) decrease in operating assets:				
Accounts receivable	(215)	19		(196)
Increase (decrease) in operating liabilities:				
Accounts payable	(9)	(125)	41	(93)
Accrued wages and benefits	63	17		80
Due to other funds				-
Total adjustments	<u>51</u>	<u>(17)</u>	<u>41</u>	<u>75</u>
Net cash provided by operating activities	<u>\$ 402</u>	<u>\$ 485</u>	<u>\$ 160</u>	<u>\$ 1,047</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
SANITARY ENGINEER-ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Operations revenues:			
Charges for services	\$ 4,348	\$ 4,251	\$ (97)
Miscellaneous	<u>160</u>	<u>111</u>	<u>(49)</u>
<i>Total operating revenues</i>	4,508	4,362	(146)
Operating expenses:			
Personal services	3,486	3,315	171
Materials and supplies	352	344	8
Contract services	394	364	30
Capital outlay and equipment	115	114	1
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total operating expense</i>	<u>4,347</u>	<u>4,137</u>	<u>210</u>
Operating income (loss)	161	225	64
Non-operating revenues (expenses):			
<i>Principal retirement</i>	(70)	(70)	-
<i>Interest and fiscal charges</i>	<u>(73)</u>	<u>(72)</u>	<u>1</u>
<i>Total nonoperating revenues (expense)</i>	<u>(143)</u>	<u>(142)</u>	<u>1</u>
Net income (loss)	18	83	65
Net assets at beginning of year	2,204	2,204	-
Prior year encumbrances appropriated	<u>54</u>	<u>54</u>	<u>-</u>
Net assets at end of year	<u>\$ 2,276</u>	<u>\$ 2,341</u>	<u>\$ 65</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
SOLID WASTE-ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Operations revenues:			
Charges for services	\$ 1,863	\$ 1,996	\$ 133
Miscellaneous	-	-	-
<i>Total operating revenues</i>	<u>1,863</u>	<u>1,996</u>	<u>133</u>
Operating expenses:			
Personal services	565	551	14
Materials and supplies	16	6	10
Contract services	1,644	1,421	223
Capital outlay and equipment	73	33	40
Miscellaneous	-	-	-
<i>Total operating expense</i>	<u>2,298</u>	<u>2,011</u>	<u>287</u>
Operating income (loss)	(435)	(15)	420
Non-operating revenues (expenses):			
<i>Principal retirement</i>	-	-	-
<i>Interest and fiscal charges</i>	-	-	-
<i>Total nonoperating revenues (expense)</i>	<u>-</u>	<u>-</u>	<u>-</u>
Net income (loss)	(435)	(15)	420
Net assets at beginning of year	1,246	1,246	-
Prior year encumbrances appropriated	474	474	-
Net assets at end of year	<u>\$ 1,285</u>	<u>\$ 1,705</u>	<u>\$ 420</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
PARKING FACILITIES-ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Operations revenues:			
Charges for services	\$ 300	\$ 310	\$ 10
Miscellaneous	-	-	-
<i>Total operating revenues</i>	300	310	10
Operating expenses:			
Personal services	-	-	-
Materials and supplies	-	-	-
Contract services	153	150	3
Capital outlay and equipment	-	-	-
Miscellaneous	-	-	-
<i>Total operating expense</i>	153	150	3
Operating income (loss)	147	160	13
Non-operating revenues (expenses):			
<i>Principal retirement</i>	-	-	-
<i>Interest and fiscal charges</i>	-	-	-
<i>Total nonoperating revenues (expense)</i>	-	-	-
Net income (loss)	147	160	13
Net assets at beginning of year	1,680	1,680	-
Prior year encumbrances appropriated	-	-	-
Net assets at end of year	<u>\$ 1,827</u>	<u>\$ 1,840</u>	<u>\$ 13</u>

LUCAS COUNTY, OHIO
INTERNAL SERVICE FUNDS
December 31, 2005

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

Central Supplies- 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- To account for vehicle maintenance services provided to various County departments and other governmental units. Users are billed for costs incurred.

County-City Telephone- To account for inter-departmental charges for the use of the telephone system. Users are billed for costs incurred.

Self-Funded Health Insurance - 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 family or marital status.

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

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

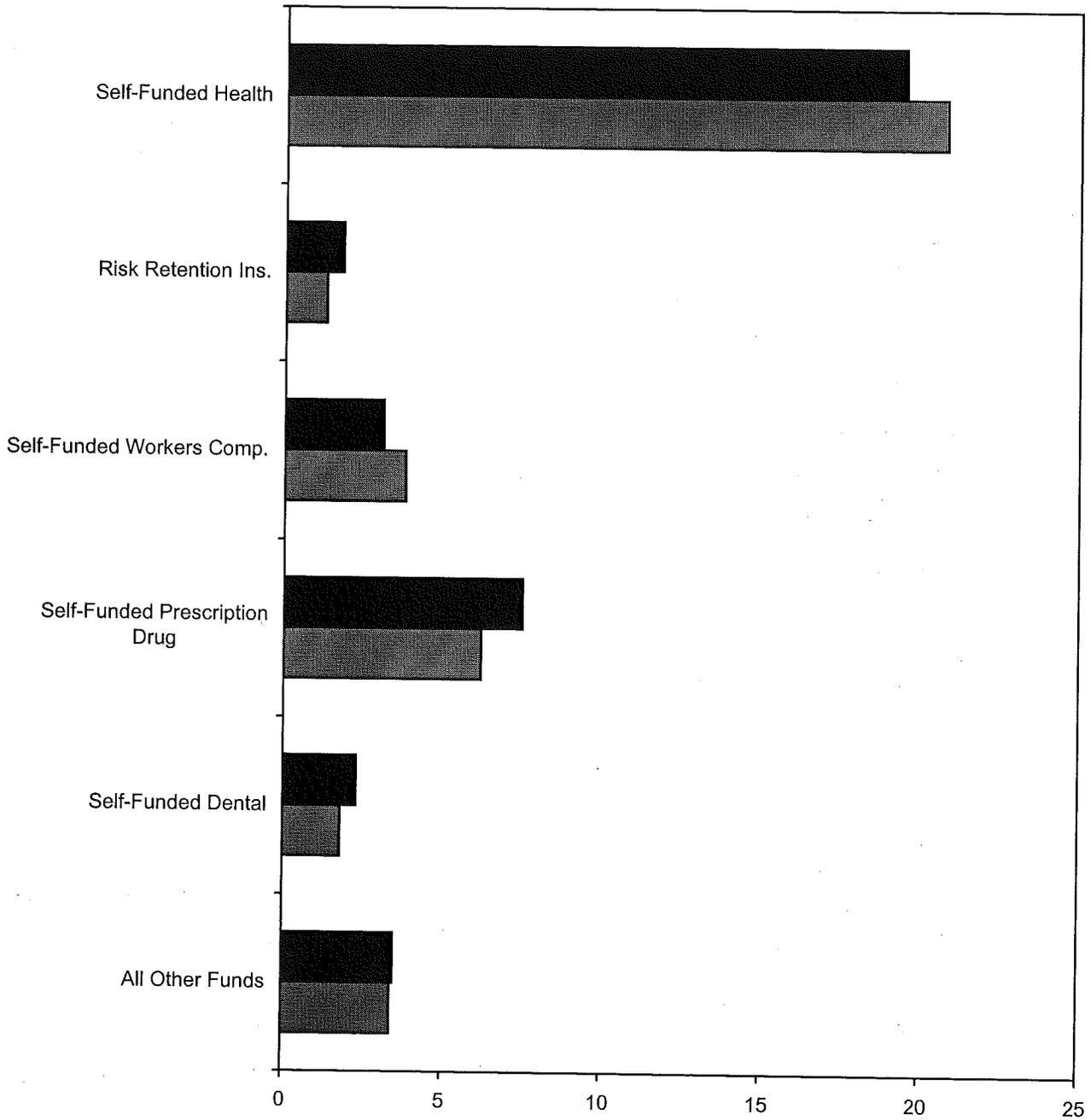
Self-Funded Workers' Compensation- To account for claims and administration of workers' compensation for county departments. The departments are billed based on their portion of total covered payroll and usage of the program.

Self-Funded Prescription Drug - 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 family or marital status.

Self-Funded Dental Insurance- 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 family or marital status.

Combining Chart of Operating Revenues and Expenses

Internal Service Funds



Total Operating Expenses
 Total Operating Revenues

LUCAS COUNTY, OHIO
COMBINING STATEMENTS OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2005
(Amounts in 000's)

	<u>Central Supplies</u>	<u>Vehicle Mainten- ance</u>	<u>County- City Telephone</u>	<u>Self- Funded Health Insurance</u>
Assets:				
Current assets:				
Pooled cash and cash equivalents	\$ -	\$ 1	\$ 16	\$ 174
Pooled investments	14	72	792	8,587
Accounts receivable	7	2	1	
Due from other funds	13	42	98	
Inventory: materials and supplies	46	24		
<i>Total current assets</i>	<u>80</u>	<u>141</u>	<u>907</u>	<u>8,761</u>
Noncurrent assets-capital assets				
Land		83		
Buildings, structures and improvements		30		
Furniture, fixtures and equipment	234	149	847	26
Less: accumulated depreciation	(189)	(173)	(840)	(22)
Total noncurrent assets	<u>45</u>	<u>89</u>	<u>7</u>	<u>4</u>
<i>Total assets</i>	<u>125</u>	<u>230</u>	<u>914</u>	<u>8,765</u>
Liabilities:				
Current liabilities-				
Accounts Payable	22	5		249
Accrued wages and benefits	2	37	3	11
Claims payable-current				2,205
<i>Total current liabilities</i>	<u>24</u>	<u>42</u>	<u>3</u>	<u>2,465</u>
Noncurrent Liabilities:				
Claims payable-noncurrent				
Obligations under capital leases				
<i>Total noncurrent liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities</i>	<u>24</u>	<u>42</u>	<u>3</u>	<u>2,465</u>
Net Assets:				
Invested in capital assets, net of related debt	45	89	7	4
Unrestricted	56	99	904	6,296
<i>Total net assets</i>	<u>\$ 101</u>	<u>\$ 188</u>	<u>\$ 911</u>	<u>\$ 6,300</u>

<u>Centralized Drug Testing</u>	<u>Risk Retention Insurance</u>	<u>Self- Funded Workers' Comp.</u>	<u>Self- Funded Prescription Drug</u>	<u>Self- Funded Dental Insurance</u>	<u>Total</u>
\$ 5	\$ 197	\$ 272	\$ 108	\$ 41	\$ 814
226	9,773	13,469	5,330	2,043	40,306
14					10
					167
					70
<u>245</u>	<u>9,970</u>	<u>13,741</u>	<u>5,438</u>	<u>2,084</u>	<u>41,367</u>
					83
					30
					1,256
					(1,224)
					145
<u>245</u>	<u>9,970</u>	<u>13,741</u>	<u>5,438</u>	<u>2,084</u>	<u>41,512</u>
3	1	4	245	34	563
34	32	23			142
		2,701	630	162	5,698
<u>37</u>	<u>33</u>	<u>2,728</u>	<u>875</u>	<u>196</u>	<u>6,403</u>
		4,908			4,908
		4,908			-
<u>37</u>	<u>33</u>	<u>7,636</u>	<u>875</u>	<u>196</u>	<u>11,311</u>
208	9,937	6,105	4,563	1,888	145
<u>\$ 208</u>	<u>\$ 9,937</u>	<u>\$ 6,105</u>	<u>\$ 4,563</u>	<u>\$ 1,888</u>	<u>\$ 30,056</u>

LUCAS COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Central Supplies</u>	<u>Vehicle Mainten- ance</u>	<u>County- City Telephone</u>
Operating revenues:			
Charges for service	\$ 716	\$ 644	\$ 1,571
Miscellaneous		1	
	<hr/>	<hr/>	<hr/>
Total operating revenues	716	645	1,571
	<hr/>	<hr/>	<hr/>
Operating expenses:			
Personal services	59	317	72
Contract services	44	37	1,302
Materials and supplies	739	317	1
Depreciation	38	2	
Miscellaneous			1
Employee medical benefits			
	<hr/>	<hr/>	<hr/>
Total operating expenses	880	673	1,376
	<hr/>	<hr/>	<hr/>
Operating income (loss)	(164)	(28)	195
	<hr/>	<hr/>	<hr/>
Nonoperating revenues (expenses):			
Interest income			
Interest and fiscal charges			
	<hr/>	<hr/>	<hr/>
Total nonoperating revenues and (expenses)	-	-	-
	<hr/>	<hr/>	<hr/>
Change in net assets	(164)	(28)	195
	<hr/>	<hr/>	<hr/>
Net assets at beginning of year	265	216	716
	<hr/>	<hr/>	<hr/>
Net assets at end of year	<u>\$ 101</u>	<u>\$ 188</u>	<u>\$ 911</u>

Self-Funded Health Insurance	Centralized Drug Testing	Risk Retention Insurance	Self-Funded Workers' Comp.	Self-Funded Prescription Drug	Self-Funded Dental Insurance	Total
\$ 19,529	\$ 536	\$ 1,756	\$ 3,056	\$ 7,473 2	\$ 2,346	\$ 37,627 3
<u>19,529</u>	<u>536</u>	<u>1,756</u>	<u>3,056</u>	<u>7,475</u>	<u>2,346</u>	<u>37,630</u>
194	305	164	172			1,283
999	21	1,118	60	39	94	3,714
18	152	3	2			1,232
2						42
	2	14				17
<u>19,587</u>	<u>2</u>	<u>49</u>	<u>3,540</u>	<u>6,127</u>	<u>1,763</u>	<u>31,066</u>
<u>20,800</u>	<u>480</u>	<u>1,348</u>	<u>3,774</u>	<u>6,166</u>	<u>1,857</u>	<u>37,354</u>
<u>(1,271)</u>	<u>56</u>	<u>408</u>	<u>(718)</u>	<u>1,309</u>	<u>489</u>	<u>276</u>
						-
						-
						-
<u>(1,271)</u>	<u>56</u>	<u>408</u>	<u>(718)</u>	<u>1,309</u>	<u>489</u>	<u>276</u>
<u>7,571</u>	<u>152</u>	<u>9,529</u>	<u>6,823</u>	<u>3,254</u>	<u>1,399</u>	<u>29,925</u>
<u>\$ 6,300</u>	<u>\$ 208</u>	<u>\$ 9,937</u>	<u>\$ 6,105</u>	<u>\$ 4,563</u>	<u>\$ 1,888</u>	<u>\$ 30,201</u>

LUCAS COUNTY, OHIO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Central Supplies</u>	<u>Vehicle Mainten- ance</u>	<u>County- City Telephone</u>	<u>Self- Funded Health Insurance</u>
Cash flows from operating activities:				
Cash received from customers	\$ 709	\$ 640	\$ 1,581	\$ 19,568
Cash paid to suppliers	(733)	(376)	(1,601)	(20,335)
Cash paid to employees	(58)	(317)	(72)	(199)
Net cash provided by (used in) operating activities	(82)	(53)	(92)	(966)
Cash flows from non capital financing activities:				
Transfers out				
Net cash provided by non-capital financing activities	-	-	-	-
Cash flows from capital and related financing activities:				
Purchase of capital assets				
Principal payments - capital leases				
Net cash used in capital and related financing activities	-	-	-	-
Cash flows from investing activities:				
Proceeds from sale of investments	109	89	363	3,894
Payments for investments	(40)	(51)	(371)	(4,010)
Net cash provided by (used in) investing activities	69	38	(8)	(116)
Net increase (decrease) in cash and cash equivalents	(13)	(15)	(100)	(1082)
Cash and cash equivalents, January 1	13	16	116	1,256
Cash and cash equivalents, December 31	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 16</u>	<u>\$ 174</u>

Centralized Drug Testing	Risk Retention Insurance	Self- Funded Workers' Comp.	Self- Funded Prescription	Self- Funded Dental Insurance	Total
\$ 539	\$ 1,756	\$ 3,056	\$ 7,490	\$ 2,351	\$ 37,690
(175)	(1,184)	(2,081)	(6,058)	(1,858)	(34,401)
<u>(301)</u>	<u>(161)</u>	<u>(170)</u>	<u>-</u>	<u>-</u>	<u>(1,278)</u>
63	411	805	1,432	493	2,011
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(80)	2,494	3,132	(1,841)	(657)	10,081
<u>(80)</u>	<u>(3,942)</u>	<u>(5,335)</u>	<u>(1,841)</u>	<u>(657)</u>	<u>(16,327)</u>
(80)	(1,448)	(2,203)	(1,841)	(657)	(6,246)
(17)	(1,037)	(1,398)	(409)	(164)	(4,235)
22	1,234	1,670	517	205	5,049
<u>\$ 5</u>	<u>\$ 197</u>	<u>\$ 272</u>	<u>\$ 108</u>	<u>\$ 41</u>	<u>\$ 814</u>

LUCAS COUNTY, OHIO
COMBINING STATEMENT OF CASH FLOWS-(continued)
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

**Reconciliation of Operating Income (Loss) to Net Cash Provided
by (Used in) Operating Activities**

	<u>Central Supplies</u>	<u>Vehicle Mainten- ance</u>	<u>County- City Telephone</u>
Operating Income (loss)	\$ (164)	\$ (28)	\$ 195
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	38	2	
(Increase) decrease in operating assets:			
Accounts receivable	(9)		4
Due from other funds		(5)	6
Inventory	29		
Increase (decrease) in operating liabilities:			
Accounts payable	24	(22)	(297)
Due to other funds			
Accrued wages and benefits			
Total adjustments	<u>82</u>	<u>(25)</u>	<u>(287)</u>
Net cash provided by (used in) operating activities	<u>\$ (82)</u>	<u>\$ (53)</u>	<u>\$ (92)</u>

<u>Self-Funded Health Insurance</u>	<u>Centralized Drug Testing</u>	<u>Risk Retention Insurance</u>	<u>Self-Funded Workers' Comp.</u>	<u>Self-Funded Prescription Drug</u>	<u>Self-Funded Dental Insurance</u>	<u>Total</u>
\$ (1,271)	\$ 56	\$ 408	\$ (718)	\$ 1,309	\$ 489	\$ 276
2						42
39				15	5	54
	3					4
						29
269	1	1	1,521	108	(1)	1,604
(5)	3	2	2			0
<u>305</u>	<u>7</u>	<u>3</u>	<u>1,523</u>	<u>123</u>	<u>4</u>	<u>1,735</u>
<u>\$ (966)</u>	<u>\$ 63</u>	<u>\$ 411</u>	<u>\$ 805</u>	<u>\$ 1,432</u>	<u>\$ 493</u>	<u>\$ 2,011</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
CENTRAL SUPPLIES-INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Revised Budget	Actual Amounts	Variance: Positive (Negative)
Operations revenues:			
Charges for services	\$ 1,062	\$ 722	\$ (340)
Miscellaneous	-	-	-
	1,062	722	(340)
<i>Total operating revenues</i>			
Operating expenses:			
Personal services	77	59	18
Materials and supplies	820	712	108
Contract services	91	47	44
Capital outlay and equipment	4	4	-
Miscellaneous	-	-	-
Claim payments	-	-	-
Employee medical benefits	-	-	-
	992	822	170
<i>Total operating expense</i>			
Operating income (loss)	70	(100)	(170)
Non-operating revenues:			
<i>Interest income</i>	-	-	-
	-	-	-
<i>Total nonoperating revenues (expense)</i>			
Change in net assets	70	(100)	(170)
Net assets at beginning of year	81	81	-
Prior year encumbrances appropriated	16	16	-
Net assets at end of year	\$ 167	\$ (3)	\$ (170)

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
VEHICLE MAINTENANCE-INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in '000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Operations revenues:			
Charges for services	\$ 697	\$ 639	\$ (58)
Miscellaneous	2	1	(1)
	<hr/>	<hr/>	<hr/>
<i>Total operating revenues</i>	699	640	(59)
Operating expenses:			
Personal services	315	315	-
Materials and supplies	250	208	42
Contract services	180	172	8
Capital outlay and equipment	21	20	1
Miscellaneous	-	-	-
Claim payments	-	-	-
Employee medical benefits	-	-	-
	<hr/>	<hr/>	<hr/>
<i>Total operating expense</i>	766	715	51
Operating income (loss)	(67)	(75)	(8)
Non-operating revenues:			
<i>Interest income</i>	-	-	-
	<hr/>	<hr/>	<hr/>
<i>Total nonoperating revenues</i>	-	-	-
<i>Income (loss) before operating transfers</i>	(67)	(75)	(8)
Operating transfer in	-	-	-
	<hr/>	<hr/>	<hr/>
Change in net assets	(67)	(75)	(8)
Net assets at beginning of year	63	63	-
Prior year encumbrances appropriated	62	62	-
Net assets at end of year	<u>\$ 58</u>	<u>\$ 50</u>	<u>\$ (8)</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
COUNTY-CITY TELEPHONE-INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Operations revenues:			
Charges for services	\$ 1,693	\$ 1,581	\$ (112)
Miscellaneous	-	-	-
<i>Total operating revenues</i>	1,693	1,581	(112)
Operating expenses:			
Personal services	80	70	10
Materials and supplies	1	1	-
Contract services	1,684	1,614	70
Capital outlay and equipment	1	1	-
Miscellaneous	-	-	-
Claim payments	-	-	-
Employee medical benefits	-	-	-
<i>Total operating expense</i>	1,766	1,686	80
Operating income (loss)	(73)	(105)	(32)
Non-operating revenues:			
<i>Interest income</i>	-	-	-
<i>Total nonoperating revenues</i>	-	-	-
Change in net assets	(73)	(105)	(32)
Net assets at beginning of year	733	733	-
Prior year encumbrances appropriated	166	166	-
Net assets at end of year	<u>\$ 826</u>	<u>\$ 794</u>	<u>\$ (32)</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
SELF-FUNDED HEALTH INSURANCE-INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Operations revenues:			
Charges for services	\$ 19,562	\$ 19,567	\$ 5
Miscellaneous	-	-	-
<i>Total operating revenues</i>	19,562	19,567	5
Operating expenses:			
Personal services	231	198	33
Materials and supplies	36	18	18
Contract services	28,531	27,872	659
Capital outlay and equipment	5	1	4
Miscellaneous	-	-	-
Claim payments	-	-	-
Employee medical benefit	-	-	-
<i>Total operating expense</i>	28,803	28,089	714
Operating income (loss)	(9,241)	(8,522)	719
Non-operating revenues:			
<i>Interest income</i>	-	-	-
<i>Total nonoperating revenues</i>	-	-	-
<i>Income (loss) before operating transfers..</i>	(9,241)	(8,522)	719
Operating transfer in	-	-	-
Change in net assets	(9,241)	(8,522)	719
Net assets at beginning of year	5,281	5,281	-
Prior year encumbrances appropriated	4,445	4,445	-
Net assets at end of year	<u>\$ 485</u>	<u>\$ 1,204</u>	<u>\$ 719</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
CENTRALIZED DRUG TESTING-INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Operations revenues:			
Charges for services	\$ 575	\$ 539	\$ (36)
Miscellaneous	-	-	-
<i>Total operating revenues</i>	<u>575</u>	<u>539</u>	<u>(36)</u>
Operating expenses:			
Personal services	306	302	4
Materials and supplies	217	148	69
Contract services	29	27	2
Capital outlay and equipment.	6	6	-
Miscellaneous	-	-	-
Claim payments	-	-	-
Employee medical benefit	-	-	-
<i>Total operating expense</i>	<u>558</u>	<u>483</u>	<u>75</u>
Operating income (loss)	17	56	39
Non-operating revenues:			
<i>Interest income</i>	-	-	-
<i>Total nonoperating revenues (expense)</i>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	17	56	39
Net assets at beginning of year	100	100	-
Prior year encumbrances appropriated	68	68	-
Net assets at end of year	<u>\$ 185</u>	<u>\$ 224</u>	<u>\$ 39</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
RISK RETENTION INSURANCE-INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Operations revenues:			
Charges for services	\$ 1,800	\$ 1,756	\$ (44)
Miscellaneous	-	-	-
<i>Total operating revenues</i>	<u>1,800</u>	<u>1,756</u>	<u>(44)</u>
Operating expenses:			
Personal services	161	160	1
Materials and supplies	5	3	2
Contract services	2,377	1,246	1,131
Capital outlay and equipment	3	2	1
Miscellaneous	-	-	-
Claim payments	-	-	-
Employee medical benefit	-	-	-
<i>Total operating expense</i>	<u>2,546</u>	<u>1,411</u>	<u>1,135</u>
Operating income (loss)	(746)	345	1,091
Non-operating revenues:			
<i>Interest income</i>	-	-	-
<i>Total nonoperating revenues (expense)</i>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	(746)	345	1,091
Net assets at beginning of year	9,497	9,497	-
Prior year encumbrances appropriated	61	61	-
Net assets at end of year	<u>\$ 8,812</u>	<u>\$ 9,903</u>	<u>\$ 1,091</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
SELF FUNDED WORKERS COMP.-INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Operations revenues:			
Charges for services	\$ 3,058	\$ 3,056	\$ (2)
Miscellaneous	-	-	-
<i>Total operating revenues</i>	3,058	3,056	(2)
Operating expenses:			
Personal services	172	170	2
Materials and supplies	3	2	1
Contract services	4,130	2,083	2,047
Capital outlay and equipment	1	-	1
Miscellaneous	-	-	-
Claim payment	-	-	-
Employee medical benefit	-	-	-
<i>Total operating expense</i>	4,306	2,255	2,051
Operating income (loss)	(1,248)	801	2,049
Non-operating revenues (expenses):			
Transfer Out	-	-	-
Net income (loss)	-	-	-
Change in net assets	(1,248)	801	2,049
Net assets at beginning of year	12,928	12,928	-
Prior year encumbrances appropriated	7	7	-
Net assets at end of year	<u>\$ 11,687</u>	<u>\$ 13,736</u>	<u>\$ 2,049</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
SELF-FUNDED PRESCRIPTION DRUG-INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Operations revenues:			
Charges for services	\$ 7,444	\$ 7,487	\$ 43
Miscellaneous	100	2	(98)
<i>Total operating revenues</i>	7,544	7,489	(55)
Operating expenses:			
Personal services	-	-	-
Materials and supplies	-	-	-
Charges and Services	10,476	10,090	386
Capital outlay and equipment	-	-	-
Miscellaneous	-	-	-
Claim payment	-	-	-
Employee medical benefit	-	-	-
<i>Total operating expense</i>	10,476	10,090	386
Operating income (loss)	(2,932)	(2,601)	331
Non-operating revenues:			
<i>Interest income</i>	-	-	-
<i>Total nonoperating revenues (expense)</i>	-	-	-
Change in net assets	(2,932)	(2,601)	331
Net assets at beginning of year	463	463	-
Prior year encumbrances appropriated	3,543	3,543	-
Net assets at end of year	<u>\$ 1,074</u>	<u>\$ 1,405</u>	<u>\$ 331</u>

LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL-
(NON-GAAP BUDGETARY BASIS)
SELF-FUNDED DENTAL INSURANCE-INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Revised Budget</u>	<u>Actual Amounts</u>	<u>Variance: Positive (Negative)</u>
Operations revenues:			
Charges for services	\$ 2,340	\$ 2,351	\$ 11
Miscellaneous	-	-	-
<i>Total operating revenues</i>	<u>2,340</u>	<u>2,351</u>	<u>11</u>
Operating expenses:			
Personal services	-	-	-
Materials and supplies	-	-	-
Contract services	3,042	2,897	145
Capital outlay and equipment	-	-	-
Miscellaneous	-	-	-
Claim payment	-	-	-
Employee medical benefit	-	-	-
<i>Total operating expense</i>	<u>3,042</u>	<u>2,897</u>	<u>145</u>
Operating income (loss)	(702)	(546)	156
Non-operating revenues:			
<i>Interest income</i>	-	-	-
<i>Total nonoperating revenues (expense)</i>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	(702)	(546)	156
Net assets at beginning of year	648	648	-
Prior year encumbrances appropriated	942	942	-
Net assets at end of year	<u>\$ 888</u>	<u>\$ 1,044</u>	<u>\$ 156</u>

LUCAS COUNTY, OHIO
AGENCY FUNDS
December 31, 2005

Agency Funds- *Agency funds maintain assets held by Lucas County as an agent for individuals, private organizations, other governmental units and/or other funds. The following are the Agency funds which Lucas County maintains:*

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

Real Estate Fund, General Personal Fund, Estate Tax Fund and Hotel Lodging Tax Fund- These various and separate funds maintain and account for the accumulation and disbursement of taxes for: real property, intangible property, estate tax and hotel lodging tax.

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

Auto License Fund- To maintain and account for the accumulation and disbursement of automobile license and registration fee collections.

Gasoline Tax Fund- To maintain and account for the accumulation and disbursement of gasoline tax collections.

Trailer Tax Fund- To maintain and account for the accumulation and disbursement of mobile home tax collections.

Clerk of Courts, Common Pleas Court, Common Pleas Court-Probate, Child Support Enforcement Agency, Juvenile Court, Sheriff, Children Services, and Prosecutor: These various and separate funds maintain and account for: court fees, alimonies, child support, restitution, boarding home fees, donations, funds held in escrow and other similar resources and uses. These funds are held outside of the County treasury.

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

Undivided Interest Fund- To maintain and account for the accumulation and disbursement of the County investment earnings.

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 of 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
- Advance Fund

When compared to combined Agency funds, Other Agency funds comprise less than 10% in assets and liabilities.

**LUCAS COUNTY, OHIO
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)**

	Beginning Balance January 1, 2005	Additions	Deductions	Ending Balance December 31, 2005
Payroll Fund				
Assets:				
Pooled cash and cash equivalents	<u>\$ 2,963</u>	<u>\$ 185,858</u>	<u>\$ 186,787</u>	<u>\$ 2,034</u>
Liabilities:				
Payroll withholdings	<u>\$ 2,963</u>	<u>\$ 185,858</u>	<u>\$ 186,787</u>	<u>\$ 2,034</u>
Real Estate Fund				
Assets:				
Pooled cash and cash equivalents	<u>\$ 14,705</u>	<u>\$ 467,986</u>	<u>\$ 465,423</u>	<u>\$ 17,268</u>
Liabilities:				
Unapportioned monies	<u>\$ 14,705</u>	<u>\$ 467,986</u>	<u>\$ 465,423</u>	<u>\$ 17,268</u>
General Personal Fund				
Assets:				
Pooled cash and cash equivalents	<u>\$ 1,455</u>	<u>\$ 87,885</u>	<u>\$ 87,084</u>	<u>\$ 2,256</u>
Liabilities:				
Unapportioned monies	<u>\$ 1,455</u>	<u>\$ 87,885</u>	<u>\$ 87,084</u>	<u>\$ 2,256</u>
Prosecutor				
Assets:				
Segregated cash	<u>\$ 221</u>	<u>\$ 268</u>	<u>\$ 391</u>	<u>\$ 98</u>
Liabilities:				
Deposits	<u>\$ 221</u>	<u>\$ 268</u>	<u>\$ 391</u>	<u>\$ 98</u>
Estate Tax Fund				
Assets:				
Pooled cash and cash equivalents	<u>\$ 4,186</u>	<u>\$ 15,487</u>	<u>\$ 16,443</u>	<u>\$ 3,230</u>
Liabilities:				
Unapportioned monies	<u>\$ 4,186</u>	<u>\$ 15,487</u>	<u>\$ 16,443</u>	<u>\$ 3,230</u>
Hotel Lodging Tax Fund				
Assets:				
Pooled cash and cash equivalents	<u>\$ 271</u>	<u>\$ 3,806</u>	<u>\$ 3,759</u>	<u>\$ 318</u>
Liabilities:				
Unapportioned monies	<u>\$ 271</u>	<u>\$ 3,806</u>	<u>\$ 3,759</u>	<u>\$ 318</u>

LUCAS COUNTY, OHIO
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
ALL AGENCY FUNDS-(continued)
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Beginning Balance January 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance December 31, 2005</u>
Local Government Fund				
Assets:				
Pooled cash and cash equivalents	\$ 13	\$ 156	\$ 13	\$ 156
Due from other governments	<u>15,334</u>	<u>14,503</u>	<u>15,334</u>	<u>14,503</u>
Total assets	<u>\$ 15,347</u>	<u>\$ 14,659</u>	<u>\$ 15,347</u>	<u>\$ 14,659</u>
Liabilities:				
Due to other governments	\$ 11,216	\$ 10,419	\$ 11,216	\$ 10,419
Unapportioned monies	<u>4,131</u>	<u>4,240</u>	<u>4,131</u>	<u>4,240</u>
Total Liabilities	<u>\$ 15,347</u>	<u>\$ 14,659</u>	<u>\$ 15,347</u>	<u>\$ 14,659</u>
Auto License Fund				
Assets:				
Pooled cash and cash equivalents	<u>\$ (27)</u>	<u>\$ 3,365</u>	<u>\$ 3,530</u>	<u>\$ (192)</u>
Liabilities:				
Unapportioned monies	<u>\$ (27)</u>	<u>\$ 3,365</u>	<u>\$ 3,530</u>	<u>\$ (192)</u>
Gasoline Tax Fund				
Assets:				
Pooled cash and cash equivalents	<u>\$ 36</u>	<u>\$ 1,024</u>	<u>\$ 956</u>	<u>\$ 104</u>
Liabilities:				
Unapportioned monies	<u>\$ 36</u>	<u>\$ 1,024</u>	<u>\$ 956</u>	<u>\$ 104</u>
Trailer Tax Fund				
Assets:				
Pooled cash and cash equivalents	<u>\$ 253</u>	<u>\$ 988</u>	<u>\$ 1,134</u>	<u>\$ 107</u>
Liabilities:				
Unapportioned monies	<u>\$ 253</u>	<u>\$ 988</u>	<u>\$ 1,134</u>	<u>\$ 107</u>
Subdivision Advance Fund				
Assets:				
Pooled cash and cash equivalents	<u>\$ 1</u>	<u>\$ 431,663</u>	<u>\$ 431,664</u>	<u>\$ -</u>
Liabilities:				
Unapportioned monies	<u>\$ 1</u>	<u>\$ 431,663</u>	<u>\$ 431,664</u>	<u>\$ -</u>

LUCAS COUNTY, OHIO
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
ALL AGENCY FUNDS-(continued)
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	<u>Beginning Balance January 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance December 31, 2005</u>
Undivided Interest Fund				
Assets:				
Pooled cash and cash equivalents	\$ 45	\$ 6,875	\$ 6,805	\$ 115
Liabilities:				
Unapportioned monies	\$ 45	\$ 6,875	\$ 6,805	\$ 115
Clerk of Courts				
Assets:				
Pooled cash and cash equivalents	\$ 1,350	\$ -	\$ -	\$ 1,350
Segregated cash	3,640	52,052	52,330	3,362
<i>Total Assets</i>	<u>\$ 4,990</u>	<u>\$ 52,052</u>	<u>\$ 52,330</u>	<u>\$ 4,712</u>
Liabilities:				
Deposits	\$ 4,990	\$ 52,052	\$ 52,330	\$ 4,712
Common Pleas Court				
Assets:				
Segregated cash	\$ 36	\$ 756	\$ 759	\$ 33
Liabilities:				
Deposits	\$ 36	\$ 756	\$ 759	\$ 33
Common Pleas Court-Probate Court				
Assets:				
Segregated cash	\$ 184	\$ 1,132	\$ 1,144	\$ 172
Liabilities:				
Deposits	\$ 184	\$ 1,132	\$ 1,144	\$ 172
Child Support Enforcement Agency				
Assets:				
Segregated cash	\$ 22	\$ 3,110	\$ 3,100	\$ 32
Liabilities:				
Deposits	\$ 22	\$ 3,110	\$ 3,100	\$ 32
Juvenile Court				
Assets:				
Segregated cash	\$ 195	\$ 556	\$ 540	\$ 211
Liabilities:				
Deposits	\$ 195	\$ 556	\$ 540	\$ 211

LUCAS COUNTY, OHIO
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
ALL AGENCY FUNDS-(continued)
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

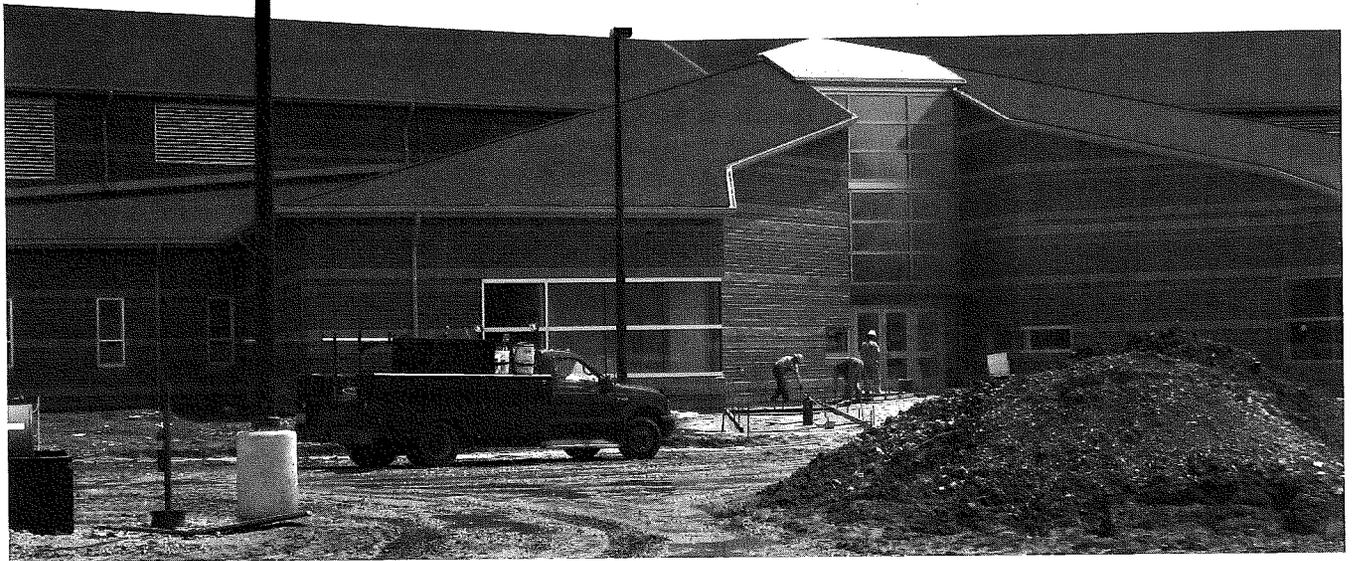
	<u>Beginning Balance January 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance December 31, 2005</u>
Sheriff				
Assets:				
Segregated cash	\$ 788	\$ 17,574	\$ 17,760	\$ 602
Liabilities:				
Deposits	\$ 788	\$ 17,574	\$ 17,760	\$ 602
Children Services				
Assets:				
Segregated cash	\$ 950	\$ 704	\$ 426	\$ 1,228
Liabilities:				
Deposits	\$ 950	\$ 704	\$ 426	\$ 1,228
T.I.P.P. Program				
Assets:				
Segregated cash	\$ 3,317	\$ 12,887	\$ 16,204	\$ -
Liabilities:				
Deposits	\$ 3,317	\$ 12,887	\$ 16,204	\$ -
Family & Children Council				
Assets:				
Pooled cash and cash equivalents	\$ 540	\$ -	\$ 540	\$ -
Due from other governments	345	-	345	-
Segregated cash	-	4,915	4,735	180
<i>Total Assets</i>	<u>\$ 885</u>	<u>\$ 4,915</u>	<u>\$ 5,620</u>	<u>\$ 180</u>
Liabilities:				
Accounts payable	\$ 627	\$ -	\$ 627	-
Accrued wages & benefits	11	-	11	-
Deposits	247	4,915	4,982	180
<i>Total Liabilities</i>	<u>\$ 885</u>	<u>\$ 4,915</u>	<u>\$ 5,620</u>	<u>\$ 180</u>
Other Agency Funds				
Assets:				
Pooled cash and cash equivalents	\$ 93	\$ 1,086	\$ 1,079	\$ 100
Liabilities:				
Deposits held due to others	\$ 13	\$ -	\$ -	\$ 13
Unapportioned monies	\$ 80	\$ 1,086	\$ 1,079	\$ 87
<i>Total Liabilities</i>	<u>\$ 93</u>	<u>\$ 1,086</u>	<u>\$ 1,079</u>	<u>\$ 100</u>

LUCAS COUNTY, OHIO
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
ALL AGENCY FUNDS-(continued)
YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)

	Beginning Balance January 1, 2005	Additions	Deductions	Ending Balance December 31, 2005
Total				
Assets:				
Pooled cash and cash equivalents	\$ 25,884	\$ 1,206,179	\$ 1,205,217	\$ 26,846
Segregated cash	9,353	93,954	97,389	5,918
Due from other governments	15,679	14,503	15,679	14,503
<i>Total Assets</i>	<u>\$ 50,916</u>	<u>\$ 1,314,636</u>	<u>\$ 1,318,285</u>	<u>\$ 47,267</u>
Liabilities:				
Unapportioned monies	\$ 25,136	\$ 1,024,405	\$ 1,022,008	\$ 27,533
Deposits	10,963	93,954	97,636	7,281
Payroll withholding	2,963	185,858	186,787	2,034
Accounts payable	627	-	627	-
Accrued wages & benefits	11	-	11	-
Due to other governments	11,216	10,419	11,216	10,419
<i>Total Liabilities</i>	<u>\$ 50,916</u>	<u>\$ 1,314,636</u>	<u>\$ 1,318,285</u>	<u>\$ 47,267</u>

This page left blank intentionally.

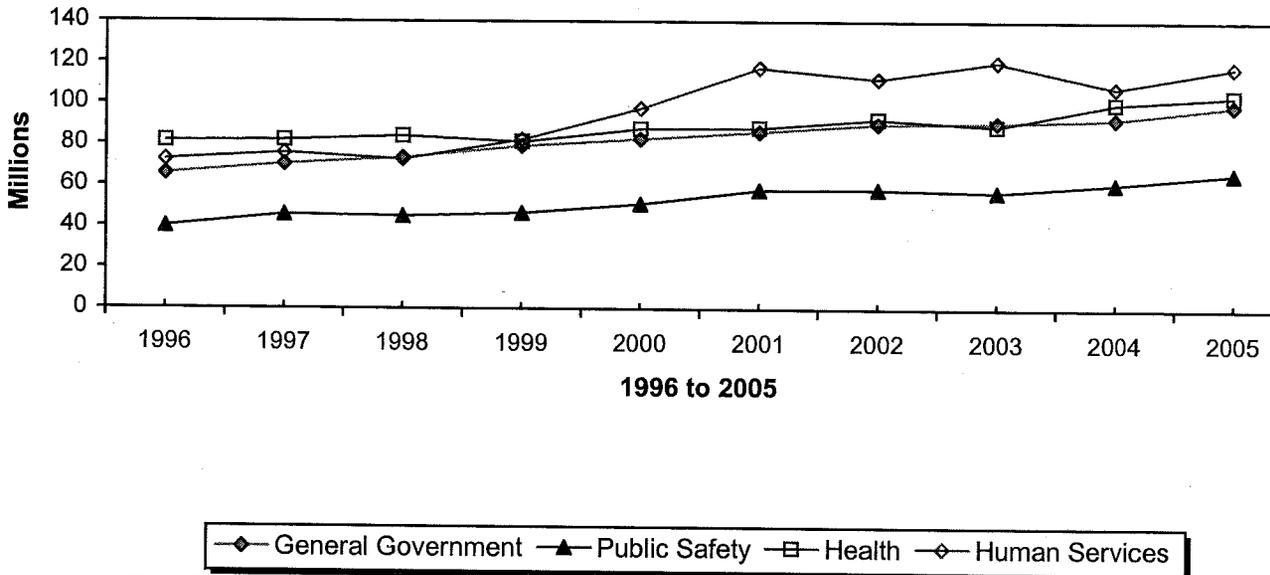
Statistical Section



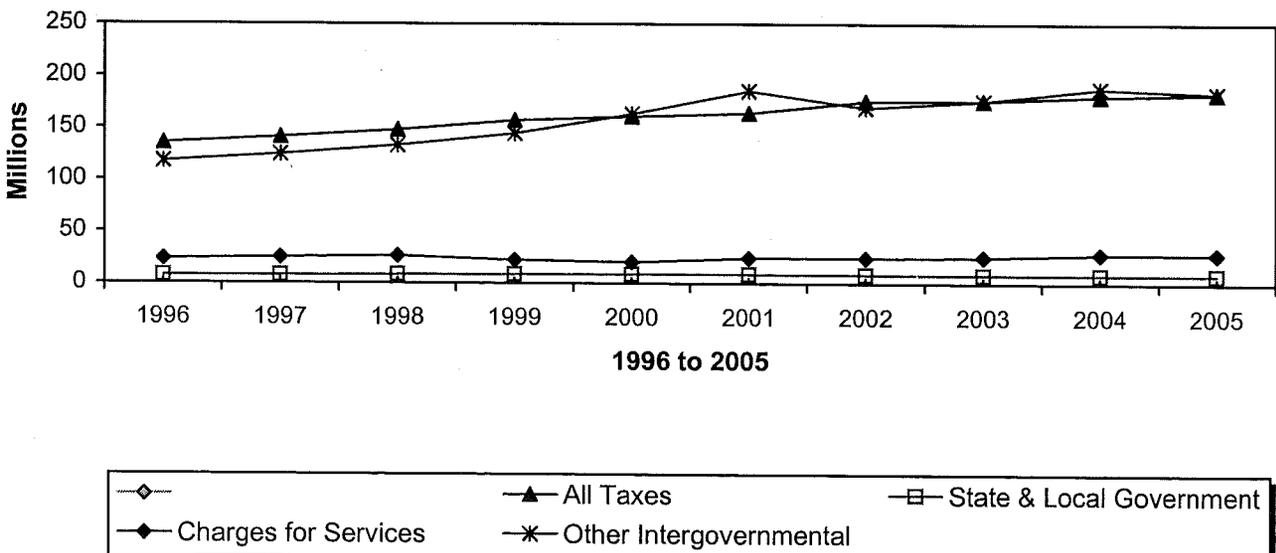
Pictured above, the new Start High School began construction in 2005. Scheduled for Occupancy in the fall of 2007 the new high school will share facilities with the local YMCA, including the gymnasium and auditorium spaces. The school will be completed in phases so that portions of the existing building can be removed for new construction completion and renovation.

Pictured below, the new Rogers High School began construction in 2004. Scheduled for occupancy in the fall of 2007, the new 225,654 square foot school will house grades 9 - 12, with a capacity of 874 and 176 Career Tech students.

General Governmental Expenditures by Function Last Ten Fiscal Years



General Governmental Revenues by Source Last Ten Fiscal Years



**TABLE 1
LUCAS COUNTY, OHIO
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION¹
LAST TEN FISCAL YEARS
(Amounts in 000's)**

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Public Works</u>	<u>Health</u>	<u>Human Services</u>
1996	\$ 65,572	\$ 39,990	\$ 13,233	\$ 81,577	\$ 72,418
1997	70,359	45,701	14,898	82,081	75,706
1998	73,476	44,937	15,151	84,043	72,653
1999	79,293	46,504	17,153	81,167	82,275
2000	82,611	51,138	15,772	87,651	97,555
2001	86,109	57,947	14,679	88,096	117,364
2002	90,190	58,201	13,337	92,448	112,106
2003	90,700	57,037	16,828	88,949	120,302
2004	92,597	60,969	16,638	100,119	107,677
2005	99,157	66,032	16,027	103,788	117,751

¹ Includes General, Special Revenue, Debt Service, and Capital Projects Funds. Refer to: "Combined Statement of Revenues, Expenditures and Changes in Fund Balances-All Governmental Fund Types and Expendable Trust Funds" in the Financial Section.

Source: Lucas County Auditor

**GOVERNMENT - WIDE EXPENSES BY FUNCTION
GOVERNMENTAL ACTIVITIES
(Amounts in 000's)**

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Public Works</u>	<u>Health</u>	<u>Human Services</u>
2001	\$ 102,167	\$ 61,840	\$ 29,134	\$ 91,586	\$ 123,391
2002	94,491	57,112	27,746	92,265	111,321
2003	96,785	59,439	35,167	89,542	119,365
2004	99,592	64,095	36,273	100,803	108,666
2005	106,863	69,737	31,922	106,157	119,321

Source: Lucas County Auditor

<u>Conservation and Recreation</u>	<u>Miscellaneous</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Total</u>	<u>Fiscal Year</u>
\$ 4,828	\$ 3,573	\$ 13,634	\$ 23,115	\$ 317,940	1996
4,950	3,694	29,351	14,674	341,414	1997
5,730	4,275	11,050	16,309	327,624	1998
6,131	4,462	12,562	16,090	345,637	1999
6,276	4,599	41,516	15,593	402,711	2000
7,631	13,833	48,311	17,821	451,791	2001
6,002	15,947	32,022	18,789	439,042	2002
8,876	18,804	24,778	18,158	444,432	2003
6,761	13,224	17,752	17,445	433,182	2004
6,524	7,382	14,357	14,911	445,929	2005

<u>Conservation and Recreation</u>	<u>Miscellaneous</u>	<u>Interest and Fiscal Charges</u>	<u>Total</u>	<u>Fiscal Year</u>
\$ 7,794	\$ 13,858	\$ 6,975	\$ 436,745	2001
6,052	15,831	6,810	411,628	2002
8,950	18,732	5,840	433,820	2003
6,766	13,215	5,269	434,679	2004
6,686	-	4,706	445,392	2005

**TABLE 2
LUCAS COUNTY, OHIO
GENERAL GOVERNMENTAL REVENUES BY SOURCE¹
LAST TEN FISCAL YEARS
(Amounts in 000's)**

Fiscal Year	All Taxes	Charges for Services	Licenses and Permits	Fines and Forfeits	State and Local Government Receipts
1996	\$ 135,206	\$ 23,580	\$ 51	\$ 619	\$ 7,487
1997	141,051	25,182	53	693	7,852
1998	147,989	26,750	47	712	8,328
1999	157,224	22,641	44	808	8,815
2000	160,829	20,673	44	687	9,071
2001	164,396	24,608	34	666	9,064
2002	175,855	24,727	37	601	8,613
2003	176,430	25,809	54	677	8,525
2004	180,615	28,383	72	648	8,503
2005	182,826	28,503	33	724	8,476

¹ Includes General, Special Revenue, Debt Service, and Capital Projects Funds. Refer to: "Combined Statement of Revenues, Expenditures and Changes in Fund Balances-All Governmental Fund Types and Expendable Trust Funds" in the Financial Section.

**GOVERNMENT - WIDE REVENUES
GOVERNMENTAL ACTIVITIES
(Amounts in 000's)**

Fiscal Year	Program Revenues				Charges for Services not Restricted to Specific Programs
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Taxes	
2001	\$ 25,022	\$ 187,560	\$ 5,467	\$ 283,308	\$ 286
2002	25,137	176,357	734	199,688	228
2003	26,507	175,913	1,839	180,161	33
2004	28,305	183,172	2,549	184,632	78
2005	28,503	191,932	3,856	183,014	757

Source: Lucas County Auditor

<u>Other Inter-Governmental Receipts</u>	<u>Depository and Investment Earnings</u>	<u>Special Assessments</u>	<u>Miscellaneous</u>	<u>Total</u>	<u>Fiscal Year</u>
\$ 117,796	\$ 8,320	\$ 2,216	\$ 17,470	\$ 312,745	1996
124,563	9,871	1,801	23,741	334,807	1997
133,125	11,651	2,313	16,482	347,397	1998
144,563	7,527	2,122	18,912	362,656	1999
163,594	17,928	2,344	20,273	395,443	2000
185,689	13,525	2,581	43,382	443,945	2001
169,732	8,321	2,303	38,431	428,620	2002
176,076	4,016	1,763	47,504	440,854	2003
188,015	3,171	2,035	22,456	433,898	2004
193,009	7,061	2,525	19,837	442,994	2005

<u>General Revenue</u>					
<u>Intergovernmental Revenue not Restricted to Specific Programs</u>	<u>Investment Earnings</u>	<u>Miscellaneous</u>	<u>Total</u>	<u>Fiscal Year</u>	
\$ 1,726	\$ 13,814	\$ 43,382	\$ 560,565	2001	
1,254	8,468	38,586	450,452	2002	
7,508	5,906	47,504	445,371	2003	
10,872	3,171	26,419	439,198	2004	
5,208	7,061	19,837	440,168	2005	

Real General Governmental Expenditures and Revenues

Last Ten Fiscal Years

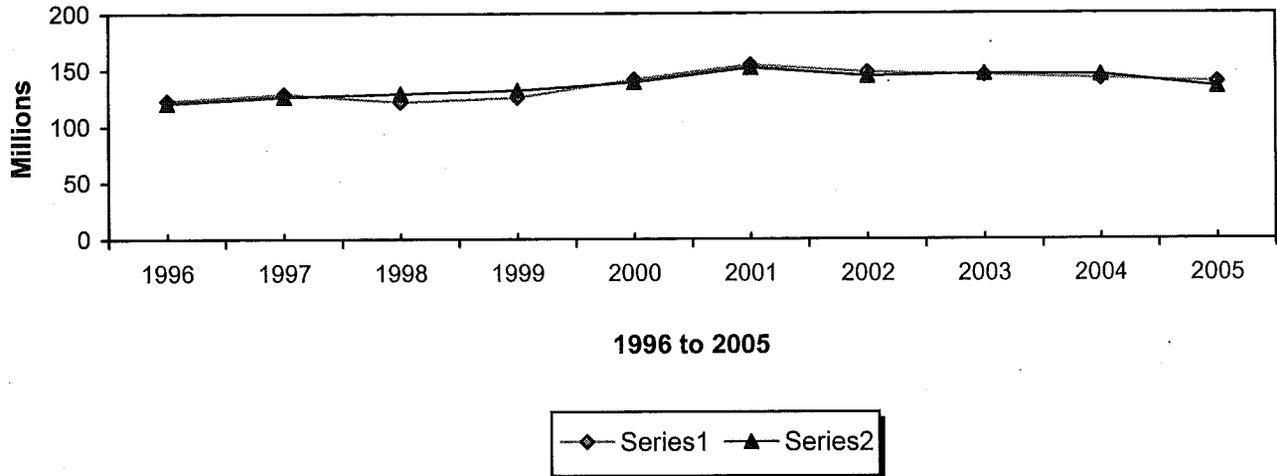


TABLE 3
LUCAS COUNTY, OHIO
GENERAL GOVERNMENTAL EXPENDITURES AND REVENUES
ADJUSTED FOR INFLATION¹
LAST TEN FISCAL YEARS
(Amounts in 000's)

<u>Fiscal Year</u>	<u>Total Nominal Expenditures</u>	<u>Total Nominal Revenues</u>	<u>Average² CPI-U</u>	<u>Total Real Expenditures</u>	<u>Total Real Revenues</u>	<u>Fiscal Year</u>
1996	\$317,940	\$312,745	469.9	\$122,805	\$120,799	1996
1997	341,414	334,807	480.8	128,882	126,388	1997
1998	327,624	347,397	488.3	121,777	129,127	1998
1999	345,637	362,656	499.0	125,718	131,908	1999
2000	402,711	395,443	515.8	141,706	139,148	2000
2001	451,791	443,945	530.4	154,600	151,916	2001
2002	439,042	428,620	538.4	148,005	144,492	2002
2003	444,432	440,854	550.5	146,529	145,349	2003
2004	433,182	433,898	552.9	142,200	142,432	2004
2005	445,929	442,994	585.0	138,352	137,441	2005

¹ Between 1996 and 2005 real expenditures increased by 12.65% or \$15.5 million, while real revenues increased by 13.80% or \$16.6 million over the same period.

² Average Consumer Price Index for all Urban Consumers. 1977 is the base year when the Average CPI-U was 181.5.

Source: Lucas County Auditor

Tax Revenue by Source

Last Ten Fiscal Years

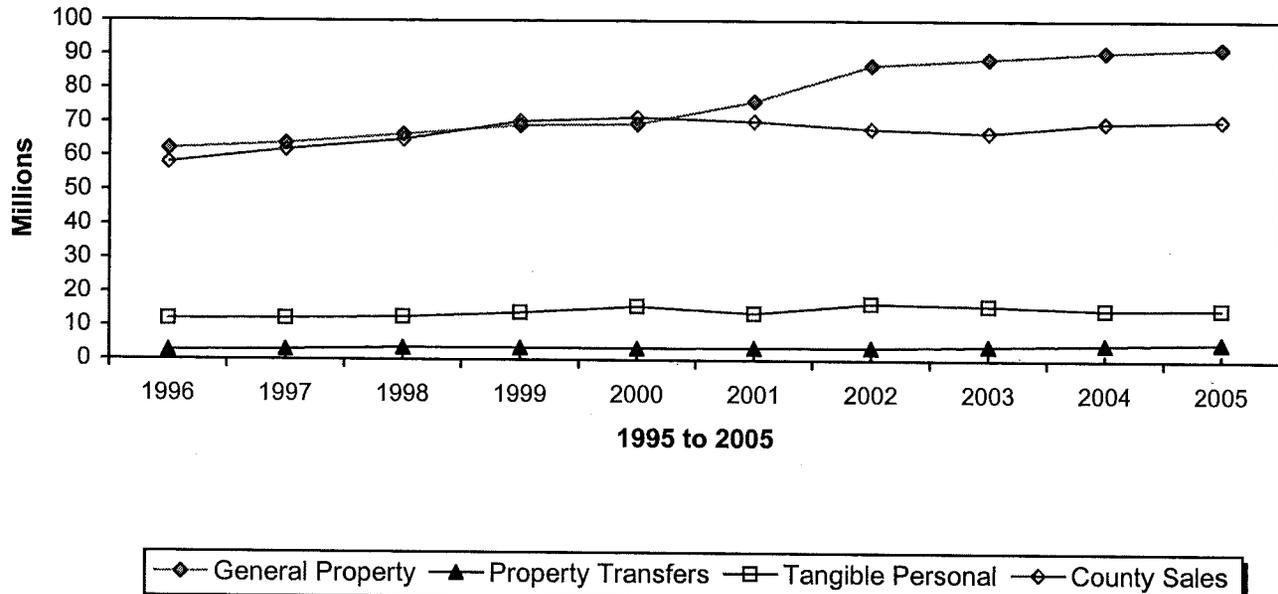


TABLE 4
LUCAS COUNTY, OHIO
TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(Amounts in 000's)

Fiscal Year	General Property Tax	Tangible ¹ Personal Tax	Property Transfer Tax	County Sales Tax	Total	Fiscal Year
1996	\$62,206	\$12,034	\$2,785	\$58,181	\$135,206	1996
1997	63,821	12,289	3,006	61,935	141,051	1997
1998	66,516	12,799	3,629	65,045	147,989	1998
1999	69,124	14,021	3,638	70,441	157,224	1999
2000	69,697	15,960	3,598	71,574	160,829	2000
2001	76,203	13,953	3,760	70,480	164,396	2001
2002	86,817	16,948	3,879	68,211	175,855	2002
2003	88,799	16,226	4,398	67,007	176,430	2003
2004	90,769	15,170	4,718	69,958	180,615	2004
2005	91,873	15,169	5,183	70,601	182,826	2005

¹ Tangible Personal Tax includes: personal property tax, mobile home tax and grain tax.

Source: Lucas County Auditor

**TABLE 5
LUCAS COUNTY, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS-REAL AND PUBLIC UTILITY¹
LAST TEN FISCAL YEARS
(Amounts in 000's)**

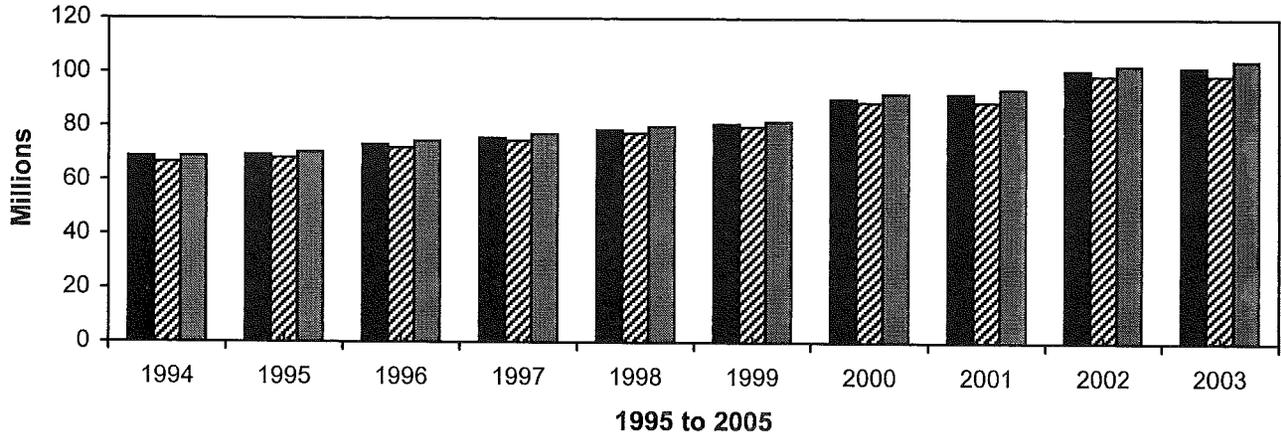
Tax/Levy Collection Year	Current Taxes Levied	Current Taxes Collected	Current Taxes Collected as a Percent of Taxes Levied-Current	Delinquent Taxes Collected
1995/1996	\$68,897	\$66,619	96.69%	\$2,107
1996/1997	69,220	68,126	98.42%	2,268
1997/1998	73,217	72,021	98.37%	2,551
1998/1999	75,699	74,647	98.61%	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

¹ Includes all tax rates levied county-wide for: General Fund, Senior Services, Community Mental Health, 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 8 - Property Tax Rates of All Overlapping Governments" in this section.

Source: Lucas County Auditor

Property Tax Levies and Collections

Last Ten Fiscal Years



■ Current Levied ▨ Current Collected ■ Total Collected

Delinquent Taxes Collected as a Percent of Total Taxes Collected	Total Taxes Collected	Total Collections as a Percent of Taxes Levied-Current	Accumulated Delinquencies	Tax/Levy Collection Year
3.07%	\$68,726	99.75%	\$5,972	1995/1996
3.22%	70,394	101.70%	5,977	1996/1997
3.42%	74,572	101.85%	5,796	1997/1998
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

TABLE 6
LUCAS COUNTY, OHIO
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY¹
LAST TEN FISCAL YEARS
(Amounts in 000's)

Tax/Levy Collection Year	Real Property ²		Personal Property ³	
	Assessed	Estimated Actual	Assessed	Estimated Actual
1995/1996	\$4,481,813	\$12,805,180	\$801,851	\$3,207,404
1996/1997	4,550,925	13,002,643	841,559	3,366,236
1997/1998	5,014,699	14,327,711	862,362	3,449,448
1998/1999	5,100,496	14,572,846	869,274	3,477,096
1999/2000	5,198,999	14,854,283	934,788	3,739,152
2000/2001	6,388,628	18,253,223	935,000	3,740,000
2001/2002	6,466,039	18,474,397	931,139	3,879,746
2002/2003	6,574,039	18,782,969	868,142	3,472,568
2003/2004	7,430,645	21,230,414	846,481	3,680,352
2004/2005	7,586,932	21,676,949	843,181	3,513,254

¹ Exempt properties are not included in the estimated actual values or in assessed valuations.

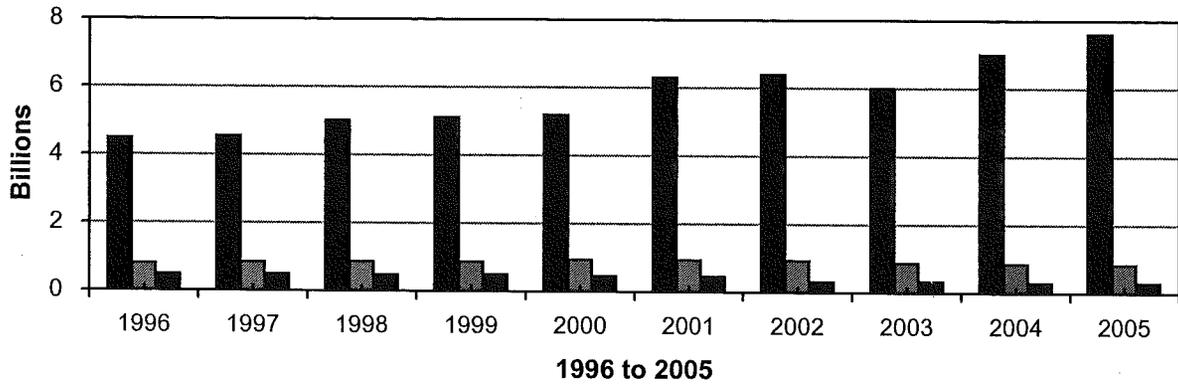
² The estimated actual values for real estate property were derived by 35% of the assessed values of real estate property. Refer to "Note J-Property Tax Revenues" in the Notes to the Financial Statements.

³ The estimated actual values for personal property and public utility were derived from an average rate of the assessed values (the average rate consists of varying rates for manufacturing equipment, inventory and other equipment) for the ten fiscal years presented.

Source: Lucas County Auditor

Assessed Value of Taxable Property

Last Ten Fiscal Years



■ Real Property ■ Personal Property ■ Public Utilities

Public Utility ³				Assessed Value as a Percent of Estimated Actual Value	Tax/Levy Collection Year
Assessed	Estimated Actual	Assessed	Estimated Actual		
\$494,129	\$1,764,746	\$5,777,793	\$17,777,330	32.50%	1995/1996
490,200	1,750,714	5,882,684	18,119,593	32.47%	1996/1997
483,823	1,727,940	6,364,073	19,516,528	32.61%	1997/1998
487,012	1,739,329	6,453,593	19,777,882	32.63%	1998/1999
453,059	1,812,236	6,586,846	20,405,671	32.28%	1999/2000
453,115	1,812,460	7,776,743	23,805,683	32.67%	2000/2001
320,729	1,282,916	7,717,907	23,637,059	32.65%	2001/2002
336,019	1,400,079	7,778,200	23,655,616	32.88%	2002/2003
302,575	1,210,300	8,579,701	26,121,066	32.85%	2003/2004
298,498	1,193,992	8,728,611	26,384,195	33.08%	2004/2005

TABLE 7
LUCAS COUNTY, OHIO
SPECIAL ASSESSMENT LEVIES AND COLLECTIONS¹
LAST TEN FISCAL YEARS
(Amounts in 000's)

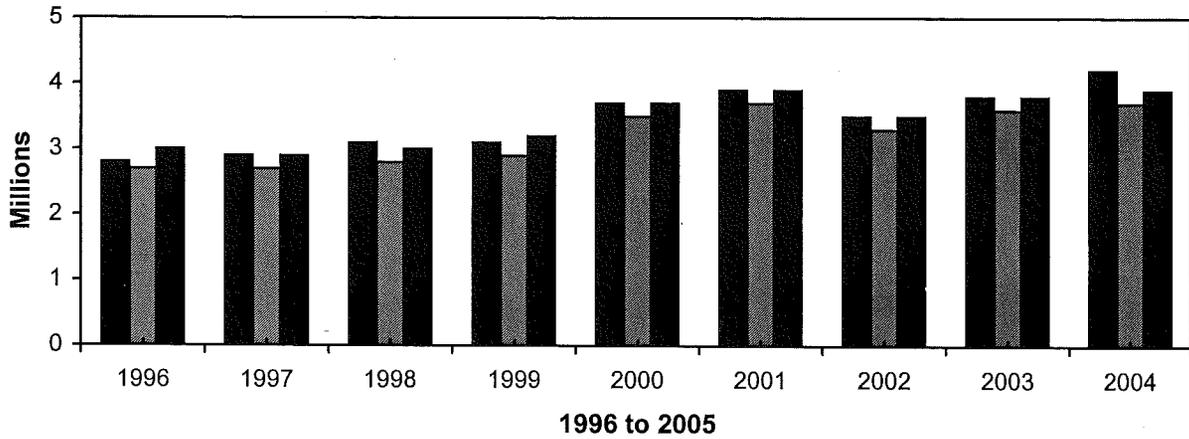
Tax/Levy Collection Year	Current Assessment Levies	Current Assessments Collected	Current Assessments Collected as a Percent of Assessment Levies	Delinquent Assessments Collected
1995/1996	\$2,755	\$2,528	91.76%	\$172
1996/1997	2,864	2,729	95.29%	282
1997/1998	2,914	2,785	95.57%	172
1998/1999	3,125	2,891	92.51%	153
1999/2000	3,168	2,974	93.88%	232
2000/2001	3,762	3,550	94.36%	182
2001/2002	3,944	3,711	94.09%	249
2002/2003	3,546	3,320	93.63%	253
2003/2004	3,864	3,624	93.79%	251
2004/2005	4,269	3,738	87.56%	255

¹ Assessment levies and collections include assessment districts outside the County entity.

Source: Lucas County Auditor

Special Assessment Collections

Last Ten Fiscal Years



■ Current Levied ■ Current Collected ■ Total Collected

Delinquent Assessments Collected as a Percent of Assessment Levies	Total Assessments Collected	Total Collections as a Percent of Current Assessment Levies	Accumulated Delinquencies	Tax/Levy Collection Year
6.24%	\$2,700	98.00%	\$362	1995/1996
9.85%	3,011	105.13%	246	1996/1997
5.90%	2,957	101.48%	209	1997/1998
4.90%	3,045	97.44%	291	1998/1999
7.32%	3,206	101.20%	268	1999/2000
4.84%	3,732	99.20%	316	2000/2001
6.31%	3,960	100.41%	327	2001/2002
7.13%	3,573	100.76%	332	2002/2003
6.50%	3,876	100.31%	352	2003/2004
5.97%	3,993	93.53%	691	2004/2005

TABLE 8
LUCAS COUNTY, OHIO
PROPERTY TAX RATES-DIRECT AND OVERLAPPING GOVERNMENTS¹
LAST TEN FISCAL YEARS
(Per \$1,000 of Assessed Valuation)

Taxable Year: Collection Year:	1996 <u>1997</u>	1997 <u>1998</u>	1998 <u>1999</u>	1999 <u>2000</u>
Lucas County Entities:				
General Fund	\$2.00	\$2.00	\$2.00	\$2.00
Board of Mental Retardation	4.50	4.50	4.50	4.50
Children Services Board	3.50	3.50	3.50	3.50
Community Mental Health	1.50	1.50	1.50	1.50
Emergency Medical Service	-	-	-	-
Senior Services	0.25	0.25	0.25	0.45
9-1-1 Emergency Telephone System	0.70	0.70	0.70	0.70
Zoo (improvements)	0.95	0.95	0.95	0.95
Zoo (operating)	<u>0.70</u>	<u>0.70</u>	<u>0.70</u>	<u>0.70</u>
<i>Total Lucas County Entities</i>	14.10	14.10	14.10	14.30
Other Entities:				
Metroparks	1.00	1.00	1.40	1.40
Toledo-Lucas County Port Authority	0.40	0.40	0.40	0.40
Toledo-Lucas County Library	1.85	1.85	1.85	1.85
Toledo Area Regional Transportation Authority ²	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>
<i>Total Rates</i>	<u>\$19.85</u>	<u>\$19.85</u>	<u>\$20.25</u>	<u>\$20.45</u>

¹ Property tax rates are determined by a combination of the county-wide tax rates and the applicable tax rates for the school district, township and municipality in which the property is located.

² Tarta is not levied in every county taxing district.

Source: Lucas County Auditor

<u>2000</u> <u>2001</u>	<u>2001</u> <u>2002</u>	<u>2002</u> <u>2003</u>	<u>2003</u> <u>2004</u>	<u>2004</u> <u>2005</u>
\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
4.50	5.00	5.00	5.00	5.00
3.50	2.65	2.65	2.40	2.40
1.50	1.50	1.50	1.50	1.50
-	-	-	-	-
0.45	0.45	0.45	0.45	0.45
0.70	0.70	0.70	0.70	0.70
0.95	0.95	0.95	0.95	0.95
<u>0.70</u>	<u>0.70</u>	<u>0.70</u>	<u>0.70</u>	<u>0.70</u>
14.30	13.95	13.95	13.70	13.70
1.40	1.40	1.70	1.70	1.70
0.40	0.40	0.40	0.40	0.40
1.70	1.70	1.70	2.50	2.20
<u>2.50</u>	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>
<u>\$20.30</u>	<u>\$19.95</u>	<u>\$20.25</u>	<u>\$20.80</u>	<u>\$20.50</u>

TABLE 8
LUCAS COUNTY, OHIO
PROPERTY TAX RATES-DIRECT AND OVERLAPPING GOVERNMENTS¹-(continued)
LAST TEN FISCAL YEARS
(Per \$1,000 of Assessed Valuation)

Taxable Year: Collection Year:	1996 <u>1997</u>	1997 <u>1998</u>	1998 <u>1999</u>	1999 <u>2000</u>
School Districts:				
Anthony Wayne	\$66.80	\$64.50	\$64.50	\$64.50
Evergreen	42.90	39.70	39.70	47.23
Maumee	64.50	62.30	62.30	62.30
Oregon	49.20	49.20	49.20	49.20
Otsego	51.80	57.20	49.11	57.70
Ottawa Hills	104.30	107.05	107.05	113.20
Springfield	67.40	64.20	64.20	65.10
Swanton	64.60	62.10	62.05	62.05
Sylvania	68.20	66.30	66.30	65.70
Toledo	57.80	57.80	57.80	57.50
Washington	61.70	61.70	61.70	60.70
Joint Vocational School Districts:				
Four County	3.20	3.20	3.20	3.20
Penta County	2.20	2.20	2.20	2.20
Townships:				
Harding	3.30	3.30	3.30	3.30
Jerusalem	9.75	9.75	9.75	9.75
Monclova	5.20	5.20	5.20	5.20
Providence	6.45	4.45	6.95	6.95
Richfield	7.20	7.20	7.20	7.20
Spencer	6.00	6.00	6.00	6.00
Springfield	8.10	8.10	8.10	8.10
Swanton	5.20	5.20	6.10	6.10
Sylvania	16.40	16.40	16.40	16.40
Washington	19.50	19.50	19.50	19.50
Waterville	9.30	9.30	9.30	9.30
Municipalities:				
Village of Berkey	3.00	3.00	3.00	3.00
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	4.00	4.00	3.85	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	3.00	3.00	3.00	4.50
City of Sylvania	6.25	6.25	6.40	6.40
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 Property tax rates are determined by a combination of the county-wide tax rates and the applicable tax rates for the school district, township or municipality in which the property is located.

Source: Lucas County Auditor

<u>2000</u> <u>2001</u>	<u>2001</u> <u>2002</u>	<u>2002</u> <u>2003</u>	<u>2003</u> <u>2004</u>	<u>2004</u> <u>2005</u>
\$63.70	\$63.70	\$63.70	\$68.20	\$68.20
47.23	47.23	47.88	47.88	47.88
62.30	62.30	62.30	71.74	72.45
49.20	49.20	49.20	55.10	59.5
56.90	56.90	47.40	43.50	49.6
113.10	113.10	114.35	114.65	120.35
64.10	64.10	68.10	67.90	67.35
68.74	68.74	68.11	68.11	67.78
65.20	65.20	70.10	70.00	74.9
63.00	63.00	67.99	67.60	67.35
65.90	65.90	65.90	65.90	69.8
3.20	3.20	3.20	3.20	4.30
2.20	2.20	2.20	3.20	4.30
4.30	4.30	4.30	4.30	4.3
9.75	9.75	9.75	9.75	9.75
5.20	5.20	5.20	5.20	5.2
6.95	6.95	6.95	6.95	6.95
7.20	7.20	5.80	8.64	8.64
6.00	6.00	6.00	6.00	6
8.10	8.10	8.10	8.10	8.1
6.10	6.10	6.10	6.10	4.9
16.72	16.72	18.42	18.42	20.92
19.50	19.50	19.50	24.25	24.25
10.80	10.80	9.60	9.60	10.5
3.00	3.00	3.00	3.00	1.00
7.00	7.00	7.00	7.00	7.00
0.80	0.80	0.80	0.80	0.80
3.70	3.70	3.70	3.70	3.70
3.50	3.50	3.50	3.50	3.50
4.10	4.10	4.10	4.10	4.10
4.50	4.50	4.50	4.50	4.50
6.40	6.40	6.30	6.25	6.25
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

**TABLE 9
LUCAS COUNTY, OHIO
RATIO OF NET GENERAL BONDED DEBT TO
ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS
(Dollar Amounts in 000's)**

<u>Fiscal Year</u>	<u>Total(ii)(iii) Population</u>	<u>Assessed¹ Values</u>	<u>Gross General(i) Bonded Debt</u>	<u>Less Debt (i) Service Fund Balance</u>
1996	452,691	\$5,777,793	\$68,325	\$1,029
1997	452,400	5,882,684	75,500	7,372
1998	448,300	6,364,073	67,900	6,652
1999	447,300	6,453,593	60,060	5,986
2000	455,054	6,586,846	52,590	6,139
2001	454,500	7,776,743	61,770	10,542
2002	453,506	7,717,907	53,200	12,907
2003	452,600	7,778,200	50,500	16,542
2004	451,700	8,579,701	42,060	9,689
2005	453,800	8,728,611	34,935	7,682

¹ Refer to: "Table 6 - Assessed and Estimated Actual Value of Taxable Property" in this section.

Source (i): Lucas County Auditor

Source (ii): Toledo Regional Growth Partnership

Source (iii): Sales Marketing Management 2001

**TABLE 10
LUCAS COUNTY, OHIO
RATIO OF ANNUAL DEBT SERVICE FOR GENERAL
BONDED DEBT TO TOTAL GENERAL EXPENDITURES
LAST TEN FISCAL YEARS
(Amounts in 000's)**

<u>Fiscal' Year</u>	<u>General Obligation Principal</u>	<u>General Obligation Interest</u>	<u>Total² General Obligation Debt Service</u>	<u>Total¹ General Governmental Expenditures</u>
1996	\$14,845	\$3,588	\$18,433	\$317,940
1997	6,425	3,971	10,396	341,414
1998	7,600	4,203	11,803	327,624
1999	7,840	3,815	11,655	345,637
2000	7,470	3,436	10,906	402,711
2001	7,820	3,538	11,358	451,791
2002	8,345	4,907	13,252	439,042
2003	8,960	4,384	13,344	440,854
2004	8,990	3,932	12,922	433,182
2005	7,715	3,779	11,494	445,929

¹ Refer to: "Table 1 - General Governmental Expenditures by Function" in this section.

² General obligation bonds reported in the Enterprise funds and special assessment debt with governmental commitment have been excluded.

<u>Net General Bonded Debt</u>	<u>Ratio of Net General Bonded Debt to Assessed Value</u>	<u>Per Capita Net General Bonded Debt</u>	<u>Fiscal Year</u>
\$67,296	1.165%	148.66	1996
68,128	1.158%	150.59	1997
61,248	0.962%	136.62	1998
54,070	0.838%	120.88	1999
46,451	0.705%	102.08	2000
51,228	0.659%	112.71	2001
40,293	0.522%	88.85	2002
33,958	0.437%	75.03	2003
32,371	0.377%	71.67	2004
27,253	0.312%	107.40	2005

<u>Ratio of Total Debt Service to General Governmental Expenditures</u>	<u>Fiscal Year</u>
5.80%	1996
3.04%	1997
3.60%	1998
3.37%	1999
2.71%	2000
2.51%	2001
3.02%	2002
3.03%	2003
2.98%	2004
2.58%	2005

TABLE 11
LUCAS COUNTY, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
FOR FISCAL YEAR ENDED December 31, 2005
(Amounts in 000's)

Direct legal debt limitation¹:		
3.0% of the first \$100,000 assessed valuation		\$3,000
1.5% on excess of \$100,000-not in excess of \$300,000		3,000
2.5% on the amount in excess of \$300,000 ²		<u>213,550</u>
<i>Total direct legal debt limitation</i>		219,550
<i>Total of all county debt outstanding³</i>	\$57,888	
<i>Less:</i>		
Special assessment bonds and notes (self-supporting) ³	18,555	
Correctional facilities bonds (4)	<u>12,709</u>	
<i>Total exempt debt</i>	(31,264)	
<i>Total net indebtedness (voted and unvoted) subject to direct debt limitation</i>		<u>26,624</u>
<i>Direct legal debt margin</i>		<u><u>\$192,926</u></u>
Unvoted debt limitation (subject to 1% of County assessed valuation)	88,420	
Total net indebtedness (unvoted - subject to the 1% legal debt limitation)	<u>(26,624)</u>	
<i>Total unvoted legal debt margin</i>		<u><u>\$61,796</u></u>

¹ Direct legal debt limitation is outlined by the Ohio Revised Code, codifications 133.02 and 133.05, not including available equity in debt service fund.

² Refer to: "Table 6 - Assessed and Estimated Actual Value of Taxable Property" in this section.

³ Excludes Ohio Water Development Authority (OWDA) and Ohio Public Works Commission (OPWC) loans, and non-tax revenue bonds. Refer to: "Note G - Notes Payable and to "Note H - Long-term Debt and Other Obligations" in the Notes to the Financial Statements.

⁴ Excluded by state statute.

Source: Lucas County Auditor

TABLE 12
LUCAS COUNTY, OHIO
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
AS OF DECEMBER 31, 2005
(Amounts in 000's)

	<u>Debt Outstanding</u>	<u>Percent Applicable to County</u>	<u>Amount Applicable to County</u>
Direct debt:			
Lucas County ¹	\$34,205	100.0%	\$34,205
Overlapping debt:			
Municipalities:²			
All cities and villages within Lucas County	169,941	100.0%	169,941
Swanton Village	1,480	13.2%	195
School districts:³			
All school districts within Lucas County	258,180	100.0%	258,180
Evergreen local	12,589	27.9%	3,512
Anthony Wayne local	27,927	97.8%	27,313
Swanton local	16,280	36.7%	5,975
Overlapping debt	486,397	95.6%	465,116
<i>Total direct and overlapping debt</i>	<u>\$520,602</u>	95.9%	<u>\$499,321</u>

¹ Excluding special assessment debt with governmental commitment, revenue bonds, general obligation bonds reported in Enterprise funds and Regional Jail bonds.

² The cities which are wholly located within the legal boundaries of Lucas County are: Maumee, Oregon, Sylvania and Toledo. The villages which are wholly located within the legal boundaries of Lucas County are: Berkey, Harbor View, Holland, Ottawa Hills, Waterville and Whitehouse.

³ The school districts 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).

**Chart of Direct and Overlapping Debt
as of December 31, 2005**

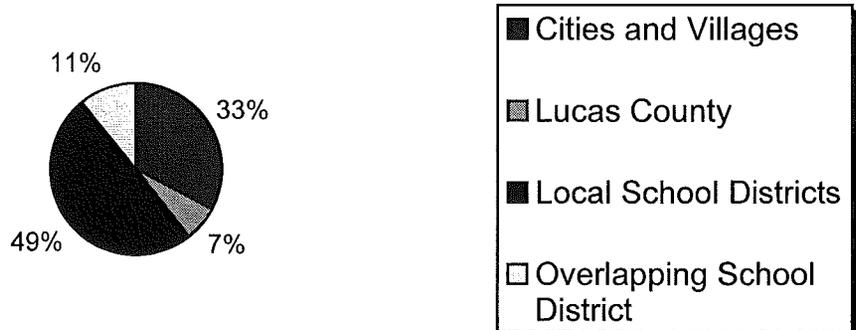


TABLE 13
LUCAS COUNTY, OHIO
PROPERTY VALUES, BANK DEPOSITS AND CONSTRUCTION ACTIVITY
LAST TEN FISCAL YEARS
(Dollar Amounts in 000's)

<u>Fiscal Year</u>	<u>Assessed Values of¹ Real, Personal and Utility Property(i)</u>	<u>Certified Bank Deposits (ii)</u>	<u>Valuation of² Construction (iii)</u>	<u>Total² Permits Issued (iii)</u>
1996	\$5,777,793	\$3,810,869	\$347,064	11,524
1997	5,882,684	3,037,031	287,618	9,848
1998	6,360,884	5,302,858	163,312	7,484
1999	6,453,593	6,340,350	194,109	7,884
2000	6,586,846	2,413,149	201,872	7,527
2001	7,776,743	785,707	213,273	8,198
2002	7,717,907	167,588	239,518	8,529
2003	7,778,200	139,299	245,701	8,654
2004	8,579,701	184,607	262,324	8,684
2005	8,728,611	240,413	325,198	7,804

¹ Refer to: "Table 6-Assessed and Estimated Actual Value of Taxable Property" in this section.

² Represents all privately owned new construction including residential and nonresidential structures, and residential and nonresidential garage and carport additions, alterations and conversions.

Source (i): Lucas County Auditor

Source (ii): Data Services Department-Federal Reserve Bank of Cleveland.

Source (iii): Lucas County Building Regulation Department, City of Toledo Building Department, City of Oregon Inspection Department, City of Maumee Division of Building and the Village of Whitehouse Building Department.

This page left blank intentionally.

**TABLE 14
LUCAS COUNTY, OHIO
TOP TEN PRIVATE SECTOR PRINCIPAL TAXPAYERS
FOR FISCAL YEAR ENDED DECEMBER 31, 2005
(Amounts in 000's)**

<u>Firm</u>	<u>2004 Assessed Real Estate Values</u>	<u>2004 Assessed Personal Property Values</u>	<u>2004 Assessed Property Values</u>
General Motors Hydra-Matic	\$8,535	\$47,579	\$56,114
Sunoco Inc R&M.	5,049	71,132	76,181
BP America	6,079	33,676	39,755
Daimler Chrysler	7,427	29,812	37,239
Block Communications	1,559	21,277	22,836
Owens Illinois	19,250	2,895	22,145
Johns Manville	3,694	24,099	27,793
The Andersons	13,557	7,414	20,971
Meijer Stores	13,502	7,677	21,179
Multi Foods	4,387	13,009	17,396
<i>Totals</i>	<u>\$83,039</u>	<u>\$258,570</u>	<u>\$341,609</u>

¹ Refer to: "Table 6-Assessed and Estimated Actual Value of Taxable Property" in this section.

Source: Lucas County Auditor

**TABLE 15
LUCAS COUNTY, OHIO
TOP FIVE PUBLIC UTILITY TAXPAYERS
FOR FISCAL YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004
(Amounts in 000's)**

<u>Utility</u>	<u>2005 Assessed Public Utility Values</u>	<u>2004 Assessed Public Utility Values</u>	<u>2005 Percent of Utilities Assessed Value to Total 2005 Assessed Value</u>
Toledo Edison	\$112,140	\$111,915	1.27%
Ohio Bell	47,814	60,556	0.54%
Columbia Gas	23,687	23,207	0.27%
Northfolk Southern	10,917	10,287	0.12%
American Transmission System	23,954	25,788	0.27%
<i>Totals</i>	<u>\$218,512</u>	<u>\$231,753</u>	<u>2.47%</u>

Source: Lucas County Auditor

2004 Percent' Firms Assessed Value to Total 2004 Assessed Property Values	Rank of Top Ten Firms by Assessed Property Values	
	2005	2004
0.66%	2	1
0.89%	1	2
0.46%	3	3
0.43%	4	4
0.27%	6	5
0.26%	7	6
0.32%	5	7
0.24%	9	8
0.25%	8	9
0.20%	10	n/a
<hr/>		
3.98%		

2004 Percent of Utilities Assessed Value to Total 2004 Assessed Value
1.29%
0.70%
0.27%
0.12%
0.30%
<hr/>
2.68%

**TABLE 16
LUCAS COUNTY, OHIO
DEMOGRAPHIC STATISTICS
AS OF DECEMBER 31, 2005**

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>
1996	215,700	11,500	5.1%	4.9%	5.4%
1997	218,300	11,900	5.2%	4.6%	4.9%
1998	218,000	12,700	5.5%	4.2%	4.5%
1999	222,000	12,100	5.2%	4.2%	4.2%
2000	219,000	11,200	4.9%	4.1%	4.0%
2001	220,500	11,500	5.0%	4.3%	4.8%
2002	215,400	15,900	6.9%	5.7%	5.8%
2003	214,700	18,200	7.8%	6.1%	6.0%
2004	209,100	16,600	7.4%	6.1%	5.5%
2005	208,900	15,500	6.9%	5.9%	5.1%

2005 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	202,300	17,300	7.9%	6.8%	5.7%
February	203,500	17,700	8.0%	7.1%	5.8%
March	205,000	16,000	7.2%	6.4%	5.4%
April	207,600	15,000	6.7%	5.9%	4.9%
May	209,900	14,600	6.5%	5.6%	4.9%
June	208,900	15,700	7.0%	6.1%	5.2%
July	211,200	16,700	7.3%	5.8%	5.2%
August	212,400	14,700	6.5%	5.5%	4.9%
September	211,900	14,800	6.5%	5.6%	4.8%
October	212,600	14,100	6.2%	5.3%	4.6%
November	210,700	14,700	6.5%	5.6%	4.8%
December	210,600	14,400	6.4%	5.5%	4.6%

Source: Ohio Bureau of Employment Services

**TABLE 17
LUCAS COUNTY, OHIO
MISCELLANEOUS STATISTICS
AS OF DECEMBER 31, 2005**

HOSPITALS

<u>Name</u>	<u>Number of Beds</u>
Toledo Hospital	774
St. Vincent Mercy Medical Center	568
St. Charles Mercy Hospital.	390
Medical College of Ohio.	319
St. Lukes Hospital	316
Flower Hospital.	280
St. Anne Mercy Hospital	142
Bay Park Community Hospital	70

Source: Lucas County Auditor

HIGHER EDUCATION INSTITUTIONS

<u>Name of Institution</u>	<u>2005/2006 Fall/Winter Enrollment</u>
University of Toledo	18,691
Lourdes College	1,701
Medical University of Ohio	1,225
Stautzenberger College of Business and Technology	748
University of Toledo-College of Law	501
Davis College	451
<i>Total enrollment</i>	23,317

Source: Lucas County Auditor

**TABLE 17
LUCAS COUNTY
MISCELLANEOUS STATISTICS-(continued)
AS OF DECEMBER 31, 2005
(Dollar Amounts in 000's)**

NATIONAL AND INTERNATIONAL FIRM RANKINGS

<u>Firm</u>	<u>Overall Rank 2005</u>	<u>Overall Rank 2004</u>	<u>Ohio Rank 2005</u>	<u>Gross Sales</u>	<u>2005 Net Assets</u>	<u>Asset Rank</u>
Dana Corporation	234	201	12	\$10,092,000	\$7,877,000	317
Owens-Illinois	312	292	17	7,189,000	9,521,000	290
Owens-Corning	341	349	19	6,323,000	8,735,000	305

INDUSTRIAL RANKINGS

<u>Firm</u>	<u>2005 Number of Employees</u>	<u>Industry</u>	<u>2005 Rank</u>	<u>2004 Rank</u>
Dana Corporation	45,900	Motor Vehicle & Parts	11	10
Owens-Illinois	n/a	Building Materials, Glass	n/a	n/a
Owens-Corning	20,000	Building Materials, Glass	1	1

¹Source: Fortune magazine, "The Largest 500 U.S. Industrial Companies," April 17, 2006 Volume 153, No.7

**TABLE 17
LUCAS COUNTY, OHIO
MISCELLANEOUS STATISTICS-(continued)
AS OF DECEMBER 31, 2005**

EMPLOYERS

Top Ten Private Employers

<u>Employer</u>	<u>Number of Employees</u>	<u>Primary Type of Product/Service</u>
ProMedica Health Systems**	11,500	Medicine and health care
Mercy Health Partners*	6,799	Medicine and health care
Daimler-Chrysler/Toledo Jeep	5,256	Automatic manufacturing
Kroger	3,900	Retail grocery
General Motors/Power Train	3,425	Automatic manufacturing
Medical University of Ohio	3,400	Medicine and health care
HCR Manor Care	2,420	Health Care Services
United Parcel Service	2,108	Mail Service
Andersons	1,761	Grain Storage/Process/Retail
Meijers	<u>1,743</u>	Packaging Services
<i>Top ten total employed</i>	<u><u>42,312</u></u>	
<i>Percent of total work force¹</i>	20.25%	

¹Refer to: "Employment Trends-Ten Year Employment" within Table 16 of this Section.

*1997 Merger of Mercy, Riverside, St. Charles and St. Vincent Mercy Medical Centers.

**1998 Merger of Childrens Medical Center, Flower Hospital, Toledo Hospital, Crestview Club Apt.

Goerlich Center, Caring Home Helath Serv. Lake Park, Golden Haven, Promedica Paramount & Promedica Phy. Support.

Source: Toledo Regional Growth Partnership

Top Five Public Employers

<u>Employer</u>	<u>Number of Employees</u>	<u>Primary Type of Product/Service</u>
University of Toledo	5,079	Education (advanced)
Toledo Public Schools	4,730	Education (primary-secondary)
Lucas County	4,168	Government services (various)
City of Toledo	2,910	Government services (various)
State of Ohio	<u>2,526</u>	Government services (various)
<i>Total employed</i>	<u><u>19,413</u></u>	
<i>Percent of total work force¹</i>	9.29%	

¹Refer to: "Employment Trends-Ten Year Employment" within Table 16 of this Section.

Source: Toledo Regional Growth Partnership

MAPPING LEGEND

PARCEL LINE	_____
ROW LINE	_____
HISTORICAL LINE	_____
EASEMENT LINE	_____
TOWNSHIP LINE	_____
DED/VAC ROW	_____
PRIVATE ROAD	_____
SECTION LINE	_____
SUB LOT LINE	_____
BUFFER LOT	_____

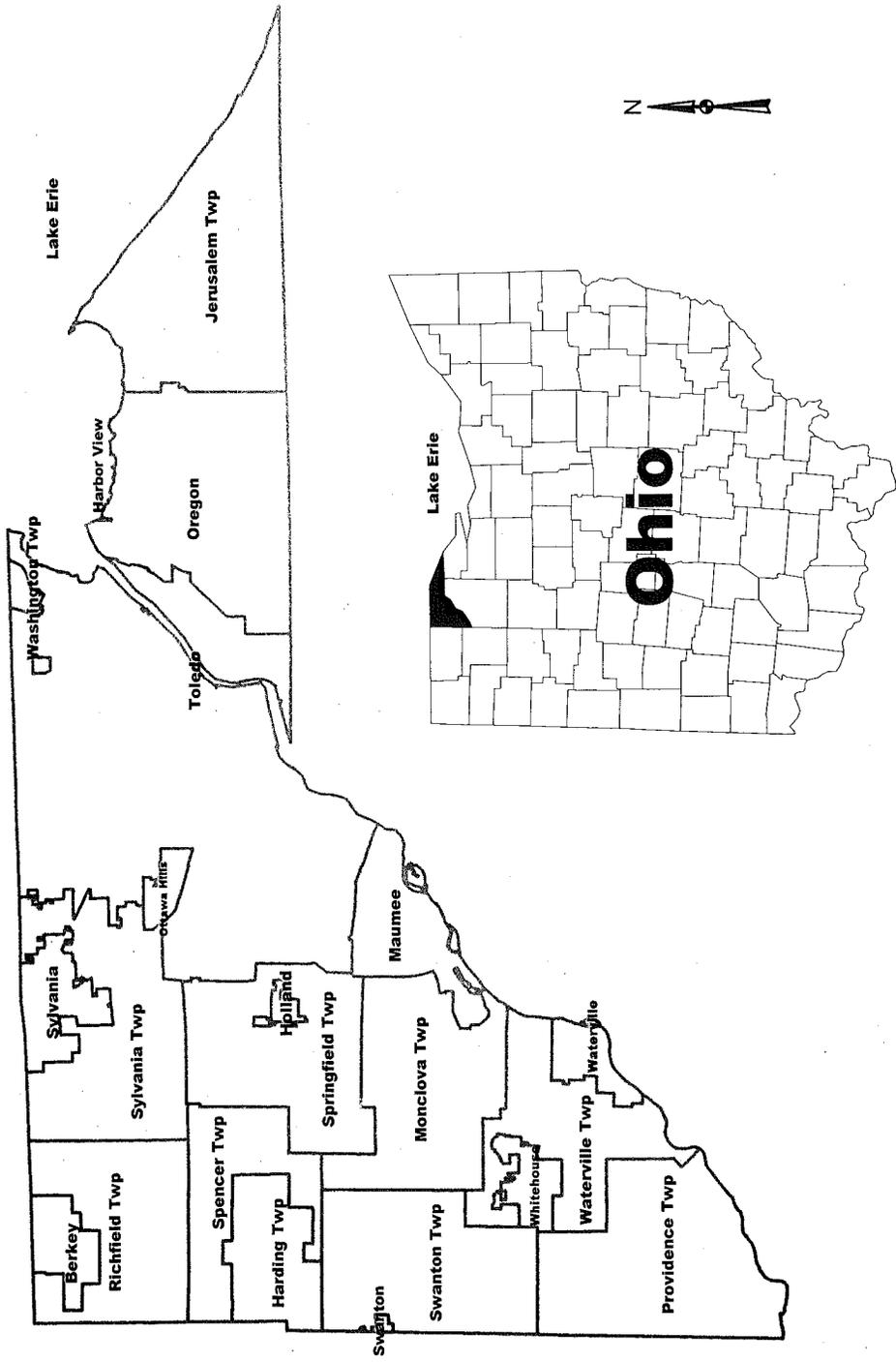
ACREAGE 9.9

ASSESSOR # 99999999

Township Range Section



Lucas County, Ohio





**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

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
AUGUST 8, 2006**