

Mary Taylor, CPA
Auditor of State

**FINANCIAL CONDITION
FRANKLIN COUNTY**

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FRANKLIN COUNTY, OHIO
Schedule of Receipts and Expenditures of Federal Awards
Year Ended December 31, 2007
(Cash Basis)

Federal Grantor Agency/ Pass-Through Agency/ Program Title	Grant or Identifying Number	Federal CFDA Number	Receipts	Expenditures
U.S. DEPARTMENT OF AGRICULTURE				
Pass through Ohio Department of Education:				
Food Donation	31-6400067	10.550	\$ 9,196	\$ 9,196
Nutrition Cluster:				
School Breakfast Program	065979	10.553	12,781	12,781
National School Lunch Program	065979	10.555	46,387	46,387
National School Lunch Program	069591	10.555	152,080	165,855
Total for CFDA 10.555			198,467	212,242
Total Ohio Department of Education - Nutrition Cluster			211,248	225,023
Total U.S. Department of Agriculture			220,444	234,219
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct:				
Community Development Block Grant	B-05-UC-39-0002	14.218	1,104,185	1,125,006
Community Development Block Grant	B-06-UC-39-0002	14.218	55,727	20,202
Total for CFDA 14.218			1,159,912	1,145,208
Emergency Shelter Program	S-06-UC-39-0002	14.231	60,419	60,419
Emergency Shelter Program	S-07-UC-39-0002	14.231	29,634	39,512
Total for CFDA 14.231			90,053	99,931
Home Investment Partnership Program	M-04-UC-39-0214	14.239	523,343	523,343
Home Investment Partnership Program	M-05-UC-39-0214	14.239	848,794	848,794
Home Investment Partnership Program	M-06-UC-39-0214	14.239	224,299	244,832
Total for CFDA 14.239			1,596,435	1,616,969
Total U.S. Department of Housing and Urban Development			2,846,400	2,862,108
U.S. DEPARTMENT OF JUSTICE				
Pass through Ohio Department of Youth Services:				
Juvenile Accountability Incentive Block Grant	05-JB-RPU-0801	16.523	(17,906)	35,056
Juvenile Accountability Incentive Block Grant	06-JB-RPU-0801	16.523	29,306	107,857
Total for CFDA 16.523			11,400	142,913
Juvenile Justice and Delinquency Prevention Program	06-JJ-ADM-0191	16.540	10,000	10,000
Juvenile Justice and Delinquency Prevention Program	05-JJ-RPU-0895	16.540	15,603	49,950
Juvenile Justice and Delinquency Prevention Program	06-JJ-RPU-0895	16.540	50,051	220,894
Total for CFDA 16.540			75,654	280,844
Total Ohio Department of Youth Services			87,054	423,757
Pass through Ohio Attorney General's Office:				
Crime Victim Assistance	2007SADSCE079	16.575	5,170	6,892
Crime Victim Assistance	2007SADSCE079T	16.575	1,723	-
Crime Victim Assistance	2007VADSCE079	16.575	50,525	48,870
Crime Victim Assistance	2007VADSCE079T	16.575	17,217	18,468
Total for CFDA 16.575			74,635	74,230
Pass through Ohio Office of Criminal Justice Services:				
Edward Byrne Memorial Formula Grant Program	04-DG-RPU-0847	16.579	609	12,535
Violence Against Women Formula Grant	05-WF-RPU-0858	16.588	155,761	91,161
Violence Against Women Formula Grant	05-WF-ADM-8752	16.588	3,452	-
Violence Against Women Formula Grant	06-WF-RPU-0868	16.588	260,651	403,470
Violence Against Women Formula Grant	06-WF-ADM-8752	16.588	7,231	14,463
Total for CFDA 16.588			427,095	509,094
Paul Coverdell Forensic Sciences Improvement Program	2006-PC-NFS-7810	16.742	14,340	14,340
Total Ohio Office of Criminal Justice			442,044	535,969
Pass through Iowa State University:				
National Institute of Justice Research, Evaluation and Development Project Grants	SC-07-306	16.560	29,967	29,967
Direct:				
Bulletproof Vest Partnership Program	1121-0235	16.607	7,719	6,955
Edward Byrne Memorial Justice Assistance Grant	2005-DJ-BX-1181	16.738	-	574,004
Edward Byrne Memorial Justice Assistance Grant	2006-DJ-BX-0234	16.738	-	353,235
Edward Byrne Memorial Justice Assistance Grant	2007--DJ-BX-1110	16.738	962,282	-
Total for CFDA 16.738			962,282	927,239
Total U.S. Department of Justice			1,603,701	1,998,117

The accompanying notes to this schedule are an integral part of this schedule.

(Continued on next page)

FRANKLIN COUNTY, OHIO
Schedule of Receipts and Expenditures of Federal Awards (Continued)
Year Ended December 31, 2007
(Cash Basis)

Federal Grantor Agency/ Pass-Through Agency/ Program Title	Grant or Identifying Number	Federal CFDA Number	Receipts	Expenditures
U.S. DEPARTMENT OF LABOR				
Pass through the Central Ohio Workforce Investment Corporation				
Workforce Investment Act Cluster:				
Workforce Investment Act - Adult Worker Program	31-6400067	17.258	\$ 297,244	\$ 159,775
Workforce Investment Act - Dislocated Worker Program	31-6400067	17.260	253,322	115,853
Total Central Ohio Workforce Investment Corporation - Workforce Investment Act Cluster			550,566	275,628
Total U.S. Department of Labor			550,566	275,628
U.S. DEPARTMENT OF TRANSPORTATION				
Pass through the Ohio Department of Transportation:				
Highway Planning and Construction - Greenlawn Avenue Bridge	FRA-CR 146 1.32	20.205	1,334,974	2,275,937
Highway Planning and Construction - Scioto and Darby Creek Road	FRA-CR 29-0.27	20.205	1,117,093	542,868
Highway Planning and Construction - Stelzer Road	FRA-CR 177-5.85	20.205	2,125,966	1,853,064
Highway Planning and Construction - US Route 33 Study	FRA-US 33/Bixby Rd	20.205	27,607	75,984
Highway Planning and Construction - Morse at US 62	FRA-US 62-26.34	20.205	5,837,815	8,157,008
Highway Planning and Construction - Alternative Fuels Refueling	FRA-CNG VEH	20.205	29,986	29,986
Highway Planning and Construction - COMBAT	FRA-COMBAT	20.205	-	735,442
Total for CFDA 20.205			10,473,441	13,670,289
Pass through the Ohio Department of Public Safety:				
State and Community Highway Safety - Third Grade Safety Belt	31-6400067	20.600	4,974	4,974
State and Community Highway Safety - DUI Enforcement (2007)	31-6400067	20.600	175,580	169,831
State and Community Highway Safety - DUI Enforcement (2008)	31-6400067	20.600	-	12,383
State and Community Highway Safety - Selected Traffic Enforcement	00658	20.600	11,308	11,308
State and Community Highway Safety - Selected Traffic Enforcement	00433	20.600	-	7,170
Total for CFDA 20.600			191,863	205,666
Pass through the Central Ohio Transit Authority:				
Job Access Reverse Commute	31-6400067	20.516	194,765	194,765
Total U. S. Department of Transportation			10,860,069	14,070,720
U.S. DEPARTMENT OF ENERGY				
Pass through the Ohio Department of Development:				
State Energy Program Special Projects	31-6400067	81.119	50,318	-
Total U. S. Department of Energy			50,318	-
U.S. DEPARTMENT OF EDUCATION				
Pass through Ohio Department of Education:				
Special Education Cluster:				
Special Education - Grants to States	065979-6BSF-2007	84.027	506,244	506,244
Special Education - Grants to States	065979-6BSF-2008	84.027	127,222	127,222
Total for CFDA 84.027			633,466	633,466
Special Education - Preschool Grants	065979-PGS1-2007	84.173	252,070	252,070
Special Education - Preschool Grants	065979-PGS1-2008	84.173	64,537	64,537
Total for CFDA 84.173			316,607	316,607
Total Ohio Department of Education - Special Education Cluster			950,073	950,073
Innovative Education Program Strategies	065979-C2S1-2007	84.298	981	981
Innovative Education Program Strategies	065979-C2S1-2008	84.298	114	114
Total for CFDA 84.298			1,095	1,095
Total Ohio Department of Education			951,168	951,168

The accompanying notes to this schedule are an integral part of this schedule.

(Continued on next page)

FRANKLIN COUNTY, OHIO
Schedule of Receipts and Expenditures of Federal Awards (Continued)
Year Ended December 31, 2007
(Cash Basis)

Federal Grantor Agency/ Pass-Through Agency/ Program Title	Grant or Identifying Number	Federal CFDA Number	Receipts	Expenditures
Pass through Rehabilitation Service Commission:				
Rehabilitation Services - Vocational Rehabilitation Grants	31-6400067	84.126	\$ 110,965	\$ 110,965
Total U.S. Department of Education			1,062,133	1,062,133
U.S. Department of Health and Human Services				
Pass through City of Columbus:				
National Family Caregiver Support	EL005050	93.052	194,033	194,033
Pass through Ohio Department of MR/DD:				
Social Services Block Grant	MR-25	93.667	543,478	543,478
Social Services Block Grant	MR-25	93.667	270,438	270,438
Total for CFDA 93.667			813,916	813,916
State Children's Insurance Program	2500010	93.767	33,472	33,472
Medical Assistance Program				
Community Alternative Funding System	2500010	93.778	(3,410)	-
Target Case Management	2500010	93.778	2,903,399	2,903,399
Waiver Administration	2500010	93.778	39,571	39,571
Day Habilitation	2500010	93.778	7,174,973	7,174,973
Total for CFDA 93.778			10,114,533	10,117,943
Total Ohio Department of MR/DD			10,961,921	10,965,331
Total U.S. Department of Health and Human Services			11,155,954	11,159,364
U.S. DEPARTMENT OF HOMELAND SECURITY				
Pass through Ohio Emergency Management Agency				
Homeland Security Grant Program-FY 04 Citizen Corps Council	31-6400067	97.067	-	942
Homeland Security Grant Program-FY 05 SHSP	31-6400067	97.067	1,933,530	2,188,807
Homeland Security Grant Program-FY 05 USAR	31-6400067	97.067	-	1,844
Homeland Security Grant Program-FY 06 SHSP	31-6400067	97.067	798,955	798,955
Homeland Security Grant Program-Urban Area Security Initiative	S05-UASI-25-0290	97.067	2,690,335	2,690,252
Homeland Security Grant Program-Urban Area Security Initiative	S06-UASI-25-0290	97.067	2,571,517	2,570,601
			7,994,337	8,251,401
Buffer Zone Protection Program	S07-BZPP-25-0009	97.078	47,312	22,136
Total U.S. Department of Homeland Security			8,041,649	8,273,537
TOTAL FEDERAL FINANCIAL ASSISTANCE			\$ 36,391,235	\$ 39,935,826

The accompanying notes to this schedule are an integral part of this schedule.

**FINANCIAL CONDITION
FRANKLIN COUNTY**

**NOTES TO SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED DECEMBER 31, 2007**

1) GENERAL

The accompanying Schedule of Receipts and Expenditures of Federal Awards (the Schedule) presents the federal grant activity of Franklin County, Ohio (the County). The Schedule only reflects the federal awards of the primary government except for the Alcohol, Drug and Mental Health Board of Franklin County as this board was audited by another auditor, as defined in Note 1 to the basic financial statements. See note 8 to the Schedule.

2) BASIS OF ACCOUNTING

The accompanying Schedule is presented using the cash basis of accounting in which revenues are recognized when received and expenditures are recognized when paid. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Amounts reported may also differ from other federal award reports the County submits directly to federal granting agencies or pass-through entities because the award reports may be presented for a different fiscal period, and/or may include cumulative (from prior years) data rather than data for the current year only.

3) SUBRECIPIENTS

The County passes-through to local governments or not-for-profit agencies (subrecipients) certain federal assistance received by the County directly from the federal awarding agency or from a pass-through entity. As described in Note 1, the County records expenditures of federal awards to subrecipients when paid in cash.

The subrecipients have certain compliance responsibilities related to administering these federal programs. Under OMB Circular A-133, the County is responsible for monitoring subrecipients to help assure that federal awards are expended for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements, and that performance goals are achieved. The total amounts of federal assistance provided to subrecipients by the County for each federal program is summarized below:

Program Title	Federal CFDA Number	Amounts Provided to Subrecipients
Community Development Block Grant	14.218	\$1,061,387
Emergency Shelter Program	14.231	99,931
Home Investment Partnership Program	14.239	1,539,665
Juvenile Accountability Incentive Block Grant	16.523	16,537
Juvenile Justice and Delinquency Prevention Program	16.540	270,844
Violence Against Women Formula Grant	16.588	310,474
Edward Byrne Memorial Formula Grant Program	16.579	12,535
Edward Byrne Memorial Justice Assistance Grant	16.738	575,760
Social Services Block Grant	93.667	618,650
Homeland Security Grant Program	97.067	6,976,511

**FINANCIAL CONDITION
FRANKLIN COUNTY**

**NOTES TO SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED DECEMBER 31, 2007
(Continued)**

4) LOAN PROGRAMS

The County has established loan programs to provide low-interest loans to eligible persons to rehabilitate homes. The federal Department of Housing and Urban Development (HUD) grants money for these loans to the County. The initial loan of this money is recorded as an expenditure on the Schedule. Loans repaid, including interest, may be used for allowable activities. The County had the following loan balances outstanding at December 31, 2007, including delinquent loans of \$19,234.

Program Title	Federal CFDA Number	Loan Balances Outstanding
Community Development Block Grant	14.218	\$3,471,264
Home Investment in Affordable Housing	14.239	\$5,142,901

5) MATCHING REQUIREMENTS

Certain federal programs require the County to contribute non-federal funds (matching funds) to support the federally funded programs. The County has complied with the matching requirements (if applicable) for the major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings. Expenditures of matching funds are not included in the Schedule.

6) FOOD DISTRIBUTION

Non-monetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. At December 31, 2007, the County had no significant food commodities in inventory.

7) 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 Franklin County. Federal grants received from ODJFS are audited in conjunction with the State of Ohio audit.

8) ALCOHOL, DRUG AND MENTAL HEALTH BOARD OF FRANKLIN COUNTY

The Schedule does not include the Alcohol, Drug and Mental Health Board of Franklin County (ADAMH) federal grant receipts and expenditures as they engaged another auditor to perform an audit in accordance with OMB Circular A-133. The amounts of ADAMH federal receipts and expenditures for 2007 are summarized below:

**FINANCIAL CONDITION
FRANKLIN COUNTY**

**NOTES TO SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED DECEMBER 31, 2007
(Continued)**

8) ALCOHOL, DRUG AND MENTAL HEALTH BOARD OF FRANKLIN COUNTY (Continued)

Program Title	Federal CFDA Number	Cash Federal Receipts	Cash Federal Disbursements
Edward Byrne Memorial Grants Program	16.580	\$90,536	\$73,367
Safe and Drug Free Schools and Communities; State Grants	84.186	275,748	280,194
Projects for Assistance in Transition from Homelessness	93.150	412,266	409,994
Substance Abuse and Mental Health Services	93.243	41,405	41,405
Promoting Safe and Stable Families	93.556	241,220	301,525
Community Based-Child Abuse Prevention Grants	93.590	43,449	58,004
Social Services Block Grant	93.667	1,346,651	1,074,089
State Children's Insurance Program	93.767	4,280,733	4,372,405
Medical Assistance Program	93.778	30,902,495	31,281,879
Block Grants for Community Mental Health Services	93.958	1,426,779	1,306,565
Block Grants for Prevention and Treatment of Substance Abuse	93.959	6,908,935	6,936,197
Total		\$45,970,217	\$46,135,624

9) U.S. DEPARTMENT OF HOMELAND SECURITY

The County reported the following federal programs for the Homeland Security Cluster on the Schedule of Receipts and Expenditures of Federal Awards. Several programs for federal fiscal year 2007 were incorporated into the Homeland Security Grant Program (97.067) in accordance with the guidance from the U.S. Department of Homeland Security.

Program Title	Federal CFDA Number	Cash Federal Receipts	Cash Federal Disbursements
Urban Area Security Initiative	97.008	\$5,261,852	\$5,260,853
Citizen Corps	97.053	-	942
State Homeland Security	97.073	2,732,485	2,989,606
Total		\$7,994,337	\$8,251,401



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Franklin County
373 South High Street, 26th Floor
Columbus, Ohio 43215-6310

To the Board of Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of Franklin County, Ohio (the County), as of and for the year ended December 31, 2007, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 30, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Other auditors audited the financial statements of the Alcohol, Drug and Mental Health Board, which is a major fund, and the financial statements of Franklin County Stadium, Inc., and Columbus Baseball Team, Inc., and ARC Industries, Inc., which are discretely presented component units, as described in our opinions on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that those auditors separately reported.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the County's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the County's internal control over financial reporting.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the County's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider the following deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting: 2007-001 through 2007-003.

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A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the County's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. We believe none of the significant deficiencies described above are material weaknesses.

We also noted certain internal control matters that we reported to the County's management in a separate letter dated June 30, 2008.

Compliance and Other Matters

As part of reasonably assuring whether the County's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain noncompliance or other matters that we reported to the County's management in a separate letter dated June 30, 2008.

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

We intend this report solely for the information and use of the Financial Report Review Committee, management, the Board of Commissioners, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

June 30, 2008



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM, INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133, AND SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS

Franklin County
373 South High Street, 26th Floor
Columbus, Ohio 43215-6310

To the Board of County Commissioners:

Compliance

We have audited the compliance of Franklin 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 apply to each of its major federal programs for the year ended December 31, 2007. The summary of auditor's results section of the accompanying schedule of findings and questioned costs identifies the County's major federal programs. The County's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the County's compliance based on our audit.

The County's basic financial statements include the operations of the Alcohol, Drug and Mental Health Board of Franklin County (ADAMH), which received \$45,970,217 in federal awards which is not included in the Schedule of Receipts and Expenditures of Federal Awards for the year ended December 31, 2007. Our audit of Federal awards, described below, did not include the operations of ADAMH because the Board engaged another auditor to audit its Federal award programs in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe 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 apply to each of its major federal programs for the year ended December 31, 2007. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that OMB Circular A-133 requires us to report, which are described in the accompanying schedule of findings and questioned costs as items 2007-004 and 2007-005. In a separate letter to the County's management dated June 30, 2008, we reported other matters related to federal non compliance not requiring inclusion in this report.

Internal Control Over Compliance

The County's management is 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 directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to administer a federal program such that there is more than a remote likelihood that the County's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as finding 2007-004 to be a significant deficiency.

A material weakness is significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that the County's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements. We did not consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness.

However, we noted matters involving the internal control over federal compliance not requiring inclusion in this report, that we reported to the County's management in a separate letter dated June 30, 2008.

Schedule of Receipts and Expenditures of Federal Awards

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of Franklin County as of and for the year ended December 31, 2007, and have issued our report thereon dated June 30, 2008, wherein we noted other auditors audited the financial statements of the Alcohol, Drug and Mental Health Board, which is a major fund; and the Franklin County Stadium, Inc., Columbus Baseball Team, Inc., and ARC Industries, Inc., which are discretely presented component units. Our audit was performed to form opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Schedule of Receipts and Expenditures of Federal Awards provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Franklin County
Independent Accountants' Report on Compliance with Requirements
Applicable to Each Major Federal Program, Internal Control Over
Compliance in Accordance with OMB Circular A-133, and Schedule of Receipts and Expenditures
of Federal Awards
Page 3

We intend this report solely for the information and use of the Financial Report Review Committee, management, the Board of Commissioners, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

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Mary Taylor, CPA
Auditor of State

June 30, 2008

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**FINANCIAL CONDITION
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2007**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	Yes
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	Yes
(d)(1)(vii)	Major Programs (list):	Community Development Block Grant, CFDA #14.218 Home Investment Partnership Program, CFDA #14.239 Violence Against Women Formula Grant, CFDA #16.588 Edward Byrne Memorial Justice Assistance Grant, CFDA #16.738 Highway Planning and Construction, CFDA #20.205 Medical Assistance Program, CFDA #93.778
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 1,198,075 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

**FINANCIAL CONDITION
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2007**

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

FINDING NUMBER 2007-001

Significant Deficiency

Earnings on Investment

The Treasurer manages many investments including interest bearing checking accounts, savings accounts, money market accounts, certificates of deposit, and federal agency securities. All of these investments earn interest and some pay interest on a monthly basis (savings accounts, money market accounts, interest bearing checking accounts), some pay interest upon maturity (certificates of deposit), and some pay interest semi-annually (federal agency securities). On the day interest is earned or posted to the respective investment account, the Treasurer should post the interest to the County's General Fund to ensure the interest is posted in the proper period.

In 2007, 30 percent of the interest earnings were not posted in a timely fashion. This represents \$16,212,034 in interest receipts. Of this amount, interest receipts of \$7,477,960 were outstanding for 5 to 17 days and were detected through internal controls in place at the Treasurer's Office. The remaining \$8,734,074 in interest receipts were outstanding for 4 to 153 days and were detected by the Auditor's Office during the year end reconciliation. This control deficiency could lead to interest receipts going unrecorded or being recorded in the wrong period and could potentially result in a more than inconsequential misstatement to the financial statements. .

We recommend the Treasurer implement daily application controls to ensure interest receipts are posted in a timely fashion. Also, the Treasurer or Investment Advisory Committee should implement proper monitoring controls to ensure the daily controls are in place and operating effectively.

Officials' Response: In 2007, the Treasurer's Office in conjunction with the Franklin County Commissioners' Office of Budget and Management agreed to assist with the investment of monies received for the construction of the new County Courthouse and Franklin County Stadium. The funding from these two bond issues was received in the second half of 2007 and created a new and unique challenge for our office.

The Treasurer proactively took action during the summer of 2007 to begin resolving the procedural complications that arose associated with the issuance of the bonds. These efforts included the hiring of two staff accountants to provide a second layer of internal control and oversight to these types of transactions and retaining the services of an independent accounting firm to assist in the creation of a new daily cash statement. Throughout 2007, the Treasurer's Investment & Cash Manager identified and tracked all of the investment earnings that were received within the Treasurer's subsidiary ledger; however, the process to recognize these earnings in the appropriate general ledger accounts was not in place until late in the year.

We have now employed the best tools available in a diligent effort to close any control deficiencies that existed in 2007 as a result of this new investment activity. For 2008, the Treasurer's Office has been and will continue to recognize investment earnings as they occur in both our ledger and daily cash statements provided to the Auditor's Office on a daily basis.

**FINANCIAL CONDITION
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2007
(Continued)**

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

FINDING NUMBER 2007-002

Significant Deficiency

Arbitrage Earnings Rebate Liability

Section 148 of the Internal Revenue Code requires that entities earning interest on the invested gross proceeds of tax exempt debt that is materially higher than the yield on the bond issue (i.e. arbitrage) must pay (i.e., rebate) the earnings to the Federal government. Two general sets of requirements under the Code must be applied in order to determine whether governmental bonds are arbitrage bonds: yield restriction requirements of section 148(a); and rebate requirements of section 148(f). Each set of rules has their distinct requirements and may result in a required rebate.

Governmental Accounting Standards Board Interpretation (GASB) No. 6 generally requires that all liabilities that are both available and measurable are fund liabilities unless expressly excluded by GASB. GASB No. 6 expressly excludes unmatured long term indebtedness which is defined as the "unmatured principal of bonds, warrants, notes, or other forms of noncurrent or long-term general obligation indebtedness that is not a specific liability of any proprietary fund..." under ¶ 43 of National Council on Governmental Accounting Statement (NCGAS) No. 1. Arbitrage liabilities are not expressly exempt under these statements; therefore, they must be recognized currently in the fund receiving the bond proceeds because current resources are available (i.e., the excess earnings). *AICPA AAG State and Local Governments Guide* ¶ 5.06 states that governments generally should calculate the liability annually to determine if the amount is material (and therefore reportable). When measuring the rebate liability, the County should consider the *cumulative* effect of the rebate requirement. For example, the County could calculate the specific rebate requirement for the first year. However, in the next year, a reduced arbitrage rebate requirement could replace the larger requirement calculated in the first year.

The County has recent debt issuances that are subject to the arbitrage rules. For each debt issuance outstanding that is subject to arbitrage rules, the County completes the required IRS forms and submits the forms and an arbitrage rebate, if applicable, every five years from the date of issuance as permitted under the IRS rules. However, there was a lack of sufficient evidence that the County implemented the necessary internal accounting control procedures or had a formal policy in place to ensure that an annual arbitrage liability was calculated. In addition there were not sufficient procedures in place to determine if the arbitrage liability amount would be material and therefore reportable. The lack of proper internal controls or a formal policy for calculating potential arbitrage liability may possibly lead to a material misstatement on the County's basic financial statements.

We recommend that the County develop a formal policy to follow and implement the necessary internal accounting controls to ensure an annual calculation of potential arbitrage rebate liability for all applicable outstanding debt issuances and report arbitrage liabilities on the County's financial statements when deemed material.

**FINANCIAL CONDITION
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2007
(Continued)**

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)_
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FINDING NUMBER 2007-002

Arbitrage Earnings Rebate Liability (Continued)

Officials' Response:

The Office of Management and Budget monitors interest earnings and cash drawdown schedules for all capital funds that include tax exempt debt issuance proceeds. Interest earned on capital accounts are regularly discussed and reviewed during quarterly county investment advisory committee meetings. It is our opinion that the current process is sufficient to ensure that any material potential arbitrage rebate liabilities are recognized and reported on year-end financial statements. The County provided an expert potential arbitrage rate liability calculation that verified any potential liability to be immaterial for the year ending 12-31-2007. OMB with assistance of the County's bond counsel will review current procedures and develop a formal annual arbitrage calculation procedure by the end of calendar year 2008.

FINDING NUMBER 2007-003

Significant Deficiency

High Street Parking Lot Receipt Controls

The County receives daily cash payments for parking. In 2005 four additional lots were purchased at High Street and Mound Street, two lots are used for individuals' that purchase monthly passes and two lots are used for daily parkers. Electronic gates with counters and cashier booths were placed at each daily lot. Parking attendants allow monthly parkers to park in daily lots and allow cars to drive through the lots without parking; the number of monthly parkers and cars that drive through without parking are manually tracked and documented on the "In and Out" log used to track parking receipts.

In addition, the daily lots have "honor boxes" for people that use the lots after business hours. However, use of these boxes is not enforced.

The Public Facilities Management (PFM) fiscal staff count the cash collected from these lots and prepare the pay-ins. The PFM Fiscal Officer maintains a spreadsheet documenting the variances between what should have been collected based on the "In and Out Log" and the actual collections. The PFM Fiscal Officer communicates with the Parking Supervisor regarding any variances of \$90 or more. He also advises the Assistant Director of Support Services of any significant variances.

One hundred percent of days tested had variances between the amount deposited and the amount recalculated based on beginning and final counts. The amount of variances ranged from \$16 to \$3,760.

There is no documentation of investigation and resolution of significant variances. There are no procedures in place that verify that the amount of cash deposited is the amount of cash collected. In addition, there are no procedures in place to hold an individual accountable for the amount of cash they collected. There are no procedures in place to verify that the individuals parking in the lots after business hours are paying to park. These control weaknesses could allow theft or loss of receipts to occur without management's knowledge and could potentially result in a more than inconsequential misstatement to the financial statements.

**FINANCIAL CONDITION
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2007
(Continued)**

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)_
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FINDING NUMBER 2007-003

High Street Parking Lot Receipt Controls (Continued)

The County did implement additional controls in 2007, however, the errors noted included testing of activities before and after additional controls were placed in operation and the variances noted could not be explained.

We recommend the County implement procedures at these lots that provide assurance that all of the cash collected is accounted for and deposited. Cashier's should prepare individual reconciliations and sign off on the amount they collected. In addition, the cash should be recounted and reconciliations should be reviewed and recalculated by someone independent of the process. Overages and shortages in cash collected should be investigated and resolved by management.

We recommend the County develop procedures to verify that individuals that park in the lots after hours are paying and that all of this cash is accounted for and deposited.

Officials' Response:

Upon receipt of the 2006 audit report PFM immediately adopted measures to address issues as identified as control deficiencies. Procedures were adopted to ensure 1) that all cash was accounted for and deposited, 2) that cashiers would prepare individual reconciliations and sign off on the amounts collected, 3) that procedures would be implemented to ensure that cash would be recounted by a separate party and reconciliations reviewed and recalculated, and 4) that overages and shortages in cash collected would be investigated and resolved by management.

The controls instituted included the following measures:

- Lot attendants were required to maintain a record of cash received and vehicle counts on an individual reconciliation form that required her/his review and sign-off.
- The parking lot supervisor was required to reconcile the forms on a summary reconciliation sheet and investigate any variances.
- The parking lot supervisor was directed to prepare the pay-ins for the parking lots and submit them to the PFM Fiscal Department for review.
- Variances identified by the parking lot supervisor were referred to the PFM Assistant Director, Support Services for her review/subsequent investigation.

In effect, the controls represented an effort to duplicate existing practices and procedures in use by cashiers using the cash register-SCAN system employed in other County parking locations. In addition, be advised that PFM immediately adopted procedures to verify that parkers using the lots after normal business hours were paying and that all cash payments were accounted for and deposited. PFM staffed the lots for special events dictated that heavy usage of the lots anticipated. In addition initial steps were taken to secure proposals for independent management of the lots for periods outside normal business hours.

Please note that upon receipt of the audit report in 2007 corrective procedures were adopted in response to the extent permitted prior to the closure of the lots on May 31, 2007.

**FINANCIAL CONDITION
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2007
(Continued)**

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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Finding Number	2007-004
CFDA Title and Number	Community Development Block Grant – CFDA #14.218 Home Investment Partnership Program – CFDA #14.239
Federal Award Number / Year	B-05-UC-39-0002 & B-06-UC-39-0002 M-04-UC-39-0214, M-05-UC-39-0214 & M-06-UC-39-0214
Federal Agency	U.S. Department of Housing and Urban Development
Pass-Through Agency	None

Material Noncompliance/Significant Deficiency

Subrecipient Monitoring

The Single Audit Act Amendments of 1996 (the Single Audit Act) requires the pass-through entity to monitor subrecipients' use of federal awards during site visits, review of financial and performance reports submitted by the subrecipient, regular contacts with subrecipients and appropriate inquiries concerning program activities, and limited scope audits. During our audit we noted the Franklin County Economic Development & Planning Department did not have sufficient documentation that formal site visits for the Community Development Block Grant and Home Investment Partnership Program Grant were performed.

According to the funding agreement, the subrecipient shall submit Quarterly Program Progress Reports no later than 10 days after the end of each quarter during the contract and Annual Progress Reports no later than 30 days after the end of the contract. The Franklin County Economic Development & Planning Department did not require the subrecipients to submit these reports.

According to the Consolidated Action Plan, financial audits are required to be submitted annually. The Franklin County Economic Development & Planning Department did not require the subrecipients to submit the annual financial audit but did review them with the End of the Year Progress Report. However, documentation of this review was not sufficient and the Department did not have an action plan for those subrecipients with deficiencies noted within the audits.

The Franklin County Economic Development & Planning Department is held accountable for federal awards administered by their subrecipients and needs to establish an appropriate subrecipient monitoring process. In addition to developing such procedures, we recommend the Franklin County Economic Development & Planning Department officials review OMB Circular A-133, Subpart D, §____.400d, regarding pass-through entity responsibilities.

We recommend detailed documentation is kept of the annual formal on-site visits of each of the subrecipients, including documentation of the review of the annual audits and correction plans for any deficiencies that are noted during the review. In addition, the funding agreements should be updated to reflect the actual procedures that are being implemented in regards to the monitoring process.

**FINANCIAL CONDITION
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2007
(Continued)**

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)
--

Subrecipient Monitoring (Continued)

Officials' Response and Corrective Action Plan: The County has adopted a new comprehensive monitoring form to address the documentation concern and will amend its agreements to reflect the County now requires monitoring reports with each invoice submitted as opposed to quarterly monitoring reports. The effective date of the new tool will be July 1, 2008 and the contact person is Mark Paxson, Senior Program Coordinator.

Finding Number	2007-005
CFDA Title and Number	Home Investment Partnership Program – CFDA #14.239
Federal Award Number / Year	M-04-UC-39-0214
Federal Agency	U.S. Department of Housing and Urban Development
Pass-Through Agency	None

Material Noncompliance

Period of Availability of Federal Funds - HOME

24 C.F.R. 92.500(d)(1)(B) provides that HUD will reduce or recapture HOME funds in the HOME Investment Trust Fund by the amount of any funds in the United States Treasury account that are not committed within 24 months after the last day of the month in which HUD notifies the participating jurisdiction of HUD's execution of the HOME Investment Partnership Agreement. 24 C.F.R. 92.2 defines commitment, in part, as entering into a legally binding agreement with a State recipient, subrecipient, or contractor to use a specific amount of HOME funds to produce affordable housing or provide tenant-based rental assistance; or has executed a written agreement reserving a specific amount of funds to a community housing development organization; or has met the requirements to commit to a specific local project.

The Franklin County Economic Development & Planning Department entered into a funding agreement with Columbus Housing Partnership (CHP) for \$69,926 on June 27, 2006. This agreement was paid for with funds from the 2004 HOME award. The available period for the 2004 award ended on March 31, 2006.

The Franklin County Economic Development & Planning Department also paid Columbus Metropolitan Housing Authority (CMHA) \$5,760 from the 2004 HOME award after the March 31, 2006 commitment deadline. The Franklin County Economic Development & Planning Department did not have a service agreement with CMHA that obligated the funds prior to the end of the period of availability.

We recommend the Franklin County Economic Development & Planning Department implement procedures to ensure grant funds are only used to liquidate expenditures obligated during the period of availability.

FINANCIAL CONDITION
FRANKLIN COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2007
(Continued)

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)

Period of Availability of Federal Funds – HOME (Continued)

The questioned costs for expending funds not obligated during the available period for the Home Investment Partnership Program Grant is seventy-five thousand, six hundred eighty six dollars (\$75,686).

Officials' Response and Corrective Action Plan: These funds were obligated during 2006 when the Economic Development & Planning Department was significantly understaffed. Since then, new employees have implemented procedures to improve controls over period of availability requirements. On a monthly basis, we receive a Deadline Compliance Report from HUD that informs us of the status of our HOME funds and obligations. These reports are part of the new procedures to ensure we are committing our dollars in a timely fashion. We also meet these deadlines by ensuring our projects are identified at least one year in advance which allows us to properly obligate funds. These procedures are currently in place and the contact person is Mark Paxson, Senior Program Coordinator.

**FINANCIAL CONDITION
FRANKLIN COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)
DECEMBER 31, 2007**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2006-001	Housing of Prisoners Billings	Partially corrected	Repeated in management letter
2006-002	High Street Parking Lot Receipts	No	Repeated as Finding 2007-003
2006-003	Cash Management-Edward Byrne Memorial Formula Grant	Partially corrected	Repeated in management letter
2006-004	Financial Reporting – Community Development Block Grant	Partially corrected	Repeated in management letter
2006-005	Subrecipient Monitoring – Community Development Block Grant	No	Repeated as Finding 2007-004



Joseph W. Testa

Franklin County Auditor

373 South High Street - 21st Floor
Columbus, Ohio 43215-6310
www.franklincountyauditor.com



Franklin County, Ohio

2007

Comprehensive Annual Financial Report

For the fiscal year ended December 31, 2007



About the Cover – Higher Education in Franklin County

THE OHIO STATE UNIVERSITY

Kuhn Honors and Scholars House, originally the president's residence of The Ohio State University, overlooks beautiful Mirror Lake. The lake, once spring-fed, is at the center of campus and, when the university was founded, was the source of water for the campus. Today it serves as a scenic spot for studying, duck-feeding, or just relaxing.

Photo courtesy of The Ohio State University

COLUMBUS COLLEGE OF ART & DESIGN

Founded in 1879, Columbus College of Art & Design (CCAD) is one of the oldest and largest private art and design schools in the U.S. With more than 1,300 students, CCAD offers Bachelor of Fine Arts degrees in seven majors: Advertising and Graphic Design, Fashion Design, Fine Arts (including painting, drawing, ceramics, sculpture, printmaking and glassblowing), Illustration, Industrial (product) Design, Interior Design and Media Studies (including fine art and commercial photography, storyboard and computer animation, film and video and digital imaging). CCAD's 100-foot-tall ART sculpture stands at Cleveland Avenue and East Gay Street, at the heart of the school's downtown campus, with 14 buildings among eight blocks.

Photo taken by Tom Ayers, Columbus College of Art & Design

OHIO DOMINICAN UNIVERSITY

Students are walking to their next class in front of Erskine Hall on the campus of Ohio Dominican University.

Photo courtesy of Ohio Dominican University

CAPITAL UNIVERSITY

Built in 1928, Mees Hall is home to Capital University's Conservatory of Music. For more than a century and a half, Capital has provided generations of students with a quality, values-based educational experience grounded in the university's Lutheran tradition.

Photo courtesy of Capital University

FRANKLIN UNIVERSITY

Now an icon in downtown Columbus, Franklin's mortarboard sculpture – suspended 23 feet above Rich Street – was unveiled in 2002 as part of Franklin's centennial celebration. Titled "Commencing" and weighing nearly 10,000 pounds, the sculpture was designed by local artist Todd Slaughter and symbolizes academic achievement, the exuberance of graduation, and Franklin's commitment to excellence in education.

Photo by Lydia Stewart

OTTERBEIN COLLEGE

The campus of Otterbein College is known for its peaceful setting and its centerpiece building, Towers Hall, which was built in 1871 and is listed on the National Register of Historic Places. Over 3,100 students a year cross the Westerville campus to partake in over 56 majors offering seven undergraduate degrees, three graduate degrees and a doctor of nursing practice (DNP).

Photo courtesy of Otterbein College

COLUMBUS STATE COMMUNITY COLLEGE

Some of the more than 22,000 Columbus State students enjoy the center quad of their downtown campus in early spring.

Photo courtesy of Columbus State Community College

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Comprehensive Annual Financial Report

For the Year Ended December 31, 2007



Joseph W. Testa Franklin County Auditor

Prepared by the Fiscal Services Division

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Accounts Payable:

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D. Jill Keller

Troy J. Shaffer

C. Carolyn Stuhr

Payroll:

Teri P. Fowler – Supervisor

Mona M. Aswad

Ed O'Block

Tonya J. Wade

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For the Year Ended December 31, 2007
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Introductory Section



FRANKLIN COUNTY AUDITOR

JOSEPH W. TESTA

June 30, 2008

Citizens of Franklin County, Ohio:

As Auditor of Franklin County, Ohio, (the County), I am pleased to present the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2007. This CAFR conforms to generally accepted accounting principles (GAAP) as applicable to local government entities. The report has been filed with the Auditor of State pursuant to Ohio Revised Code (ORC) Section 117.38. Responsibility for the accuracy of the data and the completeness and fairness of the presentation rests with the County's management. We believe the data is accurate in all material respects and fairly reflects the County's financial position and the results of its operations. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

In implementing the County's integrated, automated accounting system, consideration was given to incorporating sound internal controls. Internal controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, and the reliability and accuracy of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of the controls should not outweigh their benefits. The accounting system encompasses appropriations, encumbrances, expenditures, revenues, payroll and capital assets and ensures the financial information generated is both accurate and reliable.

In County government, internal controls are enhanced through the separation of powers. The Commissioners, the Auditor and the Treasurer share the management and administration of the County's financial resources, providing an inherent system of checks and balances. Each of the County's elected officials and agency directors is responsible for internal controls over the cash collection function within their office. Some County offices and agencies hold money in bank accounts outside the County treasury. The individual offices and agencies are responsible for the transaction activity through and reconciliation of those accounts.

U.S. Office of Management and Budget Circular A-133 requires an independent audit to be conducted annually. The audit, which includes procedures to fulfill federal Single Audit requirements, serves to maintain and strengthen the integrity of the County's accounting and budgetary controls. Included in this CAFR is the report of Mary Taylor, CPA, Auditor of State. The State Auditor has issued an unqualified ("clean") opinion on the County's financial statements for the year ended December 31, 2007. The Single Audit is published under separate cover and can be obtained by sending a written request to the Franklin County Auditor, Fiscal Services Division, 373 South High Street, 21st Floor, Columbus, Ohio 43215-6310.

The CAFR is presented in three sections: introductory, financial and statistical. The Introductory Section includes this transmittal letter, the Certificate of Achievement awarded to the County for 2006, an organizational chart and a list of elected officials. The Financial Section contains the Independent Accountants' Report, Management's Discussion and Analysis (MD&A), the basic financial statements and notes, and the combining nonmajor and individual fund financial statements and schedules. The Statistical Section includes selected financial, economic and demographic information that may be useful for further analysis and comparison as well as disclosures required under Rule 15c2-12 of the Securities and Exchange Commission.

The MD&A provides a narrative introduction, overview and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Franklin County's MD&A can be found immediately following the Independent Accountants' Report.

Each year we also publish the Franklin County Annual Report (PAFR) that provides significant financial information in a reader-friendly format. Unlike this CAFR, the PAFR does not conform to GAAP and should be used as a supplement to, not in place of, the CAFR. Both the CAFR and the PAFR can be accessed through the Internet on our web site—<http://www.franklincountyauditor.com>.

Profile of Franklin County Government

Formed in 1803, Franklin County is a political subdivision of the State of Ohio and has only those powers conferred upon it by state law. The following offices respectively hold the primary responsibility for budgeting, accounting and cash management in Franklin County. Each officeholder is elected to a four-year term.

The three-member Board of Commissioners (the Commissioners) serves as the taxing authority, the contracting body and the chief administrator of public services. The Commissioners adopt and oversee the annual operating budget and approve expenditures.

As the County's chief fiscal officer, the Auditor is responsible for maintaining accurate records of all money received by or paid out of the County treasury. As the tax assessor for all political subdivisions within the County, the Auditor is responsible for computing the taxing rates for personal property and real estate as determined by proper taxing authorities and popular vote.

As the County's banker, the Treasurer serves as custodian and investment officer for County funds. The Treasurer collects real estate and personal property taxes, and taxes on manufactured homes.

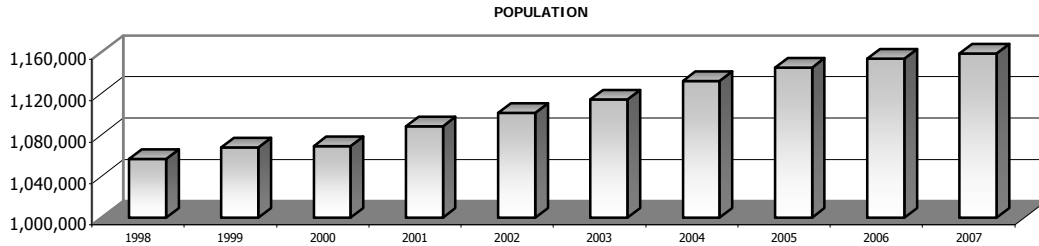
The financial statements contained within this CAFR include all funds, agencies, boards and commissions that are not legally separate and for which Franklin County (the primary government and reporting entity) is financially accountable. The County provides many services to its citizens including tax collection and distribution, civil and criminal justice systems, public safety, health assistance, human services, and road and bridge maintenance. The County also operates two public parking garages and several water supply and sewage treatment systems. The County does not operate schools or hospitals, nor is it responsible for refuse collection or fire safety services.

Organizations that are legally separate from the County are included as component units if the County's elected officials appoint a voting majority of the organization's governing body and (1) the County has the ability to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County. The following entities are included in the financial statements as component units: ARC Industries, Veterans Memorial Hall and Stadium and Team. A complete discussion of the reporting entity is provided in note 1 to the basic financial statements.

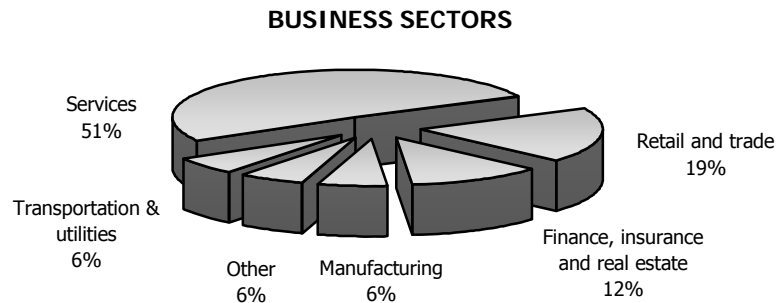
Note 19 to the basic financial statements presents information about joint ventures with the City of Columbus, including the Columbus Regional Airport Authority, the Columbus/Franklin County Affordable Housing Trust Corporation, the Franklin Park Conservatory Joint Recreation District and the Columbus-Franklin County Finance Port Authority. Other related organizations are discussed in note 20, including the Central Ohio Workforce Investment Corporation, the Columbus Metropolitan Library, the Columbus Metropolitan Housing Authority, the Columbus and Franklin County Metropolitan Park District, the Franklin County Family and Children First Council, the Franklin County Convention Facilities Authority, the New Albany Community Authority District Board of Trustees, the Pinnacle Community Infrastructure Financing Authority Board of Trustees and the Central Ohio Community Improvement Corporation.

Economic Condition and Outlook

The County is located in central Ohio, within 500 miles of half the nation's population. The Mid-Ohio Regional Planning Commission has estimated the County's population to be 1,158,368 at December 31, 2007, an increase of 0.4 percent for the year and 9.6 percent in the last ten years. Columbus, the largest city in the County, serves as the state capital and the county seat, and is home to The Ohio State University. The County encompasses 13 cities, 17 townships and 12 villages.



Local Economy Central Ohio is among the more economically stable metropolitan areas in the United States. The area has shown resiliency during recessions. The economy is broad-based, with no single industry dominating it. Nationwide Insurance, Limited Brands and Wendy's International have located their headquarters and home offices in Franklin County. Other large employers include JP Morgan Chase & Co., Ohio Health and Wal-Mart Stores Inc. The chart below shows the proportionate number of employees in the various industries (excluding government), as reported by the U.S. Census Bureau, County Business Patterns for 2005.

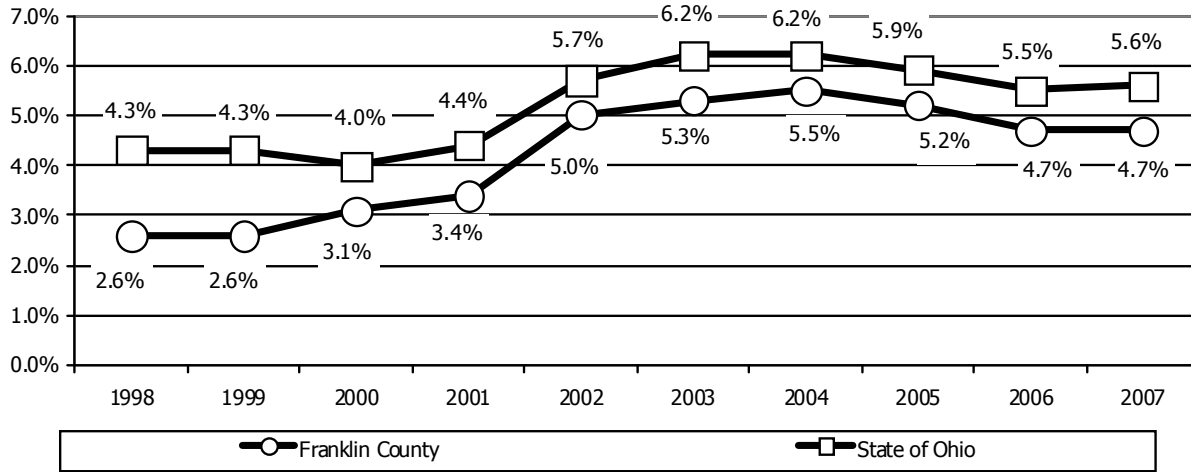


Government and education are also major employers. Together, the State of Ohio, U.S. Government, City of Columbus and Franklin County employ 51,000 people. An additional 27,000 people are employed by either The Ohio State University or Columbus Public Schools.

The diversity of business sectors helps the region weather the economic fluctuations experienced on a larger scale elsewhere. The County's average unemployment rate remained stable at 4.7 percent in 2006 and 2007. The County's unemployment rate continued to be below the state average of 5.6 percent.

A factor contributing to the lower unemployment rate is the County's well-educated workforce. Based on 2006 educational attainment data published by the U. S. Census Bureau, 87.9 percent of County residents ages 25 and older have graduated from high school, and 34.0 percent have completed four or more years of college.

UNEMPLOYMENT RATES



During 2007, a sales tax of 6.75 percent was collected by the State of Ohio on sales made in Franklin County. Since October 1, 2005, the tax has been split as follows: 5.50 percent for the State of Ohio; 1.00 percent for the County's General Fund; and 0.25 percent for the Central Ohio Transit Authority (COTA). On December 31, 2007, the County's temporary sales tax increase of 0.25 percent expired and was offset by a sales tax increase of 0.25 percent for COTA, approved by voters in 2006. The County receives no direct funding through income taxes.

Property taxes are a significant revenue source for the General Fund and these County agencies: Children Services Board, the Board of Mental Retardation and Developmental Disabilities, the Alcohol, Drug and Mental Health Board and the Office on Aging.

The total value of new construction was \$1.5 billion in 2007, with \$826 million in residential/agricultural and \$659 million in commercial/industrial construction. In comparison, 2006 total new construction was \$1.7 billion. Overall, real property continues to hold its value. The appraisal cycle is six years, with an update performed at the mid-point. As a result of the 2005 sexennial revaluation, real property values increased an average of 21.5 percent over 2002 figures. An update will be performed in 2008.

ASSESSED VALUE OF TAXABLE PROPERTY (000's omitted)



Generally, tangible personal property that is used in business (including inventory) is assessed for tax purposes. Beginning in tax year 2006, this tax is being phased out for most businesses. In tax year 2006, the assessment percentage was reduced to 18.75 percent; in tax year 2007, to 12.5 percent; in tax year 2008, 6.25 percent; and for tax year 2009 and thereafter, 0 percent. The tax rate on tangible personal property used by telephone, telegraph and other telecommunications companies is also being reduced beginning in 2007. The State will reimburse the County for tax losses related to the phased elimination of taxes. A new State commercial activity tax is imposed on sales in Ohio to replace a portion of the lost revenue.

Financial Policies The budget must be structurally balanced so that continuing revenues support continuing expenditures. One-time surpluses may not be used to expand continuing expenditures. Rather, they may be used for one-time expenditures, such as capital projects. County agencies are encouraged to maximize the use of state and federal revenues so as to help preserve general revenues for other needs.

Budgetary appropriations may not exceed estimated resources, with a balanced budget maintained in each fund. Agency budget requests are submitted in a program-based format in conjunction with strategic business plans that outline each program's performance goals for the following year. Actual performance data related to the demands, outputs, results and efficiencies of each program are part of the budget presentation. Special revenue funds are required to reserve the funds necessary to cover operational needs for the first several pay periods of the following year in the event that a revenue stream is delayed. Agencies funded through tax levies are required to show that the expenditures forecast over the life of the levy do not exceed the estimated revenue collections.

The budget may be amended or supplemented at any time during the year upon formal action of the Commissioners. Transfers of cash between funds require the Commissioners' authorization. Appropriations lapse at the end of the year. The Commissioners adopted the County's 2007 operating budget on December 19, 2006. Additional information on the County's budgetary process can be found in note 3 to the basic financial statements.

ORC § 5705.13 and ORC § 5705.29 permit the taxing authority of a political subdivision to establish reserve balance accounts and to estimate contingent expenses. In accordance with actions taken by the Commissioners, the following set-asides are in place:

- General Fund Contingency – three percent of the General Fund budget may be set aside for unanticipated critical needs. In 2007, \$8.7 million was set aside for this purpose, with \$1.3 million used.
- Economic Stabilization – five percent of the preceding year's General Fund revenue may be reserved to stabilize the budget against cyclical changes in revenue and expenditures. This account had a balance of \$14.8 million as of December 31, 2007, and is shown as a designation within the General Fund.
- Risk Management – funds may be reserved for self-insurance. Liability claims arising from automobile accidents, litigation settlements and judgment awards are paid from agency budgets or from the amount designated for risk management within the General Fund. During 2007, \$112,000 was paid and \$2.8 million was recorded as payable as of December 31, 2007, leaving a balance of \$5.4 million designated in the General Fund for claims.
- Workers' Compensation – funds may be reserved for the payment of claims under a retrospective ratings plan for workers' compensation. As of December 31, 2007, the County has designated \$9.1 million in the General Fund for these future claims.
- 27th Pay Period – established in 1995, this reserve gradually collects the funds necessary to meet the payroll requirements of a 27th pay period for General Fund employees in 2009. The balance at December 31, 2007, was \$6.0 million and is shown as part of Other Special Revenue funds in the financial statements.

In addition to the reserve balances and contingencies permitted by state law, the Commissioners have pledged \$3.6 million for debt service on the special obligation bonds and notes. This amount is shown as a designation in the General Fund.

The Treasurer is responsible for the investment of funds in accordance with the County's investment policy as authorized by the Investment Advisory Committee and in keeping with ORC § 135.35. Specific requirements and limitations are described in note 4 to the basic financial statements. To maximize the County's return on investment, the Treasurer's Office employs a cash management program and contracts with an investment advisory firm that systematically coordinates cash management, bank relations and the investment of surplus cash. Communication with other County agencies is integral in this process. In 2007, the General Fund's cash receipts related to investments were \$43.1 million, up from the original estimate of \$24.3 million.

It is the County's policy to issue long-term, fixed-rate debt as a supplement to current tax revenues and fund balances for financing infrastructure and capital projects. Consistent with Ohio law, long-term debt is not issued to support current operations. The County sells bond anticipation notes instead of bonds only when market conditions dictate, or as part of a multi-step construction program. The County will consider using either a competitive process or a negotiated process when issuing bonds. Debt capacity is benchmarked against means and medians for other triple-A rated counties of similar size and complexity as published by Moody's and Standard and Poor's. The County's capital plan, debt obligations and debt capacity are evaluated together in an integrated manner, on an annual basis.

Long-term Financial Planning The capital budgeting process utilizes a detailed five-year capital plan based on these major criteria: 1) consideration of the capital project's impact on future operating and maintenance expenses; 2) assessment of the asset's condition and life cycle, and estimates for replacement or refurbishment; 3) review of additional information such as future needs and costs analysis; 4) prioritization and tracking of progress of capital projects; and 5) the requesting department's strategic business plan. The County's Computer Aided Facilities Management software provides data to plan programs for construction, replacement and maintenance. A multi-year linkage between operating and capital budgets aids in determining the impact on future spending. Particular attention is focused on extending an asset's life. A thorough preventive maintenance program is required on each project, helping to avert major or emergency repairs.

The County normally relies on the strength of its triple-A ratings, conservative fiscal practices, substantial revenue capacity, and reasonable debt ratios to access capital markets for financing projects. When beneficial in view of interest rates and the general economic picture, the County pays for capital improvements from current tax revenues and available cash balances. At December 31, 2007, the County had \$242.7 million unrestricted cash and investments in its General Fund, an increase of \$122.7 million from 2006. The cash and investments balance includes the designated monies previously described. Franklin County's triple-A credit rating was reaffirmed by both Moody's Investors Service and Standard and Poor's Corporation in May 2007.

Major Initiatives The County is constructing a new baseball stadium in the Arena District. Huntington Park is expected to open in 2009 and will replace the existing Cooper Stadium. Acquisition costs related to the land totaled \$15.5 million and were paid in 2006. The remaining project costs are estimated at approximately \$41 million. Construction began during 2007. As of December 31, 2007, \$6.8 million had been expended. See note 13 for further discussion on commitments. Three corporate donors have committed \$24 million through sponsorship agreements with the Stadium and Team for naming rights for the stadium, the concourse and the scoreboard. The City of Columbus has pledged \$9.3 million for street improvements and infrastructure work around the site. The State's capital projects budget incorporates a \$7 million grant-in-aid. In September 2007, the County issued \$27.5 million special obligation bonds and \$15 million special obligation notes for the project, to be repaid in part from the corporate sponsorships as well as future stadium revenues and the sale proceeds from Cooper Stadium. For additional information on revenues pledged for debt service, see Statistical Table 19 on page 181.

In July 2007, the Commissioners issued \$126.05 million in general obligation bonds, with the proceeds being used to acquire, construct, install and equip a county courts building (\$111.70 million) and an animal shelter (\$9.35 million), and to improve certain streets and roads within the County (\$5 million). During 2007, construction began on the new building for the courts. As of December 31, 2007, \$9.9 million had been expended for construction and \$10.9 million for land for this project. See note 13 for further discussion on commitments.

Through a change in Ohio law, the homestead exemption program was expanded to provide property tax relief to all eligible senior citizens and permanently disabled homeowners. Participation in the program had previously been limited by income level. The program exempts a flat \$25,000 of the home's market value. In Franklin County, the number of residents receiving the exemption increased from 11,000 to 48,000. The State will reimburse the taxing authorities for the tax revenue lost due to the exemption.

Awards and Acknowledgements

Awards The GFOA has awarded us the Certificate of Achievement for Excellence in Financial Reporting for the year ended December 31, 2006. The County has received this prestigious award for 24 consecutive years. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. To earn the Certificate of Achievement, the County published a readable and well-organized CAFR whose contents conformed to program standards and satisfied GAAP and applicable legal requirements. The Certificate of Achievement is valid for a period of one year. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA.

The GFOA has also presented us an Award for Outstanding Achievement in Popular Annual Financial Reporting for the year ended December 31, 2006. This is our twelfth consecutive Award. To earn the Award, the Auditor's Office published the Franklin County Annual Report to provide taxpayers and other interested parties with an overview of the County's financial condition and results of its operations. The 2007 Annual Report will be submitted to the GFOA for award consideration.

Acknowledgements The preparation of this report could not have been accomplished without the dedicated effort of the entire Fiscal Services Division. I especially want to thank the Financial Reporting Department who worked diligently to continue to comply with the precise guidelines established by the GFOA's award programs. Their commitment to excellence in financial reporting added to the quality of this CAFR. I would also like to express my appreciation to each of the County's elected officials and the various County agencies for their cooperation in the preparation of this report.

Sincerely,

Joseph W. Testa
Franklin County Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Franklin County
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2006

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.



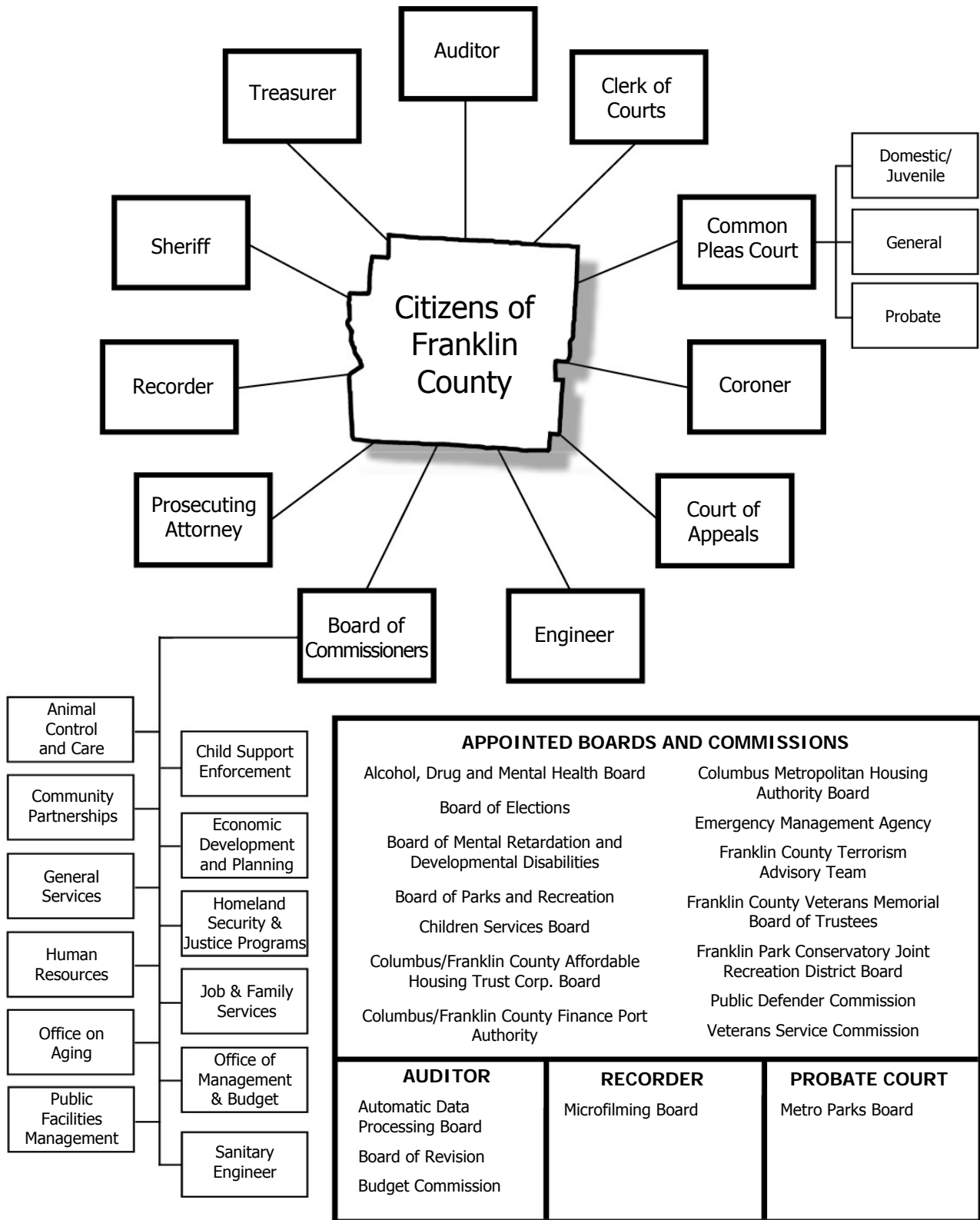
Charles S. Cox

President

Jeffrey R. Emer

Executive Director

FRANKLIN COUNTY GOVERNMENT ORGANIZATIONAL CHART



ELECTED OFFICIALS AS OF DECEMBER 31, 2007

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Joseph W. Testa

**BOARD OF
COMMISSIONERS**

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Marilyn Brown
Mary Jo Kilroy

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John O'Grady

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Elizabeth Gill
Jim Mason
Dana S. Preisse

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John A. Connor
David W. Fais
Richard A. Frye
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Timothy S. Horton
Julie M. Lynch
Stephen L. McIntosh
Beverly Y. Pfeiffer
Guy L. Reece II
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Bradley J. Lewis, M.D.

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TENTH DISTRICT**

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Judith L. French
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Patrick M. McGrath
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G. Gary Tyack

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Ron O'Brien

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James A. Karnes

TREASURER

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Edward Leonard



Financial Section



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Franklin County
373 South High Street, 26th Floor
Columbus, Ohio 43215-6310

To the Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of Franklin County, Ohio (the County), as of and for the year ended December 31, 2007, 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 Alcohol, Drug and Mental Health Board, which both is a major fund and 6.24%, 3.98% and 13.03%, respectively of the assets, net assets, and revenues for the governmental activities. We also did not audit the financial statements of Franklin County Stadium, Inc. and Columbus Baseball Team, Inc., and ARC Industries, Inc., which are discretely presented component units and represent .64% and .43% of the assets, 1.63% and 3.06% of the net assets and fund balances, and 1.62% and 3.50% of the revenues, respectively, of the aggregate discretely presented component units and remaining fund information. Other auditors audited those financial statements. They have furnished their report thereon to us and we base our opinion, insofar as it relates to the amounts included for the Alcohol, Drug and Mental Health Board, Franklin County Stadium, Inc. and Columbus Baseball Team, Inc., and ARC Industries, Inc. on the report of the other auditors.

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

In our opinion, based on our audit and the report of the 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, each major fund, and the aggregate discretely presented component units and remaining fund information of Franklin County, Ohio, as of December 31, 2007, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Board of Mental Retardation and Developmental Disabilities, Children Services Board, Public Assistance, and Alcohol, Drug and Mental Health Board Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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Telephone: (614) 466-3402 (800) 443-9275 Fax: (614) 728-7199
www.auditor.state.oh.us

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2008, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining nonmajor fund statements and schedules, and statistical tables provide additional information and are not a required part of the basic financial statements. We and the other auditors subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, based on our audit and the report of the other auditors, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We and the other auditors did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Mary Taylor, CPA
Auditor of State

June 30, 2008

FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2007
(Unaudited)

As management of Franklin County (the County), we offer readers this narrative overview and analysis of the financial activities of the County as a whole for the fiscal year ended December 31, 2007. We encourage readers to consider the information presented here in conjunction with our letter of transmittal, which can be found at the front of this report, and the financial statements, which follow this section and provide more specific detail. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

During 2007, it was determined that certain reclassifications and restatements needed to be made. The following discussion and analysis incorporates the effects of these reclassifications and restatements on amounts previously reported in 2006. Please see note 21 to the basic financial statements for a detailed description of the reclassifications and restatements.

Financial Highlights

- The County's assets exceeded its liabilities at the close of 2007 by \$1.087 billion. Of this amount, \$312.1 million is considered unrestricted. Unrestricted net assets may be used to meet ongoing obligations. The unrestricted net assets of the County's governmental activities and business-type activities are \$306.8 million and \$5.3 million, respectively.
- The County's total net assets increased by \$149.2 million in 2007, an increase of 15.9 percent. Net assets of the governmental activities increased \$149.1 million, or 16.3 percent. Net assets of the business-type activities increased \$0.1 million, or 0.3 percent.
- Total revenues for 2007 were \$1.234 billion. General revenues (taxes, investment earnings, unrestricted grants) accounted for \$690.2 million, or 55.9 percent of all revenues. Program revenues (charges for services, program-specific grants and contributions) were \$543.7 million, or 44.1 percent.
- The County's expenses related to governmental activities were \$1.077 billion. Of this amount, \$535.7 million (49.7 percent) was offset by program revenues. General revenues, primarily taxes, provided \$541.1 million (50.3 percent) for the remaining program expenses.
- At the close of 2007, the County's governmental funds reported a combined ending fund balance of \$778.1 million, an increase of \$303.7 million in comparison with the prior year. Of the amount reported as combined fund balance at year-end, \$756.3 million is considered unreserved and available for spending at the County's discretion.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$265.1 million, or 95.8 percent of total General Fund expenditures (including transfers out). Unreserved fund balance for the General Fund increased by \$95.5 million, or 56.3 percent, when compared to 2006's General Fund unreserved fund balance.
- The County's investment in capital assets (net of related debt) decreased by \$41.1 million, representing an 12.1 percent decrease related to governmental activities and a 3.6 percent increase related to business-type activities.
- The County's total long-term debt (bonds, notes, loans and capital leases) increased by \$164.4 million, representing a 128.4 percent increase in debt related to governmental activities and a 9.9 percent decrease in debt related to business-type activities.

FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2007
(Unaudited)

Overview of the Financial Statements

Management's discussion and analysis is intended to serve as an introduction to the County's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains supplementary information.

Government-wide Financial Statements The government-wide financial statements provide a broad overview of the County's finances in a manner similar to a private-sector business and can be found on pages 28 and 29 of this report.

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

The *statement of activities* shows how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover their costs through user fees and charges (*business-type activities*). The County's governmental activities include general government, judicial, public safety, human services, health, public works, conservation and recreation, and community development functions. The County's business-type activities include water and sewer, and parking facilities operations.

The government-wide financial statements include not only Franklin County itself (known as the *primary government*), but also certain organizations for which the County is financially accountable. Financial information for these *component units* is reported separately. The County's component units include ARC Industries, Incorporated, of Franklin County, Ohio (ARC Industries); Veterans Memorial Hall; and Franklin County Stadium, Inc. and Columbus Baseball Team, Inc. (Stadium and Team). Notes 1 and 18 to the basic financial statements contain more information about the component units.

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

Governmental Funds: Governmental funds are used to account for essentially the same functions that are 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 balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's short-term financing requirements.

FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2007
(Unaudited)

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements so as to understand the long-term impact of the County's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide reconciliations to facilitate this comparison between governmental funds and governmental activities. See pages 30 - 36 of this report.

The County maintains many individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for those funds considered to be *major funds*. For Franklin County, these are the General Fund, Board of Mental Retardation & Developmental Disabilities (MR&DD) fund, Children Services Board fund, Public Assistance fund and Alcohol, Drug and Mental Health (ADAMH) Board fund. Data from the other governmental funds is aggregated for presentation as a single column. Individual fund data for each of the nonmajor governmental funds is provided in the *combining statements*.

The County adopts a budget resolution annually. Financial statements for the major funds have been prepared on a budgetary basis that does not conform with generally accepted accounting principles (GAAP) and are provided on pages 37 – 41 to demonstrate budgetary compliance.

Proprietary Funds: The County maintains two types of proprietary funds. *Enterprise funds* report the same functions presented as business-type activities in the government-wide financial statements. Enterprise funds are used to account for water and sewer, and parking facilities operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally across the County's various functions. Internal service funds are used to account for telecommunications and employee benefits. Because the services accounted for in the internal service funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements show the Water and Sewer fund and the Parking Facilities fund separately; the internal service funds are aggregated. The basic proprietary fund financial statements are on pages 42 – 44.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected in the government-wide financial statements because those resources are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statement can be found on page 45.

Notes to the Basic Financial Statements: The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 47 – 88.

FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2007
(Unaudited)

Other Information: The combining statements referred to earlier in connection with nonmajor governmental funds, proprietary funds, fiduciary funds and component units are presented immediately following the notes. Individual fund schedules prepared on a non-GAAP, budgetary basis are also presented. Combining nonmajor fund statements and individual fund schedules can be found on pages 91 – 158 of this report.

Government-wide Financial Analysis

The following table provides a summary of the County's 2007 net assets compared to 2006:

	Net Assets (Amounts in 000's)					
	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Assets:						
Current and other assets	\$ 1,434,915	\$ 1,121,566	\$ 6,773	\$ 7,758	\$ 1,441,688	\$ 1,129,324
Capital assets	458,018	461,484	30,045	30,544	488,063	492,028
Total assets	<u>1,892,933</u>	<u>1,583,050</u>	<u>36,818</u>	<u>38,302</u>	<u>1,929,751</u>	<u>1,621,352</u>
Liabilities:						
Long-term debt	294,574	128,970	10,696	11,870	305,270	140,840
Other long-term liabilities	44,323	42,109	162	164	44,485	42,273
Other liabilities	492,103	499,132	1,254	1,633	493,357	500,765
Total liabilities	<u>831,000</u>	<u>670,211</u>	<u>12,112</u>	<u>13,667</u>	<u>843,112</u>	<u>683,878</u>
Net assets:						
Invested in capital assets						
net of related debt	304,589	346,360	19,349	18,674	323,938	365,034
Restricted	450,568	372,210	-	-	450,568	372,210
Unrestricted	306,776	194,269	5,357	5,961	312,133	200,230
Total net assets	<u>\$ 1,061,933</u>	<u>\$ 912,839</u>	<u>\$ 24,706</u>	<u>\$ 24,635</u>	<u>\$ 1,086,639</u>	<u>\$ 937,474</u>

As noted earlier, net assets may serve as a useful indicator of the County's financial position. The County's assets exceeded liabilities by \$1.087 billion (\$1.062 billion in governmental activities and \$24.7 million in business-type activities) at the close of 2007. All three categories of net assets, the County as a whole and its separate governmental and business-type activities, had positive balances in the prior fiscal year, as well.

A large portion of the County's net assets (29.8 percent) reflects its investment in capital assets (e.g., land, buildings and improvements, infrastructure, machinery and equipment, and construction in progress) less accumulated depreciation and any related outstanding debt that had been used to acquire those assets. 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.

An additional portion of the County's net assets (41.5 percent) represents resources that are subject to external or legal restrictions on how they may be used. The remaining balance of net assets (\$312.1 million) is unrestricted and may be used to meet the County's ongoing obligations to citizens, employees and creditors. It is important to note, however, that the unrestricted net assets of the County's business-type activities (\$5.4 million) may not be used to fund governmental activities.

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The amount invested in capital assets, net of related debt, decreased by \$41.1 million or 11.3 percent. During 2007, responsibility for the construction and major maintenance of bridges on the State highway system was shifted from the County to the State by a change in the Ohio Revised Code. This resulted in a reduction of \$18.2 million for the County. In addition, there were two debt issues during the year. Proceeds from these two debt issues offset costs incurred in previous years to acquire the land for the projects: \$15.5 million for the new baseball stadium, and \$10.9 million for the new building for the courts.

Restricted net assets reported in connection with governmental activities increased by \$78.4 million, primarily due to increased intergovernmental revenues and tax levies, as well as the receipt of bond and note proceeds for the capital projects. The County's business-type activities have no restricted net assets in 2006 or 2007.

The County's total net assets increased by \$149.2 million during 2007: \$149.1 million increase for governmental activities and \$0.1 million increase for business-type activities. The following table shows the changes in net assets for 2007 compared with 2006:

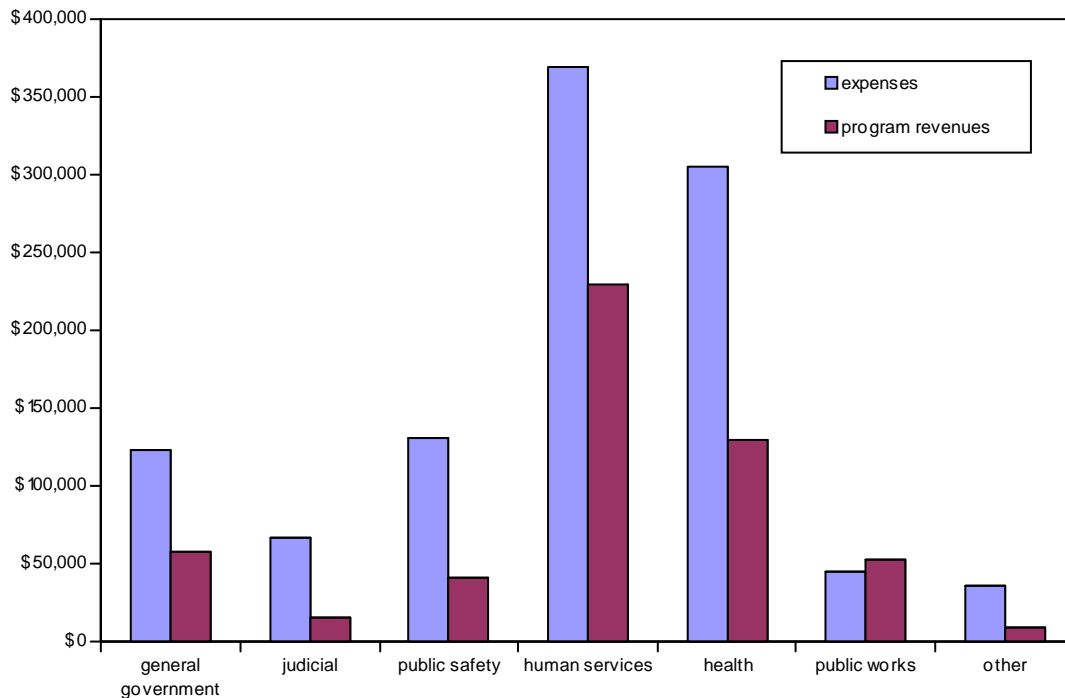
Changes in Net Assets						
(Amounts in 000's)						
	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Program revenues:						
Charges for services	\$ 111,509	\$ 118,689	\$ 8,004	\$ 8,006	\$ 119,513	\$ 126,695
Operating grants	393,634	361,153	-	-	393,634	361,153
Capital grants	30,532	14,839	-	1,329	30,532	16,168
General revenues:						
Property taxes	374,017	360,173	-	-	374,017	360,173
Sales taxes	177,398	175,343	-	-	177,398	175,343
Grants not restricted to specific programs	84,033	72,791	-	-	84,033	72,791
Unrestricted investment earnings	54,785	36,489	-	-	54,785	36,489
Total revenues	<u>1,225,908</u>	<u>1,139,477</u>	<u>8,004</u>	<u>9,335</u>	<u>1,233,912</u>	<u>1,148,812</u>
Expenses:						
General government	123,389	99,566	-	-	123,389	99,566
Judicial	66,493	65,470	-	-	66,493	65,470
Public safety	131,384	119,756	-	-	131,384	119,756
Human services	369,831	344,807	-	-	369,831	344,807
Health	305,114	304,339	-	-	305,114	304,339
Public works	45,070	33,679	-	-	45,070	33,679
Conservation and recreation	20,537	20,757	-	-	20,537	20,757
Community development	5,299	3,694	-	-	5,299	3,694
Interest and fiscal charges	9,697	6,845	-	-	9,697	6,845
Water and sewer	-	-	5,890	4,808	5,890	4,808
Parking facilities	-	-	2,043	1,990	2,043	1,990
Total expenses	<u>1,076,814</u>	<u>998,913</u>	<u>7,933</u>	<u>6,798</u>	<u>1,084,747</u>	<u>1,005,711</u>
Change in net assets	149,094	140,564	71	2,537	149,165	143,101
Net assets – beginning	912,839	772,275	24,635	22,098	937,474	794,373
Net assets – ending	<u>\$ 1,061,933</u>	<u>\$ 912,839</u>	<u>\$ 24,706</u>	<u>\$ 24,635</u>	<u>\$ 1,086,639</u>	<u>\$ 937,474</u>

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Governmental Activities Governmental activities added to the County's net assets by \$149.1 million. Key elements of this change are as follows:

- Operating grants for governmental activities increased by \$32.5 million because of increased state and federal funding for the Board of MRDD and higher child care subsidies for Public Assistance.
- Investment earnings increased by \$18.3 million when compared to 2006. Because of the higher sales tax rate in place since October 1, 2005, more cash was available in the General Fund for investment. Also, the proceeds from the debt issuances for the capital projects were invested in the second half of 2007.
- Capital grants and contributions increased by \$15.7 million related to an increase in federal funding for infrastructure projects and contributions for the construction of the stadium.
- Property taxes increased by \$13.8 million because of a new levy for the ADAMH Board approved by voters in 2005, collected in 2006 and distributed to the agency in 2007.
- Grants not restricted to specific programs increased by \$11.2 million due in part to a higher state reimbursement for replacement of lost personal property taxes, and reimbursement to the ADAMH Board related to the new property tax levy mentioned above.

Expenses and Program Revenues – Governmental Activities
(Amounts in 000's)



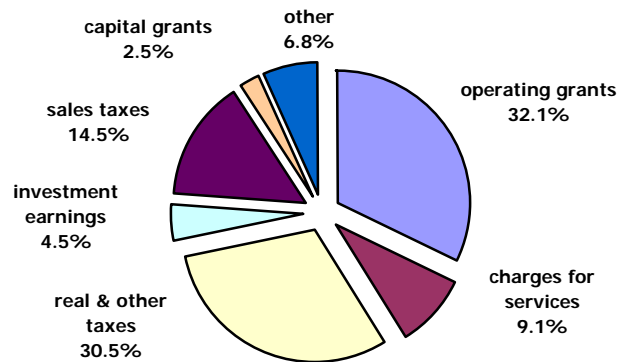
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The general government function represents activities related to the governing body as well as activities that directly support other County programs that serve the County's residents. In 2007, this represented 11.5 percent of the County's total governmental expenses. 2007 general government expenses increased by \$23.8 million or 23.9 percent from 2006 primarily because of the transfer of certain bridges to the State, the establishment of a new community partnerships program and higher spending on facility maintenance and repairs.

The human services program accounted for \$369.8 million or 34.3 percent of total governmental expenses. Human services expenses increased by 7.3 percent from 2006 primarily related to higher spending for child care. The next largest program was health, accounting for \$305.1 million or 28.3 percent of the total expenses for governmental activities.

Revenues exceeded expenses, resulting in a \$149.1 million increase in net assets during 2007.

Revenues by Source - Governmental Activities



Real property and other taxes accounted for \$374.0 million or 30.5 percent of total revenues for governmental activities. The major recipients of property tax revenues were the Board of MR&DD, the Children Services Board, the ADAMH Board and the General Fund. Another major component of general revenues was sales tax, which totaled \$177.4 million. Sales tax was the largest revenue source for the General Fund.

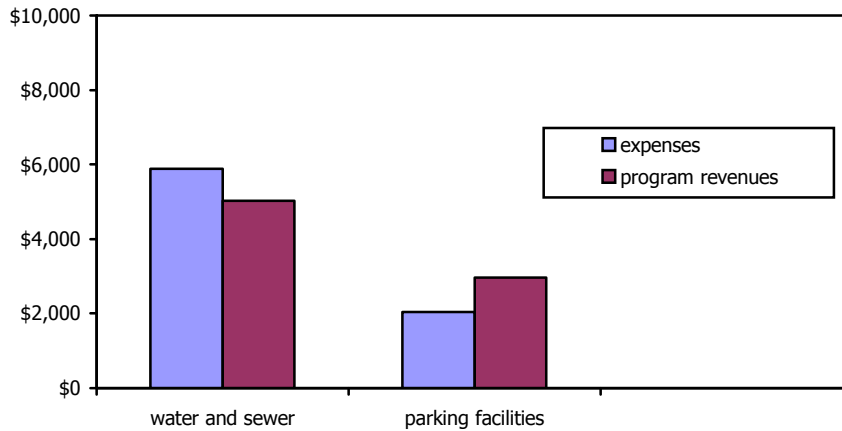
Operating grants were the largest type of program revenue, accounting for \$393.6 million or 32.1 percent of total governmental revenues. The major recipients of intergovernmental program revenues were Public Assistance, the ADAMH Board, the Children Services Board and the Board of MR&DD.

Direct charges to users of governmental services, another type of program revenue, made up \$111.5 million of total governmental revenues. These charges included fees for conveyance of real estate, fees associated with the collection of property taxes, fines and forfeitures related to judicial activity, and licenses and permits.

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Business-type Activities The County's net assets for business-type activities increased by \$0.1 million. Charges for services were the sole source of revenue in 2007; no capital grants were received.

Expenses and Program Revenues - Business-type Activities
 (Amounts in 000's)



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. This information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a measure of the County's net resources available for spending at the end of the year.

At December 31, 2007, the County's governmental funds reported combined ending fund balances of \$778.1 million, an increase of \$303.7 million in comparison with the prior year balances. Approximately \$756.3 million of this amount constitutes unreserved fund balance, that is available for spending at the County's discretion. The remainder is reserved to indicate that it is not available for new spending because it is related to notes receivable, advances to other funds or inventories of consumable supplies, none of which can easily be converted into cash. While most of the governmental fund balances are not reserved in the governmental fund statements, they become classified as restricted net assets on the government-wide statement of net assets due to restrictions for use for a particular purpose mandated by the source of the funding, such as the tax levy language or the underlying grant.

General Fund The General Fund is the chief operating fund of the County. At December 31, 2007, unreserved fund balance of the General Fund was \$265.1 million, while total fund balance was \$272.6 million. 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.

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Unreserved fund balance represents 95.8 percent of total General Fund expenditures (including transfers out), while total fund balance represents 98.5 percent of that same amount.

The fund balance of the General Fund increased by \$87.9 million during 2007. A temporary quarter percent increase in the sales tax rate became effective October 1, 2005, with the objective of rebuilding the fund balance in the General Fund. Sales tax revenue was relatively flat over the two year period since the rate change, increasing by \$4.9 million or 2.8 percent compared with 2006. Investment income increased by \$15.6 million or 44.4 percent because more cash was available for investment in 2006 and 2007 due to the sales tax rate increase.

Major Special Revenue Funds The Board of MR&DD fund, Children Services Board fund, Public Assistance fund and ADAMH Board fund are major special revenue funds used to account for specific governmental revenues and the associated expenditures are restricted to specified purposes because of legal or regulatory provisions or administrative action. The Board of Commissioners must approve tax levy requests before they are placed on the ballot.

The Board of MR&DD fund accounts for property taxes and federal and state grants restricted to expenditures for those services that benefit the mentally retarded and developmentally disabled. Intergovernmental revenue increased by \$18.2 million or 39.4 percent because of higher reimbursements from the state for supported living, to replace lost personal property taxes and for other Board of MR&DD programs. Expenditures made for social service contracts, medical providers, and the maintenance and operation of buildings and buses decreased by \$13.7 million or 7.4 percent when compared with the prior year. The net change in fund balance for 2007 was an increase of \$35.8 million or 22.1 percent.

The Children Services Board fund accounts for property taxes and federal funds restricted for programs designed to help abused, neglected, dependent, and troubled children and their families. The net change in fund balance for 2007 was an increase of \$9.5 million or 22.5 percent. This is the third year of collection of a ten-year property tax levy. The levy is designed to build the fund balance in the beginning years of collection so as to have a reserve upon which to draw, to make expenditures in the later years of the levy period.

The Public Assistance fund accounts for funding from the State of Ohio for job training and various other types of assistance and services for qualified clients. The fund balance decreased by \$0.4 million. Intergovernmental revenue increased by \$18.1 million or 13.5 percent and program spending increased similarly, by \$21.6 million or 15.4 percent.

The ADAMH Board fund accounts for providing alcohol and drug addiction treatment programs and mental health services to the public, generally through contracts with local health care providers. The largest revenue sources are property taxes and state funding. The net change in fund balance for 2007 was an increase of \$10.4 million or 85.3 percent. Property taxes increased by \$16.1 million or 39.9 percent related to a new levy for the ADAMH Board approved by voters in 2005, collected in 2006 and distributed to the agency in 2007. Expenditures increased by \$14.2 million or 12.2 percent.

Other Governmental Funds Other Governmental Funds represents all nonmajor special revenue funds, nonmajor capital projects funds and nonmajor debt service funds. The largest revenue sources are intergovernmental revenues from the state (primarily related to road and bridge construction and collection of court-ordered child support) and property taxes for the zoo and for senior services. The net change in fund balance for 2007 was an increase of

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\$160.6 million or 221.1 percent. There were two debt issuances during the year: \$126.05 million in general obligation bonds in July 2007, and \$27.5 million special obligation bonds and \$15 million special obligation notes in September 2007. This activity was recorded in the related capital projects and debt service funds. See the Capital Asset and Debt Administration section on pages 23 and 24, and note 10 on pages 70 – 76 for more information on the debt issuances.

Proprietary Funds The County's proprietary funds provide the same type of information found in the business-type activities in the government-wide financial statements, but in more detail. Unrestricted net assets of Water and Sewer at the end of the year amounted to \$2.1 million and those for Parking Facilities amounted to \$3.2 million. The total change in net assets for the funds was a decrease of \$0.8 million and an increase of \$0.9 million, respectively. Other factors concerning the finances of these two funds have already been addressed in the discussion of the County's business-type activities.

Budgetary Highlights

The County's budget is prepared according to Ohio law. The most significant budgeted fund is the General Fund. The total original appropriations for the General Fund, including those for advances and transfers out, were \$313.9 million, while the final appropriations were \$336.3 million, resulting in a net increase of \$22.4 million or 7.1 percent. The General Fund budget was amended numerous times during 2007. Significant changes to the original budget are briefly summarized as follows:

- \$18.8 million increase in appropriations for advances, including \$16.1 million to the Stadium Construction fund and \$3.1 million the Public Assistance fund for a document imaging project. The advance to the Stadium Construction fund was repaid in full upon issuance of the special obligation bonds and notes in September.
- \$3.0 million increase in appropriations for general government (Public Facilities Management) related to maintenance projects.
- \$1.0 million increase in appropriations for general government (Board of Elections) so as to provide provisional ballots in accordance with the Secretary of State's directive, to provide voter education, to lease an automated ballot processing and tracking system, and to meet other election-related expenses.

Final General Fund appropriations for 2007 were higher than the final 2006 appropriations by \$24.3 million or 7.8 percent, and 14.9 percent higher than actual 2007 budgetary basis expenditures. Significant variances between the final budget and actual results for the General Fund are described as follows:

- Actual investment income was \$9.0 million or 26.5 percent higher than estimated due to higher cash balances available for investment.
- Actual sales tax collections were \$5.2 million or 3.0 percent higher than estimated.
- Actual general government expenditures in the General Fund were \$7.9 million or 11.6 percent lower than budgeted. Wellness incentive payments and accrued leave pay-outs upon termination of employment were lower than expected.

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- Actual other expenditures in the General Fund were \$7.7 million or 42.1 percent lower than expected. \$7.4 million that had been held in contingency was not needed.
- Actual transfers out of the General Fund were \$16.8 million lower than budgeted because funding in the amount of \$16.1 million for the Stadium Construction project was actually provided as an advance. The advance was repaid during 2007.

Capital Asset and Debt Administration

Capital Assets The County's investment in capital assets for its governmental and business type activities at December 31, 2007, amounts to \$323.9 million (net of related debt). This investment in capital assets includes land, buildings and improvements, infrastructure, machinery and equipment, and construction in progress. The total decrease in the County's investment in capital assets (net of related debt) for 2007 was 11.3 percent when compared to 2006 activity.

Capital Assets, Net of Depreciation (Amounts in 000's)						
	Governmental		Business-type		Total	
	Activities		Activities			
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Land	\$ 57,038	\$ 54,422	\$ 259	\$ 259	\$ 57,297	\$ 54,681
Buildings and improvements	204,040	211,725	9,351	9,669	213,391	221,394
Infrastructure	134,482	134,279	18,480	18,880	152,962	153,159
Machinery and equipment	34,571	34,690	205	217	34,776	34,907
Construction in progress	27,887	26,368	1,750	1,519	29,637	27,887
	<u>\$ 458,018</u>	<u>\$ 461,484</u>	<u>\$ 30,045</u>	<u>\$ 30,544</u>	<u>\$ 488,063</u>	<u>\$ 492,028</u>

The major capital asset expenditures during 2007 involved construction projects: the new building for the courts, the stadium and road improvements.

During 2007, there was a change in Ohio law whereby the responsibility for the construction and major maintenance of bridges on the State highway system was shifted from the County to the State. This resulted in a reduction of \$18.2 million in infrastructure for the County. Additional information on the County's capital assets can be found in note 9 on pages 67 – 69 of this report.

Long-term Debt At December 31, 2007, the County had total long-term debt outstanding of \$305.3 million. All the County's debt is unvoted. General obligation debt as shown in the table below includes bonds, notes, loans and capital leases.

Outstanding Debt (Amounts in 000's)						
	Governmental		Business-type		Total	
	Activities		Activities			
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
General obligation debt	\$ 244,062	\$ 125,800	\$ 10,563	\$ 11,702	\$ 254,625	\$ 137,502
Special obligation debt	42,500	-	-	-	42,500	-
Unamortized bond premiums	9,690	5,065	191	241	9,881	5,306
Unamortized deferred charges	(1,678)	(1,895)	(58)	(73)	(1,736)	(1,968)
	<u>\$ 294,574</u>	<u>\$ 128,970</u>	<u>\$ 10,696</u>	<u>\$ 11,870</u>	<u>\$ 305,270</u>	<u>\$ 140,840</u>

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(Unaudited)

The County's total long-term debt increased by \$164.4 million or 116.7 percent during the current fiscal year. The governmental activities received proceeds from two separate bond issues. In July 2007, the County issued \$126.1 million general obligation bonds for the new court building, the animal shelter and road improvements. In September 2007, the County issued \$27.5 million special obligation bonds and \$15.0 million special obligation auction rate securities for the stadium project. On March 19, 2008, due to market conditions, \$15.0 million in special obligation bond anticipation notes were issued so as to retire the stadium project auction rate securities. For more information on this event, see note 22 on page 88. The business-type activities incurred \$0.2 million new debt related to the Timberlake water and wastewater project.

Both Standard & Poor's Corporation and Moody's Investor Services, Inc. have given Franklin County a "triple-A" credit rating, the highest rating possible. The County's rating is based on the County's financial management and debt burden, and the strength of the local economy. The County is within all its legal debt limitations. As of December 31, 2007, the County's non-exempt debt was \$202.1 million. The County's limit for total voted and unvoted non-exempt debt was \$699.3 million, leaving a borrowing capacity of \$497.2 million. Unvoted, non-exempt debt is limited to one percent of total assessed property value. For 2007, that limit was \$280.3 million, leaving a borrowing capacity of \$78.2 million. The aggregate amount of the County's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions. At year-end, the County's total net bonded debt amounted to 0.9 percent of the total assessed value of all property within the County.

In addition to the bonded debt, notes, loans and capital leases, the County's long-term obligations include compensated absences and workers' compensation. More information regarding the County's long-term obligations can be found in note 10 on pages 70 – 76.

Economic Factors and Next Year's Budgets and Rates

Franklin County has experienced significant growth in the past thirty years, both in population and in tax base. However, investment earnings declined significantly in 2002 through 2004. In 2005, the Commissioners adopted two measures to increase revenue. First, the sales tax rate was increased by ½ percent, effective October 1, 2005, with ¼ percent as a temporary increase set to expire December 31, 2007, and the other ¼ percent as a permanent increase. Secondly, a majority voted to initiate a tax on conveyance of real property and transfer of manufactured homes effective January, 2006. The combination of these actions has replenished cash reserves. The County's General Fund unrestricted cash balance at December 31, 2007, was \$242.7 million, an amount sufficient to cover General Fund expenditures for about one year.

When preparing the budget for the 2008 fiscal year, the following factors were taken into consideration:

- Franklin County's unemployment rate for 2007 was 4.7 percent, the same as in 2006.
- Tax revenues and state funding levels are projected to remain flat.
- The economic stabilization reserve and contingency funding remain at the maximum levels permitted by Ohio law. General Fund cash reserves will increase by \$10.8 million.

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- Up to a 3 percent pay adjustment for County employees was included for non-bargaining unit employees. The cost per participant in the County's health and wellness program is expected to increase by 7.2 percent.

Requests for Information

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances, and to demonstrate accountability for the money the County receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Franklin County Auditor, Fiscal Services Division, 373 South High Street, 21st Floor, Columbus, Ohio 43215-6310. This report is also available on-line at www.franklincountyauditor.com.

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BASIC FINANCIAL STATEMENTS

FRANKLIN COUNTY, OHIO

Statement of Net Assets

December 31, 2007

(Amounts in 000's)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets:				
Equity with County Treasurer (notes 1 & 4)	\$ 766,305	\$ 5,673	\$ 771,978	\$ -
Cash, cash equivalents, and investments in segregated accounts (notes 1 & 4)	2,646	3	2,649	8,566
Property taxes receivable, net (note 6)	405,732	-	405,732	-
Accounts receivable	9,228	967	10,195	1,007
Accrued interest receivable	7,187	-	7,187	-
Sales taxes receivable	47,952	-	47,952	-
Internal balances (notes 1 & 5)	13	(13)	-	-
Due from component unit (note 5 & 18)	50	-	50	-
Due from primary government (note 5)	-	-	-	504
Due from other governments	169,568	29	169,597	-
Notes receivable (note 7)	12,841	-	12,841	-
Leases receivable (note 8)	3,048	-	3,048	-
Loans receivable, net (note 1)	3,257	-	3,257	-
Inventories (note 1)	4,068	72	4,140	202
Prepaid items (note 1)	90	-	90	8,391
Deferred charges (note 1)	1,527	42	1,569	-
Restricted cash (notes 1 & 4)	1,403	-	1,403	-
Capital assets, net of accumulated depreciation:				
Nondepreciable (notes 1 & 9)	84,925	2,009	86,934	-
Depreciable (notes 1 & 9)	373,093	28,036	401,129	2,575
Total assets	1,892,933	36,818	1,929,751	21,245
Liabilities:				
Accrued wages	20,945	63	21,008	453
Accrued interest	1,358	15	1,373	-
Accounts payable and other current liabilities	67,394	1,176	68,570	922
Matured bonds and interest payable	754	-	754	-
Due to component unit (note 5)	504	-	504	-
Due to primary government (note 5)	-	-	-	50
Unearned revenue (note 1)	399,745	-	399,745	7,863
Liabilities payable from restricted assets	1,403	-	1,403	-
Long-term liabilities: (notes 1 & 10)				
Due within one year	15,758	1,522	17,280	59
Due in more than one year	323,139	9,336	332,475	111
Total liabilities	831,000	12,112	843,112	9,458
Net Assets:				
Invested in capital assets, net of related debt	304,589	19,349	323,938	2,575
Restricted for:				
Judicial	10,940	-	10,940	-
Public safety	18,406	-	18,406	-
Human services	99,651	-	99,651	-
Health	263,137	-	263,137	-
Public works	21,536	-	21,536	-
Real estate assessment	15,688	-	15,688	-
Debt service (note 10)	3,498	-	3,498	-
Capital projects	14,820	-	14,820	-
Other purposes	2,892	-	2,892	129
Unrestricted	306,776	5,357	312,133	9,083
Total net assets	\$ 1,061,933	\$ 24,706	\$ 1,086,639	\$ 11,787

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

FRANKLIN COUNTY, OHIO
Statement of Activities
Year Ended December 31, 2007
(Amounts in 000's)

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 123,389	\$ 57,593	\$ -	\$ -	\$ (65,796)	\$ -	\$ (65,796)	\$ -
Judicial	66,493	10,502	5,226	-	(50,765)	-	(50,765)	-
Public safety	131,384	22,693	18,850	-	(89,841)	-	(89,841)	-
Human services	369,831	8,530	221,380	-	(139,921)	-	(139,921)	-
Health	305,114	10,459	119,533	-	(175,122)	-	(175,122)	-
Public works	45,070	1,216	25,498	25,222	6,866	-	6,866	-
Conservation and recreation	20,537	-	-	5,310	(15,227)	-	(15,227)	-
Community development	5,299	516	3,147	-	(1,636)	-	(1,636)	-
Interest and fiscal charges	9,697	-	-	-	(9,697)	-	(9,697)	-
Total governmental activities	1,076,814	111,509	393,634	30,532	(541,139)	-	(541,139)	-
Business-type activities:								
Water and sewer	5,890	5,031	-	-	-	(859)	(859)	-
Parking facilities	2,043	2,973	-	-	-	930	930	-
Total business-type activities	7,933	8,004	-	-	-	71	71	-
Total primary government	\$ 1,084,747	\$ 119,513	\$ 393,634	\$ 30,532	(541,139)	71	(541,068)	-
Component units: (notes 1 & 18)								
ARC Industries	\$ 8,393	\$ 7,089	\$ 1,423	-	-	-	-	119
Veterans Memorial Hall	2,378	2,246	-	-	-	-	-	(132)
Stadium and Team	4,433	3,919	-	-	-	-	-	(514)
Total component units	\$ 15,204	\$ 13,254	\$ 1,423	\$ -	-	-	-	(527)
General revenues:								
Real and other taxes (note 6)					374,017	-	374,017	-
Sales taxes					177,398	-	177,398	-
Grants and contributions not restricted to specific programs					84,033	-	84,033	-
Unrestricted investment earnings					54,785	-	54,785	590
Total general revenues					690,233	-	690,233	590
Change in net assets					149,094	71	149,165	63
Net assets - beginning (restated for component units)					912,839	24,635	937,474	11,724
Net assets - ending					\$ 1,061,933	\$ 24,706	\$ 1,086,639	\$ 11,787

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

FRANKLIN COUNTY, OHIO

Balance Sheet
Governmental Funds
December 31, 2007
(Amounts in the 000's)

	<u>General</u>	<u>Board of MR&DD</u>	<u>Children Services Board</u>	<u>Public Assistance</u>
Assets:				
Equity with County Treasurer (notes 1 & 4)	\$ 242,704	\$ 191,932	\$ 59,714	\$ 8,429
Cash and investments in segregated accounts (notes 1 & 4)	1	-	-	-
Property taxes receivable, net (note 6)	41,327	146,015	112,268	-
Accounts receivable	2,151	5,717	141	153
Accrued interest receivable	6,333	-	-	-
Sales taxes receivable	47,952	-	-	-
Due from other funds (note 5)	786	-	466	-
Due from component unit (notes 1 & 5)	50	-	-	-
Due from other governments	17,947	38,562	36,234	19,869
Notes receivable (note 7)	521	-	-	-
Leases receivable (note 8)	300	-	-	-
Loans receivable, net (note 1)	-	-	-	-
Inventories (note 1)	2,104	432	40	17
Advances to other funds (notes 1 & 5)	4,875	-	-	-
Restricted cash (notes 1 & 4)	1,403	-	-	-
Total assets	<u>\$ 368,454</u>	<u>\$ 382,658</u>	<u>\$ 208,863</u>	<u>\$ 28,468</u>
Liabilities and fund balances:				
Liabilities:				
Accrued wages	\$ 10,116	\$ 3,966	\$ 2,295	\$ 1,651
Accounts payable	6,897	7,069	9,220	14,427
Matured bonds and interest payable	-	-	-	-
Due to other funds (note 5)	62	3	81	492
Due to component unit (note 5)	-	504	-	-
Deferred revenue (note 1)	37,245	32,098	36,711	8,759
Unearned revenue (note 1)	40,160	141,126	108,682	-
Advances from other funds (notes 1 & 5)	-	-	-	3,114
Liabilities payable from restricted assets	1,403	-	-	-
Total liabilities	<u>95,883</u>	<u>184,766</u>	<u>156,989</u>	<u>28,443</u>
Fund balances: (note 1)				
Reserved for notes receivable	521	-	-	-
Reserved for advances to other funds	4,875	-	-	-
Reserved for inventories	2,104	432	40	17
Unreserved, reported in:				
General fund:				
Designated for future years' expenditures (note 13)	18,465	-	-	-
Designated for claims (note 14)	14,503	-	-	-
Undesignated	232,103	-	-	-
Special revenue funds	-	197,460	51,834	8
Debt service funds	-	-	-	-
Capital projects funds	-	-	-	-
Total fund balances	<u>272,571</u>	<u>197,892</u>	<u>51,874</u>	<u>25</u>
Total liabilities and fund balances	<u>\$ 368,454</u>	<u>\$ 382,658</u>	<u>\$ 208,863</u>	<u>\$ 28,468</u>

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

(Continued on next page)

FRANKLIN COUNTY, OHIO

Balance Sheet

Governmental Funds (Continued)

December 31, 2007

(Amounts in the 000's)

	ADAMH Board	Other Governmental Funds	Total Governmental Funds
Assets:			
Equity with County Treasurer (notes 1 & 4)	\$ 23,948	\$ 225,123	\$ 751,850
Cash and investments in			
segregated accounts (notes 1 & 4)	-	2,645	2,646
Property taxes receivable, net (note 6)	61,691	44,431	405,732
Accounts receivable	37	816	9,015
Accrued interest receivable	-	854	7,187
Sales taxes receivable	-	-	47,952
Due from other funds (note 5)	13	208	1,473
Due from component unit (notes 1 & 5)	-	-	50
Due from other governments	29,948	27,008	169,568
Notes receivable (note 7)	-	12,320	12,841
Leases receivable (note 8)	-	2,748	3,048
Loans receivable, net (note 1)	-	3,257	3,257
Inventories (note 1)	-	1,475	4,068
Advances to other funds (notes 1 & 5)	-	-	4,875
Restricted cash (notes 1 & 4)	-	-	1,403
Total assets	\$ 115,637	\$ 320,885	\$ 1,424,965
Liabilities and fund balances:			
Liabilities:			
Accrued wages	\$ 193	\$ 2,689	\$ 20,910
Accounts payable	15,066	8,595	61,274
Matured bonds and interest payable	-	754	754
Due to other funds (note 5)	-	843	1,481
Due to component unit (note 5)	-	-	504
Deferred revenue (note 1)	17,852	23,222	155,887
Unearned revenue (note 1)	59,941	49,836	399,745
Advances from other funds (notes 1 & 5)	-	1,761	4,875
Liabilities payable from restricted assets	-	-	1,403
Total liabilities	93,052	87,700	646,833
Fund balances: (note 1)			
Reserved for notes receivable	-	12,320	12,841
Reserved for advances to other funds	-	-	4,875
Reserved for inventories	-	1,475	4,068
Unreserved, reported in:			
General fund:			
Designated for future years' expenditures (note 13)	-	-	18,465
Designated for claims (note 14)	-	-	14,503
Undesignated	-	-	232,103
Special revenue funds	22,585	75,233	347,120
Debt service funds	-	3,961	3,961
Capital projects funds	-	140,196	140,196
Total fund balances	22,585	233,185	778,132
Total liabilities and fund balances	\$ 115,637	\$ 320,885	\$ 1,424,965

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

FRANKLIN COUNTY, OHIO
 Reconciliation of Total Governmental Fund Balances
 to Net Assets of Governmental Activities
 December 31, 2007
 (Amounts in 000's)

Total fund balances - governmental funds (page 31)		\$ 778,132
Amounts reported for governmental activities in the statement of net assets (page 28) are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		458,018
Other assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:		
Accrued interest receivable	3,900	
Sales taxes receivable	19,107	
Accounts receivable	4,516	
Due from other governments	108,526	
Property taxes receivable	16,790	
Leases receivable	3,048	
		155,887
Debt issuance costs are deferred in the statement of net assets.		1,527
Internal service funds are used by management to charge the costs of employee benefits and telecommunications to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		8,624
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Accrued interest	(1,358)	
General obligation bonds	(239,925)	
Taxable special obligation bonds and notes	(42,500)	
Unamortized bond premiums, discounts, and charges	(8,012)	
Loans	(2,468)	
Compensated absences	(36,069)	
Workers' compensation	(8,254)	
Capital leases	(1,669)	
		(340,255)
Net assets of governmental activities (page 28)		<u>\$ 1,061,933</u>

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

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FRANKLIN COUNTY, OHIO

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Year Ended December 31, 2007

(Amounts in 000's)

	General	Board of MR&DD	Children Services Board	Public Assistance
Revenues:				
Sales tax	\$ 177,768	\$ -	\$ -	\$ -
Real and other taxes (note 6)	43,728	133,177	102,349	-
Licenses and permits	468	-	-	-
Fees and charges for services	48,469	9,461	3,605	-
Fines and forfeitures	729	-	-	-
Intergovernmental	36,699	64,348	69,812	152,016
Investment income	50,601	-	-	-
Other	3,417	440	219	1,961
Total revenues	361,879	207,426	175,985	153,977
Expenditures:				
Current:				
General government	73,017	-	-	-
Judicial	64,487	-	-	-
Public safety	101,561	-	-	-
Human services	3,777	-	166,440	162,033
Health	-	171,720	-	-
Public works	439	-	-	-
Conservation and recreation	-	-	-	-
Community development	1,924	-	-	-
Capital outlays	1,514	-	-	-
Debt service: (note 10)				
Principal retirement	368	13	18	29
Interest charges	63	1	6	37
Bond issuance cost	-	-	-	-
Intergovernmental grants	5,303	-	-	-
Total expenditures	252,453	171,734	166,464	162,099
Excess (deficiency) of revenues over (under) expenditures	109,426	35,692	9,521	(8,122)
Other financing sources (uses):				
Transfers in (notes 1 & 5)	1,260	-	-	7,721
Transfers out (notes 1 & 5)	(24,319)	-	-	-
Proceeds of bonds (note 10)	-	-	-	-
Proceeds of notes (note 10)	-	-	-	-
Proceeds of loans	-	-	-	-
Premium on issuance of debt (note 10)	-	-	-	-
Discount on issuance of debt (note 10)	-	-	-	-
Capital leases (notes 10 & 11)	1,481	-	-	-
Sale of capital assets	3	59	7	-
Total other financing sources (uses)	(21,575)	59	7	7,721
Net change in fund balances	87,851	35,751	9,528	(401)
Fund balances - beginning (restated) (note 21)	184,720	162,141	42,346	426
Fund balances - ending	\$ 272,571	\$ 197,892	\$ 51,874	\$ 25

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

(Continued on next page)

FRANKLIN COUNTY, OHIO

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds (Continued)

Year Ended December 31, 2007

(Amounts in 000's)

	ADAMH Board	Other Governmental Funds	Total Governmental Funds
Revenues:			
Sales tax	\$ -	\$ -	\$ 177,768
Real and other taxes (note 6)	56,514	35,209	370,977
Licenses and permits	-	1,276	1,744
Fees and charges for services	-	31,124	92,659
Fines and forfeitures	-	2,727	3,456
Intergovernmental	84,605	86,611	494,091
Investment income	-	3,811	54,412
Other	303	15,959	22,299
Total revenues	141,422	176,717	1,217,406
Expenditures:			
Current:			
General government	-	23,798	96,815
Judicial	-	2,320	66,807
Public safety	-	20,410	121,971
Human services	-	42,192	374,442
Health	130,993	-	302,713
Public works	-	51,299	51,738
Conservation and recreation	-	19,441	19,441
Community development	-	2,354	4,278
Capital outlays	-	15,736	17,250
Debt service: (note 10)			
Principal retirement	3	9,361	9,792
Interest charges	1	8,976	9,084
Bond issuance cost	-	1,170	1,170
Intergovernmental grants	-	8,718	14,021
Total expenditures	130,997	205,775	1,089,522
Excess (deficiency) of revenues over (under) expenditures	10,425	(29,058)	127,884
Other financing sources (uses):			
Transfers in (notes 1 & 5)	16	18,933	27,930
Transfers out (notes 1 & 5)	(45)	(3,566)	(27,930)
Proceeds of bonds (note 10)	-	153,550	153,550
Proceeds of notes (note 10)	-	15,000	15,000
Proceeds of loans	-	557	557
Premium on issuance of debt (note 10)	-	5,198	5,198
Discount on issuance of debt (note 10)	-	(105)	(105)
Capital leases (notes 10 & 11)	-	-	1,481
Sale of capital assets	-	45	114
Total other financing sources (uses)	(29)	189,612	175,795
Net change in fund balances	10,396	160,554	303,679
Fund balances - beginning (restated) (note 21)	12,189	72,631	474,453
Fund balances - ending	\$ 22,585	\$ 233,185	\$ 778,132

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

FRANKLIN 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, 2007
 (Amounts in 000's)

Amounts reported for governmental activities in the statement of activities (page 29) are different because:

Net change in fund balances - total governmental funds (page 35) \$ 303,679

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 as depreciation expense. The effect on the change in net assets is calculated as follows:

Per Statement of Revenues, Expenditures and Changes in Fund Balance:		
Capital outlay expenditures	17,250	
Capitalized expenditures reported in functional areas	17,239	
Per Statement of Activities:		
Depreciation expense (note 9)	(19,515)	
		14,974

The net effect of transactions involving sales and retirements of capital assets decreased net assets (note 9) (18,440)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 8,502

Proceeds of debt provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. Governmental funds report the effect of issuance costs premiums and discounts when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The effect on the change in net assets is as follows:

Per Statement of Revenues, Expenditures and Changes in Fund Balance:		
Proceeds of bonds, notes, and loans (note 10)	169,107	
Premiums and discounts on issuance of debt (note 10)	5,093	
Capital lease acquisitions (note 10)	1,481	
Principal retirement	(9,792)	
Per Statement of Activities:		
Amortization of bond premiums (note 10)	(468)	
Amortization of deferred charges (note 10)	217	
Early retirements of capital leases reported in functional areas	(34)	
		(165,604)

Some expenses are reported in the statement of activities but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. 1,633

Internal service funds are used by management to charge the costs of employee benefits and telecommunications to individual funds. The net revenue of the internal service funds is reported with governmental activities. 4,350

Change in net assets of governmental activities (page 29) \$ 149,094

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

FRANKLIN COUNTY, OHIO
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Postive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Sales tax	\$ 172,104	\$ 171,292	\$ 176,471	\$ 5,179
Real and other taxes	42,999	45,140	43,735	(1,405)
Licenses and permits	677	691	455	(236)
Fees and charges for services	52,134	42,809	41,346	(1,463)
Fines and forfeitures	696	967	770	(197)
Intergovernmental	43,146	38,255	38,120	(135)
Investment income	24,272	34,090	43,123	9,033
Other	2,923	5,476	3,435	(2,041)
<i>Total revenues</i>	<u>338,951</u>	<u>338,720</u>	<u>347,455</u>	<u>8,735</u>
Expenditures:				
Current:				
General government	63,652	68,103	60,205	7,898
Judicial	82,289	82,434	78,288	4,146
Public safety	87,231	88,396	85,387	3,009
Human services	4,207	4,208	3,747	461
Public works	508	508	437	71
Community development	2,535	2,547	1,840	707
Other	24,922	18,377	10,650	7,727
Capital outlays	4,403	4,403	1,565	2,838
Debt service	-	75	75	-
Intergovernmental grants	-	5,303	5,303	-
<i>Total expenditures</i>	<u>269,747</u>	<u>274,354</u>	<u>247,497</u>	<u>26,857</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>69,204</u>	<u>64,366</u>	<u>99,958</u>	<u>35,592</u>
Other financing sources (uses):				
Transfers in	6,479	2,570	1,260	(1,310)
Transfers out	(42,111)	(41,104)	(24,319)	16,785
Advances in	1,438	44,538	44,538	-
Advances out	(1,987)	(20,802)	(20,802)	-
Proceeds from sale of capital assets	80	80	3	(77)
<i>Total other financing sources (uses)</i>	<u>(36,101)</u>	<u>(14,718)</u>	<u>680</u>	<u>15,398</u>
<i>Net change in fund balance</i>	<u>33,103</u>	<u>49,648</u>	<u>100,638</u>	<u>50,990</u>
Fund balance - beginning	132,288	132,288	132,288	-
Fund balance - ending	<u>\$ 165,391</u>	<u>\$ 181,936</u>	<u>\$ 232,926</u>	<u>\$ 50,990</u>

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

FRANKLIN COUNTY, OHIO
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Board of MR&DD Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Real and other taxes	\$ 128,855	\$ 135,722	\$ 133,139	\$ (2,583)
Fees and charges for services	661	8,574	8,593	19
Intergovernmental	38,161	39,759	52,061	12,302
Other	268	1,546	493	(1,053)
<i>Total revenues</i>	167,945	185,601	194,286	8,685
Expenditures:				
Current:				
Health	346,801	346,801	184,118	162,683
<i>Total expenditures</i>	346,801	346,801	184,118	162,683
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(178,856)	(161,200)	10,168	171,368
Other financing sources (uses):				
Proceeds from sale of capital assets	-	-	179	179
<i>Total other financing sources (uses)</i>	-	-	179	179
<i>Net change in fund balance</i>	(178,856)	(161,200)	10,347	171,547
Fund balance - beginning	176,376	176,376	176,376	-
Fund balance - ending	\$ (2,480)	\$ 15,176	\$ 186,723	\$ 171,547

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

FRANKLIN COUNTY, OHIO
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Children Services Board Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Real and other taxes	\$ 98,965	\$ 103,918	\$ 102,320	\$ (1,598)
Fees and charges for services	1,508	2,548	3,481	933
Intergovernmental	74,727	70,902	72,085	1,183
Other	103	291	259	(32)
<i>Total revenues</i>	<u>175,303</u>	<u>177,659</u>	<u>178,145</u>	<u>486</u>
Expenditures:				
Current:				
Human services	173,497	173,497	167,780	5,717
<i>Total expenditures</i>	<u>173,497</u>	<u>173,497</u>	<u>167,780</u>	<u>5,717</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>1,806</u>	<u>4,162</u>	<u>10,365</u>	<u>6,203</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	1	5	7	2
<i>Total other financing sources (uses)</i>	<u>1</u>	<u>5</u>	<u>7</u>	<u>2</u>
<i>Net change in fund balance</i>	<u>1,807</u>	<u>4,167</u>	<u>10,372</u>	<u>6,205</u>
Fund balance - beginning	45,260	45,260	45,260	-
Fund balance - ending	<u>\$ 47,067</u>	<u>\$ 49,427</u>	<u>\$ 55,632</u>	<u>\$ 6,205</u>

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

FRANKLIN COUNTY, OHIO
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Public Assistance Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 122,918	\$ 162,387	\$ 152,206	\$ (10,181)
Other	2,412	2,448	1,808	(640)
<i>Total revenues</i>	125,330	164,835	154,014	(10,821)
Expenditures:				
Current:				
Human services	140,783	177,122	161,892	15,230
<i>Total expenditures</i>	140,783	177,122	161,892	15,230
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(15,453)	(12,287)	(7,878)	4,409
Other financing sources (uses):				
Transfers in	8,331	8,274	7,721	(553)
Advances in	-	3,114	3,114	-
<i>Total other financing sources (uses)</i>	8,331	11,388	10,835	(553)
<i>Net change in fund balance</i>	(7,122)	(899)	2,957	3,856
Fund balance - beginning	3,872	3,872	3,872	-
Fund balance - ending	\$ (3,250)	\$ 2,973	\$ 6,829	\$ 3,856

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

FRANKLIN COUNTY, OHIO
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
ADAMH Board Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(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:				
Real and other taxes	\$ 54,426	\$ 57,012	\$ 56,501	\$ (511)
Intergovernmental	81,521	83,287	83,592	305
Other	100	4,451	271	(4,180)
<i>Total revenues</i>	<u>136,047</u>	<u>144,750</u>	<u>140,364</u>	<u>(4,386)</u>
Expenditures:				
Current:				
Health	138,621	138,621	130,803	7,818
<i>Total expenditures</i>	<u>138,621</u>	<u>138,621</u>	<u>130,803</u>	<u>7,818</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,574)</u>	<u>6,129</u>	<u>9,561</u>	<u>3,432</u>
Other financing sources (uses):				
Transfers in	-	-	16	16
Transfers out	(698)	(698)	(45)	653
<i>Total other financing sources (uses)</i>	<u>(698)</u>	<u>(698)</u>	<u>(29)</u>	<u>669</u>
<i>Net change in fund balance</i>	<u>(3,272)</u>	<u>5,431</u>	<u>9,532</u>	<u>4,101</u>
Fund balance - beginning	11,300	11,300	11,300	-
Fund balance - ending	<u>\$ 8,028</u>	<u>\$ 16,731</u>	<u>\$ 20,832</u>	<u>\$ 4,101</u>

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

FRANKLIN COUNTY, OHIO

Statement of Net Assets

Proprietary Funds

December 31, 2007

(Amounts in 000's)

	Business-type Activities Enterprise Funds			Governmental Activities
	Water and Sewer	Parking Facilities	Total	Internal Service Funds
Assets:				
Current assets:				
Equity with County Treasurer (note 4)	\$ 2,384	\$ 3,289	\$ 5,673	\$ 14,455
Cash, cash equivalents and investments in segregated accounts (notes 1 & 4)	-	3	3	-
Accounts receivable, net	939	28	967	213
Due from other funds (note 5)	-	-	-	21
Due from other governments	29	-	29	-
Inventories (note 1)	68	4	72	-
Prepaid items	-	-	-	90
Deferred charges	-	42	42	-
Total current assets	3,420	3,366	6,786	14,779
Noncurrent assets:				
Capital assets, net of accumulated depreciation:				
Nondepreciable (notes 1 & 9)	2,009	-	2,009	-
Depreciable (notes 1 & 9)	18,974	9,062	28,036	118
Total noncurrent assets	20,983	9,062	30,045	118
Total assets	24,403	12,428	36,831	14,897
Liabilities:				
Current liabilities:				
Accrued wages	44	19	63	35
Compensated absences payable (notes 1 & 10)	1	1	2	1
Accounts payable	1,103	73	1,176	6,120
Accrued interest	-	15	15	-
Due to other funds (note 5)	3	10	13	-
General obligation bonds (note 10)	-	1,110	1,110	-
Loans payable (note 10)	410	-	410	-
Total current liabilities	1,561	1,228	2,789	6,156
Noncurrent liabilities:				
Compensated absences payable (notes 1 & 10)	142	18	160	45
General obligation bonds, net of unamortized premiums and deferred amount on refunding (note 10)	-	2,903	2,903	-
Loans payable (note 10)	6,273	-	6,273	-
Total noncurrent liabilities	6,415	2,921	9,336	45
Total liabilities	7,976	4,149	12,125	6,201
Net assets:				
Invested in capital assets, net of related debt	14,300	5,049	19,349	118
Unrestricted	2,127	3,230	5,357	8,578
Total net assets	\$ 16,427	\$ 8,279	\$ 24,706	\$ 8,696

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

FRANKLIN COUNTY, OHIO

Statement of Revenues, Expenses and Changes in Net Assets

Proprietary Funds

Year Ended December 31, 2007

(Amounts in 000's)

	Business-type Activities Enterprise Funds			Governmental Activities
	Water and Sewer	Parking Facilities	Total	Internal Service Funds
Operating revenues:				
Fees and charges for services	\$ 4,959	\$ 2,820	\$ 7,779	\$ 61,778
Other	72	153	225	395
Total operating revenues	5,031	2,973	8,004	62,173
Operating expenses:				
Personal services	810	407	1,217	599
Cost of sales and services	4,432	1,120	5,552	57,224
Depreciation (note 9)	481	312	793	15
Total operating expenses	5,723	1,839	7,562	57,838
Operating income (loss)	(692)	1,134	442	4,335
Nonoperating revenues (expenses):				
Interest expense	(167)	(193)	(360)	-
Bond issuance costs	-	(11)	(11)	-
Total nonoperating revenues (expenses)	(167)	(204)	(371)	-
Change in net assets	(859)	930	71	4,335
Net assets - beginning	17,286	7,349	24,635	4,361
Net assets - ending	\$ 16,427	\$ 8,279	\$ 24,706	\$ 8,696

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

FRANKLIN COUNTY, OHIO

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2007

(Amounts in 000's)

	Business-type Activities			Governmental
	Enterprise Funds			Activities
	Water and Sewer	Parking Facilities	Total	Internal Service Funds
Cash flows from operating activities:				
Cash collections from customers	\$ 5,071	\$ 2,968	\$ 8,039	\$ 61,961
Cash payments to suppliers	(4,479)	(1,085)	(5,564)	(59,269)
Cash payments for salaries	(801)	(406)	(1,207)	(556)
Net cash provided by (used for) operating activities	(209)	1,477	1,268	2,136
Cash flows from capital and related financing activities:				
Construction and acquisition of capital assets	(779)	-	(779)	-
Proceeds of loans for capital purposes	480	-	480	-
Principal payments on bonds and notes	(248)	(1,070)	(1,318)	-
Interest payments on bonds and notes	(167)	(225)	(392)	-
Net cash used in capital and related financing activities	(714)	(1,295)	(2,009)	-
Increase (decrease) in cash for the year	(923)	182	(741)	2,136
Cash and cash equivalents - beginning	3,307	3,107	6,414	12,319
Cash and cash equivalents - ending	\$ 2,384	\$ 3,289	\$ 5,673	\$ 14,455
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (692)	\$ 1,134	\$ 442	\$ 4,335
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	481	312	793	15
Changes in operating assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	40	(5)	35	(213)
Due from other funds	-	-	-	1
Inventories	28	3	31	-
Prepaid items	-	-	-	25
Increase (decrease) in:				
Accrued wages	10	2	12	16
Accounts payable	(71)	45	(26)	(2,069)
Due to other funds	(4)	(13)	(17)	(1)
Compensated absences	(1)	(1)	(2)	27
Net cash provided by (used for) operating activities	\$ (209)	\$ 1,477	\$ 1,268	\$ 2,136

NONCASH CAPITAL TRANSACTIONS

Due from other governments for capital purposes	\$ 29	\$ -	\$ 29	\$ -
Construction of capital assets in accounts payable	\$ 45	\$ -	\$ 45	\$ -

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

FRANKLIN COUNTY, OHIO
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
December 31, 2007
(Amounts in 000's)

	<u>Agency Funds</u>
Assets:	
Equity with County Treasurer (notes 1 & 4)	\$ 101,866
Cash and investments in segregated accounts (notes 1 & 4)	23,908
Property taxes receivable, net (note 6)	<u>1,482,555</u>
Total assets	<u>\$ 1,608,329</u>
Liabilities:	
Undistributed assets	\$ 1,553,254
Deposits held and due to others	<u>55,075</u>
Total liabilities	<u>\$ 1,608,329</u>

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

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FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

Note 1 – Summary of Significant Accounting Policies

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting principles. Franklin County (the County and the primary government) follows GASB guidance as applicable to its governmental and business-type activities, and Financial Accounting Standards Board (FASB) statements and interpretations, Accounting Principles Board opinions, and Accounting Research Board bulletins issued on or before November 30, 1989, that do not conflict with or contradict GASB pronouncements or that have been made applicable by the GASB. The County has elected to follow GASB guidance for business-type activities and enterprise funds rather than FASB guidance issued after November 30, 1989. The most significant of the County's accounting policies are described below.

A. Reporting Entity

Franklin County was formed in 1803 and is a political subdivision of the State of Ohio. The three Commissioners serve as the County's budgeting, taxing and contracting authority. The Auditor serves as the chief fiscal officer. The Treasurer serves as the custodian of funds. All are elected positions.

The reporting entity is comprised of the primary government and other organizations (component units) that are included to ensure that the financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the County and for which the Commissioners are financially accountable.

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

The component units column on the government-wide financial statements includes the financial data of the County's discretely presented component units. They are reported in a separate column to emphasize their legal separation from the County. Condensed financial information for each component unit is provided in note 18.

ARC Industries, Incorporated, of Franklin County, Ohio (ARC Industries) ARC Industries is a sheltered, not-for-profit workshop that enters into contracts with the business community to provide workers for various manufacturing and service industry jobs. ARC Industries employs clients of the Franklin County Board of Mental Retardation and Developmental Disabilities (the Board of MR&DD) to fill these positions. (The Board of MR&DD is part of the primary government and its operations are accounted for as a special revenue fund.) All supervisory personnel at ARC Industries are Board of MR&DD employees. The Board of MR&DD trains the client-employees and provides the training supplies as well as the production facilities. ARC Industries buys the supplies used in its manufacturing processes. The two entities cooperate under a joint agreement that is automatically renewed annually unless either party gives notice within 30 days of year-end of its intention to cancel the agreement.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

Through ARC Industries' relationship and financial integration with the Board of MR&DD, the County can impose its will on ARC Industries, and ARC Industries imposes a financial burden on the County.

Veterans Memorial Hall Veterans Memorial Hall was built to commemorate the services of all members and veterans of the United States armed forces and to provide a center for veterans' meetings and programs. The Commissioners appoint the board of trustees in a non-authoritative manner. The designation of Veterans Memorial Hall's management and control of its operations are under the direction and control of the trustees.

The County owns Veterans Memorial Hall and leases it to the trustees under an agreement that extends until 2013. Under the agreement, the County receives rent equal to Veterans Memorial Hall's annual net income from operations plus all reserves in excess of \$250,000. No rent has been paid the last four years, imposing a financial burden on the County.

The County issued general obligation bonds to finance renovations and improvements to the facility. Debt service is the County's responsibility.

Franklin County Stadium, Inc. and Columbus Baseball Team, Inc. (Stadium and Team) These two interrelated nonprofit corporations were organized under ORC Chapter 1702 to provide entertainment and recreation in the stadium for the benefit and general welfare of the County. Upon dissolution of the corporations, their assets become the property of the Commissioners. The Franklin County Board of Parks and Recreation directs both the stadium and the team. While appointed by the Commissioners, the board operates autonomously and selects its own management.

The County owns the franchise for the team, entitling the County to field a team in the International League but without the authority to determine which team plays in the stadium. The Stadium and Team manages and operates Cooper Stadium, which is owned by the County, through a lease agreement. The County, upon one year's notice, can cancel the lease agreement. The County receives rent equal to those revenues in excess of expenditures that are not required for future operation of the Stadium and Team, with minimum annual rent of \$1. The minimum annual rent was paid in 2007, imposing a financial burden on the County. During 2007, the county issued special obligation bonds and notes for the construction of a new stadium and has covenants to pledge non-tax General Fund revenue for the related annual debt service.

Complete financial statements for each of the individual component units may be obtained from the unit's administrative office.

ARC Industries
2879 Johnstown Road
Columbus, Ohio 43219

Veterans Memorial Hall
300 West Broad Street
Columbus, Ohio 43215

Franklin County Stadium
1155 West Mound Street
Columbus, Ohio 43223

In the case of the entities listed below, the County serves as fiscal agent but is not financially accountable for their operations. Accordingly, the activities of these entities are presented as agency funds within the basic financial statements.

Franklin County Board of Health
Franklin County Soil and Water Conservation District
Franklin County Family and Children First Council
Mid-Ohio Regional Planning Commission
Franklin County Community Based Correctional Facility

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

The County's joint ventures and related organizations are listed below. A joint venture is a legal entity or other organization that results from a contractual arrangement, and that is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain an ongoing financial interest or responsibility. For the related organizations, the County either appoints or acts as a member on the board, but the County's accountability for the organizations does not extend beyond the board membership. See notes 19 and 20, respectively, for more detail.

Joint Ventures

Columbus Regional Airport Authority
Columbus/Franklin County Affordable Housing Trust Corporation
Franklin Park Conservatory Joint Recreation District
Columbus-Franklin County Finance Port Authority

Related Organizations and Other Agreements

Housing of City Prisoners
Central Ohio Workforce Investment Corporation
Columbus Metropolitan Library
Columbus Metropolitan Housing Authority
Columbus and Franklin County Metropolitan Park District
Franklin County Family and Children First Council
Franklin County Convention Facilities Authority
New Albany Community Authority District
Pinnacle Community Infrastructure Financing Authority
Central Ohio Community Improvement Corporation

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

Measurement Focus Measurement focus refers to *what* is expressed in reporting an entity's financial performance and position. A particular measurement focus is accomplished by considering *which* resources are measured. Changes in the economic resources are reflected as changes in net assets (total assets less total liabilities). This focus is used in the government-wide, the proprietary fund and the fiduciary fund financial statements. Changes in the current financial resources focuses on the transactions or events that have increased or decreased the resources available for spending in the near future. This focus is used in the governmental fund financial statements.

Basis of Accounting Basis of accounting determines *when* transactions are reported on the financial statements. Differences in the accrual and the modified accrual basis of accounting arise in the timing of recognition of revenue and the recording of deferred revenue, and in the presentation of expenses versus expenditures. The government-wide, the proprietary fund and the fiduciary fund financial statements report transactions on the accrual basis. The governmental fund financial statements utilize the modified accrual method. On the 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 soon enough to be used to pay liabilities of the current fiscal year. The County considers revenues to be available if collected within sixty days of year-end. Under the non-GAAP budgetary basis, transactions are recorded when cash is received or disbursed.

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. Non-exchange transactions, in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants, entitlements and donations. On the

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place.

On the modified accrual basis, revenue from transactions must also be available before it can be recognized. Under this basis, the following revenue sources are considered to be both measurable and available at year-end: sales taxes, interest, federal and state grants and subsidies, state-levied locally shared taxes (including motor vehicle license fees and gasoline taxes), fees and rentals.

Unearned Revenue Unearned 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, 2007, but which were levied to finance year 2008 operations, have been recorded as unearned revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as unearned revenue.

Deferred Revenue On the governmental fund financial statements, receivables that will not be collected within the available period have 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 decreases in net financial resources (expenditures) rather than expenses. On the modified accrual basis, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable, provided current financial resources are to be used. As a result, compensated absences and most claims and judgments are not recorded as expenditures or liabilities until current financial resources are required. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Financial Statement Presentation The County's basic financial statements consist of government-wide statements displaying information about the County as a whole, and fund financial statements that provide a more detailed level of financial information.

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The statement of net assets and the statement of activities include the non-fiduciary financial activities of the primary government and its component units. The statements distinguish between those primary government activities that are governmental (financed primarily by taxes and grants) and those that are business-type (relying significantly on user fees and charges). Component units are aggregated and shown in a single column, regardless of the type of underlying activity.

The statement of net assets presents the financial condition of the governmental and business-type activities of the County and its component units at year-end. All assets and liabilities associated with the operation of the County are included. Interfund receivables and payables within governmental activities and within business-type activities have been eliminated to minimize the duplicating effect on assets and liabilities within the governmental and business-type activities total columns. The balances of the internal service funds have been eliminated against the expenses and program revenues shown in governmental activities on the statement of activities.

The statement of activities demonstrates the degree to which the direct expenses are offset by program revenues for each function of the County's governmental activities, for each segment of the business-type activities of the County and for activities of the County's component units. This comparison of direct expenses with program revenues identifies the extent to which each segment or function is self-financing

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

or draws from the County's general revenues. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function or segment. Program revenues include (1) charges paid by the recipient of the goods or services and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Revenues that are not classified as program revenues are presented as general revenues of the County. The activities of the internal service funds and interfund activity within the same function have been eliminated to avoid duplicating revenues and expenses. However, interfund services provided and used between functions are not eliminated in the process of consolidation. The County does not allocate indirect expenses to functions or segments in the statement of activities.

Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see note 6). Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include *timing* requirements that specify the year when the resources are required to be used or the year when use is first permitted; *matching* requirements in which the County must provide local resources to be used for a specified purpose; and *expenditure* requirements in which the resources are provided to the County on a reimbursement basis.

Fund Financial Statements During the year, the County uses funds to segregate transactions related to certain functions or activities in order to aid financial management and demonstrate legal compliance. Separate financial statements present financial information at a more detailed level for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The governmental and enterprise fund financial statements focus on major funds, with each major fund presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The County also maintains two internal service funds. Agency funds, which are a type of fiduciary fund, are used to account for assets held by the government as an agent for individuals, private organizations and other governments.

Governmental Funds Governmental funds are those through which most governmental functions are financed. All governmental funds are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Expendable assets are assigned to the various governmental funds according to the purposes for use. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. 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. Therefore, reconciliation with brief explanations is included so as to better identify the relationship between the government-wide statements and the statements for governmental funds.

The following are the County's major governmental funds:

General Fund The General Fund is the primary operating fund and is available for any purpose, provided it is expended or transferred in accordance with state law. It accounts for all financial resources of the primary government not recorded elsewhere.

Board of Mental Retardation and Developmental Disabilities (Board of MR&DD) Fund The Board of MR&DD fund accounts for property taxes and federal and state grants restricted to expenditures for those services that benefit the mentally retarded and the developmentally disabled. Expenditures include those for social service contracts, medical providers and the maintenance and operation of buildings and buses.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

Children Services Board Fund The Children Services Board fund accounts for property taxes and federal and state funds restricted for programs designed to help abused, neglected, dependent and troubled children and their families.

Public Assistance Fund The Public Assistance fund accounts for funding from various federal and state grants used to provide job training and public assistance to qualified clients, to pay their medical providers and for certain social services.

Alcohol, Drug and Mental Health Board (ADAMH Board) Fund The ADAMH Board fund accounts for the provision of alcohol, drug addiction and mental health services to the public, generally through contracts with local mental health agencies. The largest revenue sources are property taxes, and federal and state funding.

The County's nonmajor governmental funds account for (1) grants and other resources where use is restricted to a particular purpose; (2) the accumulation of resources for, and payment of, the principal, interest and related costs for the County's long-term debt; and (3) financial resources used for the acquisition, construction or renovation of facilities (other than those financed by proprietary funds).

Proprietary Funds Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. Like the government-wide statements, all proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. All assets and liabilities associated with the operation of these funds are included on the statement of net assets. The statement of revenues, expenses and 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.

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The County intends that the cost of providing services to the general public on a continuing basis be financed or recovered primarily through user charges. The County's enterprise funds are listed below:

Water and Sewer Fund The Water and Sewer fund accounts for the provision of water and sewer services to some parts of the County not serviced by other local water and sewer operations.

Parking Facilities Fund The Parking Facilities fund accounts for the fees and operations of parking facilities near County offices that serve County employees and the general public.

Internal service funds account for the financing of services provided by one agency to other agencies of the government on a cost-reimbursement basis. The County has an internal service fund to account for employee benefits and one for telecommunication charges to other funds.

Fiduciary Funds Fiduciary fund reporting uses the accrual basis of accounting. Because of their custodial nature, fiduciary funds do not measure results of operations and do not have a measurement focus. The County uses agency funds to account for assets held in a purely custodial capacity as fiscal agent for other entities and for various taxes, state-shared revenues, and fines and forfeitures collected on behalf of and distributed to other

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

local governments. Agency fund transactions typically involve only the receipt, temporary investment and distribution of these resources.

C. Cash, Cash Equivalents and Investments

Cash resources of the majority of individual funds are combined to form a pool of cash and investments managed by the County Treasurer. Interest earned on investments is accrued as earned. Under existing Ohio law, all investment earnings are assigned to the General Fund unless contractually required to be credited to a specific fund. Distribution is made utilizing a formula based on the average monthly balance of cash and cash equivalents of all funds.

For reporting purposes, "Equity with County Treasurer" is defined as cash on hand, demand deposits and investments held in the County treasury. "Cash and investments in segregated accounts" is defined as cash, deposits and investments not held in the treasury. "Restricted cash" is defined as cash, deposits and investments held either in the treasury or in an outside account, and which is separate from the County's assets (e.g., customer deposits or unclaimed moneys).

For cash flow reporting purposes, the County's proprietary funds consider cash and cash equivalents to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. "Equity with County Treasurer" is considered to be cash and cash equivalents since these assets are available on demand.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments held by the Treasurer are stated at fair value using quoted market prices, except for repurchase agreements that are reported at cost. Net unrealized gains and losses calculated through the aggregate method are recorded as investment income. By statute, the Treasurer invests any short-term cash surplus. The residual investments are included in "Equity with County Treasurer." STAR Ohio is an investment pool that allows governments within the State to pool their funds for investment purposes. STAR Ohio is managed by the State Treasurer's Office and is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2007. Note 4 provides detailed disclosure regarding cash, cash equivalents and investments held by the County.

Investments held by the component units are considered available for sale and are stated at fair value. The component units use the specific identification cost method when calculating realized gains and losses on sales of investments.

D. Loans Receivable

"Loans receivable" consists of long-term revolving loans for housing and community development projects. The programs are primarily funded by a federal block grant, with a local match from the County. "Loans receivable" is offset by a credit to "Unearned revenue." The expenditure is recorded when the loan is made. The loans for which there is some doubt of collection are not included in the receivable.

E. Inventory

Inventory consists of expendable supplies held for consumption. Inventories are valued at cost using the first in/first out (FIFO) method and recorded as expenditures/expenses when used rather than when purchased.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

F. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2007, are recorded as prepaid items in both the government-wide and fund financial statements. The consumption method is used, recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

G. Capital Assets

Capital assets are those assets not specifically related to activities reported in the proprietary funds and generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market value as of the date received. The County maintains a capitalization threshold of \$5,000 (amount not rounded), an estimated life of five or more years and a salvage value equal to 10 percent of the original cost for certain assets. The County's infrastructure consists of roads, bridges, culverts, water lines and sewer lines. The costs of improvements and major renovations that extend the asset's useful life are capitalized. Interest incurred during the construction of assets utilized by the enterprise funds is also capitalized. Normal maintenance and repair costs that do not add to the value of the asset nor materially extend an asset's life are not capitalized.

Capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure have been estimated based on the County's historical records of necessary improvements and replacement. Capital assets are shown net of accumulated depreciation. Depreciation and amortization of capitalized interest are computed using the straight-line method over the following estimated useful lives:

Buildings	30-50 years
Building improvements	10-25 years
Roads, bridges and culverts	37-50 years
Sewer and water lines	20-70 years
Machinery and equipment	5-20 years

H. Interfund Balances

Activity between funds that represents lending/borrowing arrangements outstanding, and unpaid interfund services at the end of the fiscal year are referred to as "Due to/from other funds" or "Advances to/from other funds." Interfund receivables and payables within governmental activities and within business-type activities have been eliminated in the government-wide statement of net assets; any residual balances outstanding between the governmental activities and business-type activities are reported as "Internal balances."

I. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported on the government-wide statement of net assets, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

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 general, governmental fund payables and accrued liabilities that, once incurred, are paid in full from current financial resources are reported as obligations of the funds. Bonds, loans and capital leases are recognized as liabilities on the fund financial statements when due.

J. Self-insurance

The Commissioners have formed the Franklin County Cooperative Health Benefits Program (the Program) to provide multiple employee health care benefit plans. Approximately 4,800 County employees and 1,400 employees of other political subdivisions are covered by the Program. Premiums are established based upon an independent actuarial evaluation, and are designed to be sufficient to cover all incurred claims and build a reserve for this joint self-insurance arrangement. If the reserve is insufficient at any point in time to cover catastrophic losses, the losses will be covered by the County's General Fund with adjustments being made to future premium rates. The County is the predominant participant, and activities related to the Program are reported in the Employee Benefits internal service fund. The County has recorded a liability at year-end for both pending claims and incurred but unreported claims in the Employee Benefits fund.

K. Compensated Absences

The County permits employees to accumulate earned but unused vacation and sick leave benefits. Vacation benefits are accrued as a liability in the government-wide and proprietary fund financial statements when the benefits are earned if (1) the vacation leave is related to services already rendered and (2) it is probable that the employee will be compensated through time off or some other means in a future period. Sick leave benefits are accrued in the government-wide and proprietary fund financial statements using the vesting method. The sick leave liability is based on accumulated sick leave and employee wage rates at December 31 for those employees who are currently eligible to receive termination benefits and those the County has identified as probable of receiving payment in the future. A liability for compensated absences is recorded in governmental funds only if they have matured, for example as a result of employee resignation or retirement.

The criteria for determining vacation and sick leave liabilities are based on Commissioners' policies for compensated absences. The policies set by negotiated agreements and by other appointing authorities may vary slightly. In general, vacation and sick leave are accumulated based on hours worked. Vacation pay is fully vested after one year of full-time service. By Ohio law, accumulated vacation cannot exceed three times the annual accumulation rate for an employee. There is no limit for the accumulation of sick leave. Employees with eight to eighteen years of service at time of separation or retirement receive payment for one-fourth of their accumulated sick leave. Employees with eighteen or more years of service receive payment for one-half of their accumulated sick leave. All payments are made at the employee's current wage rate.

L. Fund Balance Reserves and Designations

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. Unreserved fund balance indicates that portion of fund equity that is available for appropriation in future periods.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

M. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use through Commissioners' resolution, or external restrictions imposed by creditors or grantors, or laws or regulations of other governments. The County applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

N. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for water and sewer services and for use of the parking facilities. Operating expenses are necessary costs incurred to provide the services that are the primary activities of the fund. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

O. Capital Contributions

Capital contributions are made from the State of Ohio and other participating local governments to the governmental funds for construction projects. The Stadium and Team component unit made contributions toward the stadium construction project.

For business-type activities, capital contributions arise from contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction. There were no capital grants or contributions to the proprietary funds in 2007.

P. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds.

Q. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 2 – Changes in Accounting Principles

In June 2004, the GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension Plans*. The County has determined that the adoption of this statement did not have an impact on the County's financial statements; however, note disclosures related to postemployment benefits have been modified.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

In September 2006, the GASB issued Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*. The County has determined that the adoption of this statement did not have an impact on the County's financial statements.

Other pronouncements (listed below) have been issued by the GASB. The County intends to adopt these pronouncements at the required time. The County has not determined the effect, if any, that adoption of these statements will have on its financial statements.

- GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* – effective for financial statements for periods beginning after December 15, 2007.
- GASB Statement No. 50, *Pension Disclosures* – effective for financial statements for periods beginning after June 15, 2007.
- GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets* – effective for financial statements for periods beginning after June 15, 2009.
- GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments* – effective for financial statements for periods beginning after June 15, 2008.

Note 3 – Budgetary Information and Compliance

In accordance with Ohio law, annual budgets are adopted for the General Fund, special revenue funds, the debt service funds, capital projects funds, and proprietary funds.

The Franklin County Budget Commission, composed of the Auditor, Treasurer and Prosecutor, approves tax budgets and certificates of estimated resources for the County itself and for schools, municipalities, townships and other agencies that are funded by tax dollars. The certificate of estimated resources issued by the Budget Commission states the projected revenue of each fund and establishes a limit on the amount the County may appropriate. The County's total contemplated expenditures from any fund during the fiscal year cannot exceed the amount available as stated in the certificate of estimated resources. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. During the year, as actual revenues vary from the estimates, the certificate may be amended further if an estimate needs either to be increased or decreased. Such amendments were made during 2007. The amounts reported as the original budget reflect the original certificate of estimated resources. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during 2007.

The appropriations resolution is the Commissioners' authorization to spend resources. The resolution sets annual limits on expenditures plus encumbrances at the major object level within a fund, thereby establishing the legal level of control. The Commissioners passed the 2007 appropriation resolution on December 19, 2006. Revisions to the original budget require a resolution signed by at least two Commissioners. Supplemental appropriations were made during 2007. At the end of the year, all encumbrances are canceled and all appropriations lapse, reverting to the respective funds from which they were appropriated.

There were certain items of noncompliance with the Ohio Revised Code. Under Ohio law, budgetary appropriations may not exceed estimated resources, with a balanced budget maintained in each fund. At the time of original appropriation, the Board of MR&DD and the Public Assistance funds had appropriations that exceeded the original certificate of estimated resources. Ohio law also mandates that appropriations may not exceed actual resources. At year-end, the County had appropriations in excess of

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

actual resources in the Public Assistance fund, the Water and Sewer enterprise fund and four nonmajor governmental funds.

The County reports financial position, results of operations and changes in fund balance based on generally accepted accounting principles (GAAP). State law also requires the County to account for transactions on a non-GAAP budgetary basis of cash receipts, cash disbursements and encumbrances. The major differences between the non-GAAP budgetary basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Borrowing arrangements between funds are treated as revenues and expenditures (budget) as opposed to increases and decreases in assets and liabilities (GAAP).

The statement of revenues, expenditures and changes in fund balances – budget and actual (non-GAAP budgetary basis) is presented in the basic financial statements for the General Fund and major special revenue funds. Adjustments necessary to reconcile the results of operations at the end of the year between the GAAP basis and the non-GAAP budgetary basis are as follows:

Net Change in Fund Balance					
General and Major Special Revenue Funds					
(Amounts in 000's)					
	General	Board of MR&DD	Children Services Board	Public Assistance	ADAMH Board
GAAP basis	\$ 87,851	\$ 35,751	\$ 9,528	\$ (401)	\$ 10,396
Net adjustment for revenue accruals	(15,905)	(13,020)	2,160	37	(1,058)
Net adjustment for expenditure accruals	4,956	(12,384)	(1,316)	207	194
Differences in reporting for interfund balances	23,736	-	-	3,114	-
Non-GAAP budgetary basis	<u>\$ 100,638</u>	<u>\$ 10,347</u>	<u>\$ 10,372</u>	<u>\$ 2,957</u>	<u>\$ 9,532</u>

Note 4 – Cash, Deposits and Investments

Moneys held by the County are classified by state statute into two categories. Active moneys are public moneys determined to be necessary to meet current demand upon the County treasury. Active moneys must be maintained either as cash in the County treasury, in commercial accounts payable or able to be withdrawn on demand, or in money market deposit accounts. Moneys held by the County that are not considered active are classified as inactive. Inactive moneys are invested in authorized securities in accordance with the Franklin County Treasurer Investment and Depository Policy, as adopted by majority vote of the Investment Advisory Committee.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

A. Primary Government

Deposits: Deposits include amounts held in demand accounts and savings accounts. At year-end, the carrying amount of the County's deposits was \$257,593,000. The bank balances totaled \$260,871,000. Both the book and bank balances include \$72,000,000 in certificates of deposit.

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned. Protection of the County's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by letters of credit held with the County Treasurer, or by a single collateral pool established by the financial institution to secure the repayment of all public moneys deposited with the institution. Of the bank balances totaling \$260,871,000, \$1,910,000 was insured by FDIC. The remaining balance of \$258,961,000 was collateralized with securities held in single financial institution collateral pools in the name of the respective depository bank, and pledged as a pool of collateral against all the public moneys it holds or backed by letter of credit. All County demand deposits were either insured or collateralized, in accordance with state law and the County's investment policy. The County has no deposit policy for custodial credit risk beyond the requirements of State statute.

Investments: The following securities are authorized investments under both the County's policy and the Ohio Revised Code (ORC):

1. United States Treasury notes, bills, bonds, or other obligation or security issued by the Treasury, any other obligation guaranteed as to principal and interest by the U. S., or any book entry, zero-coupon security that is a direct obligation of the United States.
2. Bonds, notes, debentures, or any other obligations or securities issued directly by any federal government agency or instrumentality.
3. Bonds and other obligations of the State of Ohio or its political subdivisions, provided that such political subdivisions are located wholly or partly within the County and the investments shall not exceed five percent of the County's total average portfolio.
4. The State Treasurer's investment pool (STAR Ohio).
5. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that the investments are made only through eligible institutions and the investments shall not exceed 50 percent of the County's total average portfolio.
6. Up to 15 percent of the County's total average portfolio in high-grade notes issued by U. S. corporations, and the notes mature no later than two years after purchase.
7. Up to 25 percent of the County's total average portfolio in either of the following:
 - a. High grade commercial paper when the aggregate value of the notes does not exceed ten percent of the aggregate value of the outstanding commercial paper of the issuing corporation, and the notes mature no later than 270 days after purchase.
 - b. Bankers acceptances of banks insured by the FDIC when the obligations are eligible for purchase by the Federal Reserve System and mature no later than 180 days after purchase.
8. High-grade debt interests issued by foreign nations diplomatically recognized by the U.S. government. All interest and principal shall be denominated and payable in U.S. funds. In the

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

aggregate, this investment shall not exceed one percent of a two-year rolling average of the County's portfolio, and shall mature no later than five years after purchase.

9. Written repurchase agreements in the securities described in (1) or (2) provided that the market value of the agreement be at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days.

Investments in derivative securities, reverse repurchase agreements and collateralized mortgage obligations are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and purchases on margin or short sale are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific County obligation or debt.

As of December 31, 2007, the primary government had the following investments (based on quoted market prices) and maturities:

(Amounts in 000's, Time in Years)					
Investment Type	Fair Value	Less than 1	1 – 2	2 – 5	% of Portfolio
U.S. treasuries	\$ 349	\$ 349	\$ -	\$ -	0.05%
FHLB notes	215,528	67,983	103,353	44,192	32.60%
FHLMC notes	144,137	27,941	46,569	69,627	21.80%
FNMA notes	139,539	31,847	56,556	51,136	21.10%
FFCB notes	39,299	7,949	12,114	19,236	5.94%
Foreign bonds	5,962	-	-	5,962	0.90%
Commercial paper	12,500	12,500	-	-	1.89%
STAR Ohio	60,144	60,144	-	-	9.10%
Money markets	43,786	43,786	-	-	6.62%
Total investments	<u>\$ 661,244</u>	<u>\$ 252,499</u>	<u>\$ 218,592</u>	<u>\$ 190,153</u>	<u>100.00%</u>

Interest rate risk: The ORC and the Investment and Depository Policy of the County limit the purchase of securities to those with a maturity of no more than five years from the date of purchase unless matched to a specific obligation or debt of the County.

Credit risk: The ORC limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations at the time of purchase. All federal agency notes had a rating of AAA from Standard & Poor's, and Aaa from Moody's. The commercial paper had a rating of A-1 from Standard & Poor's and P-1 from Moody's. The State of Israel Bonds were rated A by Standard & Poor's, and Aa by Moody's. Standard & Poor's has assigned STAR Ohio an AAAM money market rating. The County had investments in four other money market accounts at year-end, each rated AAAM by Standard & Poor's and Aaa by Moody's.

Concentration of credit risk: The County's investment policy provides for diversification to avoid undue concentration in securities of one type or securities of one financial institution. This restriction does not apply to obligations guaranteed by the U.S. government. Of the County's total investments, 32.6 percent are FHLB notes, 21.8 percent are FHLMC notes and 21.1 percent are FNMA notes. Each other investment type is less than ten percent of the County's total investments.

Custodial credit risk: For an investment, the custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the County will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. In order to mitigate custodial risk, the County purchases its investments only through an approved broker/dealer or institution. Further, payment for investments is made only upon delivery of the securities representing the investments to the Treasurer

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

B. Component Units

Deposits: All monies are deposited into banks or investment companies designated by each component unit's governing board. Funds not needed for immediate expenditure may be deposited in interest bearing or non-interest bearing accounts, or U.S. government obligations. Security shall be furnished for all deposits, whether interest bearing or non-interest bearing, except that no such security is required for U.S. government obligations.

Custodial risk is the risk that, in the event of bank failure, the deposits of the component unit might not be recovered. At December 31, 2007, discretely presented component units held demand deposits with a carrying value of \$1,550,000. The bank balances totaled \$1,823,000. Both the book and bank balances include \$290,000 in certificates of deposit. Of the bank balances totaling \$1,823,000, \$568,000 was insured by FDIC. A portion of the remaining balance in the amount of \$209,000 was secured by a pledged collateral pool. The remaining balance of \$1,046,000 was uncollateralized.

Investments: As of December 31, 2007, the component units had the following investments (based on quoted market prices) and maturities:

(Amounts in 000's, Time in Years)					
Investment Type	Fair Value	Less than 1	1 - 2	3	% of Portfolio
FHLB notes	\$ 150	\$ 50	\$ 100	\$ -	2.13%
FHLMC notes	50	-	-	50	0.72%
Corporate bonds	152	50	51	51	2.18%
Managed equity account	1,743	1,743	-	-	24.83%
Mutual funds	2,209	2,209	-	-	31.48%
Money markets	2,324	2,324	-	-	33.12%
Cash surrender value of life insurance	388	388	-	-	5.54%
Total investments	<u>\$ 7,016</u>	<u>\$ 6,764</u>	<u>\$ 151</u>	<u>\$ 101</u>	<u>100.00%</u>

Interest rate risk: The component units do not have policies limiting investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates, except for ARC Industries, which limits fixed income securities to an average weighted maturity not exceeding fifteen years.

Credit risk: ARC Industries limits investments so that average rating is no less than AA. No other component units place a limit on the ratings of their securities other than the ORC requirements. ARC Industries corporate bonds have AA ratings, government bonds have AAA ratings, and mutual funds have an AA rating. All other component unit investments are AAA.

Concentration of credit risk: The component units do not place a limit on the amount that may be invested in any one issuer.

Custodial credit risk: For an investment, the custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the component unit will not be able to recover the value of the investments or collateral securities in the possession of an outside party. To mitigate custodial risk, the component units purchase investments only through an approved broker/dealer or institution.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

C. Reconciliation to Statement of Net Assets

The deposits and investments reconcile to the statements of net assets as follows:

(Amounts in 000's)			
	Primary Government	Component Units	Total
Deposits and investments:			
Carrying amount of deposits	\$ 257,593	\$ 1,550	\$ 259,143
Fair value of investments	661,244	7,016	668,260
Outstanding warrants and suspense	(17,033)	-	(17,033)
Total deposits and investments	<u>\$ 901,804</u>	<u>\$ 8,566</u>	<u>\$ 910,370</u>

(Amounts in 000's)			
	Primary Government	Component Units	Total
Per statement of net assets:			
Equity with County Treasurer	\$ 771,978	\$ -	\$ 771,978
Cash, cash equivalents and investments in segregated accts.	2,649	8,566	11,215
Restricted cash	1,403	-	1,403
	<u>776,030</u>	<u>8,566</u>	<u>784,596</u>
Per statement of fiduciary net assets:			
Equity with County Treasurer	101,866	-	101,866
Cash and investments in segregated accounts	23,908	-	23,908
	<u>125,774</u>	<u>-</u>	<u>125,774</u>
Total per statement of net assets	<u>\$ 901,804</u>	<u>\$ 8,566</u>	<u>\$ 910,370</u>

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

Note 5 – Interfund Balances and Transfers

Interfund balances consisted of the following:

A. Due to/from Other Funds

These balances resulted primarily from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur and payment is made. Some balances are a result of short term loans.

(Amounts in 000's)		
Receivable Fund	Payable Fund	Amount
General	Board of MR&DD	\$ 3
	Children Services Board	81
	Public Assistance	230
	Nonmajor governmental funds	459
	Enterprise funds	13
		<u>786</u>
Children Services Board	Public Assistance	156
	Nonmajor governmental funds	310
		<u>466</u>
ADAMH	Nonmajor governmental funds	<u>13</u>
Nonmajor governmental funds	General Fund	50
	Public Assistance	98
	Nonmajor governmental funds	60
		<u>208</u>
Internal service funds	General Fund	12
	Public Assistance	8
	Nonmajor governmental funds	1
		<u>21</u>
		<u>\$ 1,494</u>

B. Advances to/from Other Funds

The following loans between funds are long-term in nature and are classified as advances. The purposes of the advances were to temporarily provide cash for expenditures to be reimbursed from other governments. The advances at December 31, 2007 are as follows:

(Amounts in 000's)		
Receivable Fund	Payable Fund	Amount
General	Public Assistance	\$ 3,114
	Nonmajor governmental funds	1,761
		<u>\$ 4,875</u>

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

C. Interfund Transfers

Transfers are used to move revenues from the fund that collects them in accordance with statute or budget to the fund that is required to expend them in accordance with statute or budget; to segregate money for anticipated capital projects; to provide resources for current operations; or to service debt.

(Amounts in 000's)					
Transfer in					
Transfer out	General	Public Assistance	ADAMH Board	Nonmajor Governmental Funds	Total
General	\$ -	\$ 7,721	\$ 16	\$ 16,582	\$ 24,319
ADAMH Board	-	-	-	45	45
Nonmajor governmental funds	1,260	-	-	2,306	3,566
	<u>\$ 1,260</u>	<u>\$ 7,721</u>	<u>\$ 16</u>	<u>\$ 18,933</u>	<u>\$ 27,930</u>

D. Due from Component Unit/Due to Primary Government:

The following loan was made between the primary government and component unit:

(Amounts in 000's)		
Due from Component Unit		
Receivable Fund	Payable Component Unit	Amount
General	Veterans Memorial Hall	<u>\$ 50</u>

E. Due from Primary Government/Due to Component Unit:

The following balance occurred between the primary government and component unit due to services provided and reimbursable expenditures.

(Amounts in 000's)		
Due to Component Unit		
Receivable Component Unit	Payable Fund	Amount
ARC Industries	Board of MR&DD	<u>\$ 504</u>

Note 6 – Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the County. Property tax revenue received during 2007 for real and public utility property taxes represents collection of 2006 taxes. Property tax payments received during 2007 for tangible personal property (other than public utility property) is for 2007 taxes.

2007 real property taxes are levied after October 1, 2007, on the assessed value as of January 1, 2007, the lien date. Assessed values are established by state law at 35 percent of appraised market value.

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2006 real property taxes are collected in and intended to finance 2007. The total assessed value upon which the 2007 real estate tax collection was based was \$26.440 billion. The full tax rate for the 2007 collection applied to real property for all County units was \$17.79 per \$1,000 of assessed valuation.

Tangible personal property is that property used in business and was assessed at 12.5 percent. Tangible personal property taxes are levied on January 1st of the current year. The total value upon which the 2007 tax collection was assessed was 1.118 million.

Public utility taxes are assessed not only on land and improvements, but also on tangible personal property at true value, which is a percentage of cost. Percentages vary according to the type of utility. The total assessed value upon which the 2007 tax collection was based was \$746 million.

The Treasurer bills and collects property taxes on behalf of all taxing districts within the County. The Auditor periodically remits to the taxing districts their portion of the taxes collected. Collection of the taxes and remittance to the taxing districts are accounted for in various County agency funds.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 20th; if paid semi-annually, the first payment is due January 20th with the remainder to be paid by June 20th. Real property owners' tax bills are reduced by homestead and rollback deductions, when applicable. The amount of these reductions is reimbursed to the County by the State.

Tangible personal property taxes are due semi-annually with the first payment due April 30th and the remainder to be paid by September 20th. Due dates are normally extended an additional 30 days. The tax is being phased out for most businesses. By state law, the first \$10,000 of taxable value for each business is exempt from taxation. The resulting tangible personal property exemption is partially reimbursed to the County by the State.

"Property taxes receivable" represents delinquent real and tangible personal property and public utility taxes outstanding as of the last settlement (net of allowances for uncollectible amounts) and real property and public utility taxes that were measurable at year-end and for which there is an enforceable legal claim. In the fund financial statements, the majority of the receivable is offset by unearned revenue since the taxes were not levied to finance 2007 operations. In the full accrual government-wide financial statements, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is unearned.

The County uses actual billings and estimates based on the tax rate multiplied by property value to estimate taxes receivable. The eventual collection of substantially all real property and public utility taxes (both current and delinquent) is reasonably assured due to the County's ability to force foreclosure of the properties on which the taxes are levied. For tangible personal property taxes (both current and delinquent), a determination of the percentage deemed uncollectible was made based on past experience. This percentage was applied against the gross taxes receivable to yield the estimated net realizable value of these resources.

Note 7 –Notes Receivable

In 1997, the County and the Solid Waste Authority of Central Ohio (SWACO) entered into a repayment agreement under which SWACO is obligated to pay the debt service for bonds issued to finance expansion at the solid waste facility. To secure SWACO's obligation, contract documents were executed and delivered to the County whereby SWACO granted the County a lien on the solid waste facilities, a security interest in its fixtures and personal property, and assignment of permits and licenses necessary for operation of the solid waste facilities. At December 31, 2007, the County recorded \$12,320,000 as a

FRANKLIN COUNTY, OHIO
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For Year Ended December 31, 2007

note receivable for the landfill expansion bonds with a similar reservation of fund balance in the debt service funds.

On December 12, 2002, the County, the City of Columbus and the Columbus Municipal Airport Authority entered into the Port Authority Consolidations and Joinder Agreement with an effective date of January 1, 2003. As part of that agreement, the County assumed certain debt related to the former Rickenbacker Port Authority (RPA), with the stipulation that the debt will be serviced with revenues from the newly created Columbus Regional Airport Authority (CRAA). General obligation bonds pursuant to the agreement were paid off during 2006. However, at December 31, 2007, the County recorded \$521,000 as a note receivable for an outstanding Ohio Public Works Commission loan, with a similar reservation of fund balance in the General Fund.

The following is a summary of the future payments to be received by the County for the notes:

(Amounts in 000's)			
	SWACO	CRAA	Total
2008	\$ 1,561	\$ 74	\$ 1,635
2009	1,569	75	1,644
2010	1,579	75	1,654
2011	1,591	74	1,665
2012	1,600	75	1,675
2013-2017	8,087	148	8,235
Total payments to be received	15,987	521	16,508
Less: Amount representing interest	(3,667)	-	(3,667)
Notes receivable	<u>\$ 12,320</u>	<u>\$ 521</u>	<u>\$ 12,841</u>

Note 8 – Capital Leases - Lessor Disclosure

The County acts as lessor in two outstanding direct financing lease agreements. The facilities under lease, the lessees and debt principal outstanding at December 31, 2007, include the following:

(Amounts in 000's)		
Facility	Lessee	Principal Outstanding
Fairgrounds Project	Franklin County Agricultural Society	\$ 300
Maryhaven Facility	Maryhaven, Inc.	2,748
		<u>\$ 3,048</u>

Under the agreements, the lessees are required to pay the cost of maintaining and operating the leased facility. Lease payments from Maryhaven are substantially equal to the debt service to be paid by the County for retirement of the bonds associated with those facilities. The payments from Maryhaven are recognized as revenue in the debt service funds prior to payment of interest and principal on bonds.

The County has recognized the future minimum lease payments, less unearned interest income to be received for capitalized leases, as "Leases receivable" in the General and Debt Service funds. That portion not available at year-end is classified as "Deferred revenue."

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

A summary of the future minimum lease payments to be received by the County, and the components of the net investment in direct financing leases at December 31, 2007, follows:

(Amounts in 000's)					
	Fairgrounds		Maryhaven		
	Project		Facility		Total
2008	\$	50	\$	349	\$ 399
2009		50		353	403
2010		50		356	406
2011		50		355	405
2012		50		357	407
2013-2017		50		1,790	1,840
Minimum lease payments		300		3,560	3,860
Unearned interest income		-		(812)	(812)
Net investment in leases	\$	300	\$	2,748	\$ 3,048

Note 9 - Capital Assets

Capital asset activity of the primary government for the year ended December 31, 2007, is shown below:

Capital Assets				
Primary Government - Governmental Activities				
(Amounts in 000's)				
	Beginning Balance	Additions	Reductions	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 54,422	\$ 2,616	\$ -	\$ 57,038
Construction in progress	26,368	28,440	(26,921)	27,887
Total nondepreciable capital assets	80,790	31,056	(26,921)	84,925
Capital assets being depreciated:				
Buildings and improvements	300,860	1,346	(275)	301,931
Infrastructure ¹	203,961	22,847	(28,143)	198,665
Machinery and equipment	69,897	6,161	(4,783)	71,275
	574,718	30,354	(33,201)	571,871
Less accumulated depreciation for:				
Buildings and improvements	(89,135)	(9,031)	275	(97,891)
Infrastructure ¹	(69,682)	(4,367)	9,866	(64,183)
Machinery and equipment	(35,207)	(6,117)	4,620	(36,704)
	(194,024)	(19,515)	14,761	(198,778)
Total depreciable capital assets, net	380,694	10,839	(18,440)	373,093
Total capital assets, net	\$ 461,484	\$ 41,895	\$ (45,361)	\$ 458,018

¹ Reductions to infrastructure and accumulated depreciation for infrastructure were impacted by a change in the Ohio Revised Code which transferred responsibility for the construction and major maintenance of bridges located on a State Highway System to the State.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

Capital Assets				
Primary Government – Business-type Activities				
(Amounts in 000's)				
	Beginning Balance	Additions	Reductions	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 259	\$ -	\$ -	\$ 259
Construction in progress	1,519	231	-	1,750
Total nondepreciable capital assets	<u>1,778</u>	<u>231</u>	<u>-</u>	<u>2,009</u>
Capital assets, being depreciated:				
Buildings and improvements	14,288	-	-	14,288
Infrastructure	23,691	22	-	23,713
Machinery and equipment	756	41	-	797
	<u>38,735</u>	<u>63</u>	<u>-</u>	<u>38,798</u>
Less accumulated depreciation for:				
Buildings and improvements	(4,619)	(318)	-	(4,937)
Infrastructure	(4,811)	(422)	-	(5,233)
Machinery and equipment	(539)	(53)	-	(592)
	<u>(9,969)</u>	<u>(793)</u>	<u>-</u>	<u>(10,762)</u>
Total depreciable capital assets, net	<u>28,766</u>	<u>(730)</u>	<u>-</u>	<u>28,036</u>
Total capital assets, net	<u>\$ 30,544</u>	<u>\$ (499)</u>	<u>\$ -</u>	<u>\$ 30,045</u>

Depreciation expense was charged to functional programs of the primary government as follows:

(Amounts in 000's)	
Governmental Activities:	
General government	\$ 5,650
Judicial	498
Public safety	3,632
Human services	794
Health	2,649
Public works	5,191
Conservation and recreation	1,096
Community development	5
	<u>\$ 19,515</u>
Business-type Activities:	
Water and sewer	\$ 481
Parking facilities	312
	<u>\$ 793</u>

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

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

(Amounts in 000's)				
	Beginning Balance	Additions	Reductions	Ending Balance
Capital assets, being depreciated:				
Buildings and improvements	\$ 6,162	\$ 17	\$ -	\$ 6,179
Machinery and equipment	4,971	741	-	5,712
	<u>11,133</u>	<u>758</u>	<u>-</u>	<u>11,891</u>
Less accumulated depreciation for:				
Buildings and improvements	(3,916)	(363)	-	(4,279)
Machinery and equipment	(4,844)	(193)	-	(5,037)
	<u>(8,760)</u>	<u>(556)</u>	<u>-</u>	<u>(9,316)</u>
Total depreciable capital assets, net	<u>\$ 2,373</u>	<u>\$ 202</u>	<u>\$ -</u>	<u>\$ 2,575</u>

Depreciation expense reported by component units was as follows:

(Amounts in 000's)	
ARC Industries	\$ 127
Veterans Memorial Hall	37
Stadium and Team	392
	<u>\$ 556</u>

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

Note 10 – Long-term Liabilities

A. Long-term Debt Summary The original issue date, final maturity date, interest rate and original issuance amount for the County's long term bonds, notes, and loans from the Ohio Public Works Commission (OPWC) and Ohio Water Development Authority (OWDA) currently outstanding follows:

Long-term Debt Summary – Governmental Activities				
(Amounts in 000's)				
	<u>Original Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>
General obligation bonds:				
Mental Health Building	07/01/1986	12/01/2010	7.38%	\$ 795
Series 1993 Refunding ^{1, 2}	04/15/1993	12/01/2020	2.70 to 5.55%	51,795
Series 2003 Refunding ¹	10/30/2003	12/01/2013	2.30 to 5.00%	53,985
Series 2005 Road Improvements ¹	10/26/2005	12/01/2015	3.25 to 5.00%	5,000
Children Services Building ¹	10/26/2005	12/01/2025	3.25 to 5.00%	10,895
Series 2005 Refunding ¹	10/26/2005	12/01/2017	3.25 to 5.00%	25,085
Series 2007 Road Improvements ¹	07/24/2007	12/01/2017	4.00 to 4.13%	5,000
Series 2007 Courthouse Project ¹	07/24/2007	12/01/2031	4.00 to 5.00%	111,695
Series 2007 Animal Shelter Project ¹	07/24/2007	12/01/2031	4.00 to 5.00%	9,355
				<u>273,605</u>
Taxable special obligation bonds and notes:				
Stadium Facility Project Bonds ¹	09/26/2007	12/01/2032	5.00 to 5.58%	27,500
Stadium Facility Project Notes ³	09/26/2007	12/01/2026	Variable	15,000
				<u>42,500</u>
OPWC loans:				
Rickenbacker Industrial Park	04/02/1995	01/01/2015	0.00%	1,489
Cleveland Avenue	07/16/2003	07/01/2008	0.00%	147
Alton & Darby Creek Road	10/08/2003	07/01/2008	0.00%	750
Havens Corners Road at Reynoldsburg-New Albany Road	02/09/2004	01/01/2028	0.00%	471
Scioto-Darby Creek Road	08/01/2005	12/01/2026	0.00%	1,300
Tuttle Crossing Boulevard	08/29/2006	12/01/2028	0.00%	86
				<u>4,243</u>
				<u>\$ 320,348</u>

¹ Interest rates vary over the term of the bond per a set schedule. This is not a demand bond.

² Represents only the portion not refunded in the 2003 refunding.

³ Interest rate determined through auction procedures.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

Long-term Debt Summary – Business-type Activities				
(Amounts in 000's)				
	Original Issue Date	Final Maturity	Interest Rate	Original Issue Amount
Bonds:				
Parking Garage Addition Series 2003 Refunding	11/01/1982	12/01/2008	10.00%	\$ 6,500
JDC Parking Garage ¹	10/30/2003	12/01/2013	2.30 to 5.00%	5,835
				<u>12,335</u>
OPWC/OWDA loans:				
Hamilton Meadows Water	04/28/1988	07/01/2013	7.00%	194
Ridgewood Estates and Oakhurst Knolls Sewer	04/28/1988	07/01/2013	7.00%	1,478
Forest Ridge Sewer	09/02/1988	07/01/2013	7.00%	186
Village Park and Young Estates Sewer	03/26/1992	07/01/2017	7.00%	551
Village Park and Young Estates Water	03/26/1992	07/01/2017	7.00%	274
Lincoln Village and New Rome Water	02/12/1995	07/01/2015	3.50%	835
Emmit/Mix Avenue Sewer	07/01/1997	07/01/2021	3.00%	482
Darbydale Wastewater	02/18/2005	12/01/2026	0.00%	1,883
Water Quality Wastewater	07/01/2005	12/01/2028	0.00%	1,574
Darbydale Sewer	08/10/2005	07/01/2025	3.98%	1,200
Timberlake Water	09/28/2006	07/01/2012	5.09%	54
Timberlake Wastewater	09/28/2006	07/01/2012	5.09%	102
				<u>8,813</u>
				<u>\$ 21,148</u>

¹ Interest rates vary over the term of the bond per a set schedule. This is not a demand bond; a portion of the refunding.

B. New Issues

In July 2007, the County issued \$126,050,000 general obligation bonds with interest rates ranging from 4.0% to 5.0% for the purposes of certain street improvements and the acquisition, construction, installation and equipment of a county courthouse and an animal shelter. In addition, the County has received \$557,000 of additional loan principal from the OPWC for governmental activity construction projects.

In September 2007, the County issued \$27,500,000 taxable special obligation bonds (Stadium Facility Bonds) with interest rates ranging from 5.00% to 5.58% for the purposes of providing funds required to pay a portion of the cost of acquiring, constructing, installing, and equipping a county park and recreation facility, including a baseball stadium. Simultaneously with the issuance of such bonds, the County issued \$15,000,000 of taxable special obligation bond anticipation auction rate notes (Stadium Facility Notes) for the project with interest rates determined through auction procedures. The special obligation bonds and notes (together, the Special Obligations) do not represent general obligation debt or a pledge of the full faith and credit or taxing power of the County. The Special Obligations are payable solely from, and secured by, a pledge of project revenues and non-tax revenues of the County, described in note 10 E. below.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
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The County has also received \$179,000 in additional loan principal from the OPWC and OWDA for water and wastewater line development, accounted for as a business-type activity.

C. Changes in Long-term Liabilities

Primary Government Changes in the primary government's long-term obligations during the year, including new issuances, consisted of the following:

Changes in Long-term Liabilities - Governmental Activities					
(Amounts in 000's)					
	Outstanding 12/31/2006	Additions	Reductions	Outstanding 12/31/2007	Due in One Year
General obligation bonds:					
Mental Health Building	\$ 140	\$ -	\$ (35)	\$ 105	\$ 35
Solid Waste Facility	930	-	(930)	-	-
Series 1993 Refunding	41,880	-	-	41,880	-
Series 2003 Refunding	39,455	-	(6,190)	33,265	6,195
Series 2005 Road Improvements	4,590	-	(425)	4,165	435
Children Services Building	10,550	-	(355)	10,195	365
Series 2005 Refunding	25,050	-	(785)	24,265	1,970
Maryhaven Facility	210	-	(210)	-	-
Series 2007 Road Improvements	-	5,000	-	5,000	100
Series 2007 Courthouse Project	-	111,695	-	111,695	945
Series 2007 Animal Shelter Project	-	9,355	-	9,355	45
	<u>122,805</u>	<u>126,050</u>	<u>(8,930)</u>	<u>239,925</u>	<u>10,090</u>
Taxable special obligation bonds and notes:					
Stadium Facility Project Bonds	-	27,500	-	27,500	-
Stadium Facility Project Notes	-	15,000	-	15,000	-
	<u>-</u>	<u>42,500</u>	<u>-</u>	<u>42,500</u>	<u>-</u>
OPWC loans:					
Rickenbacker Industrial Park	596	-	(75)	521	75
Dublin Road I	154	-	(154)	-	-
Dublin Road II	97	-	(97)	-	-
Cleveland Avenue	44	-	(29)	15	14
Alton & Darby Creek Road	225	-	(150)	75	75
Havens Corners Road at Reynoldsburg-New Albany Road	-	471	-	471	12
Scioto-Darby Creek Road	1,300	-	-	1,300	36
Tuttle Crossing Boulevard	-	86	-	86	-
	<u>2,416</u>	<u>557</u>	<u>(505)</u>	<u>2,468</u>	<u>212</u>
Unamortized amounts:					
Bond premiums and discounts	5,065	5,093	(468)	9,690	-
Deferred charges	(1,895)	-	217	(1,678)	-
	<u>3,170</u>	<u>5,093</u>	<u>(251)</u>	<u>8,012</u>	<u>-</u>
Other long-term obligations:					
Compensated absences	34,212	4,490	(2,633)	36,069	2,948
Workers compensation	7,897	2,731	(2,374)	8,254	2,092
Capital leases	579	1,481	(391)	1,669	416
	<u>42,688</u>	<u>8,702</u>	<u>(5,398)</u>	<u>45,992</u>	<u>5,456</u>
	<u>\$ 171,079</u>	<u>\$ 182,902</u>	<u>\$ (15,084)</u>	<u>\$ 338,897</u>	<u>\$ 15,758</u>

FRANKLIN COUNTY, OHIO
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Changes in Long-term Liabilities – Business-type Activities					
(Amounts in 000's)					
	<u>Outstanding 12/31/2006</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding 12/31/2007</u>	<u>Due in One Year</u>
Bonds:					
Parking Garage Addition	\$ 520	\$ -	\$ (260)	\$ 260	\$ 260
Series 2003 Refunding	4,430	-	(810)	3,620	850
	<u>4,950</u>	<u>-</u>	<u>(1,070)</u>	<u>3,880</u>	<u>1,110</u>
OPWC/OWDA loans:					
Hamilton Meadows Water	87	-	(10)	77	12
Ridgewood Estates and Oakhurst Knolls Sewer	684	-	(84)	600	91
Forest Ridge Sewer	87	-	(11)	76	11
Village Park and Young Estates Sewer	346	-	(23)	323	25
Village Park and Young Estates Water	172	-	(11)	161	12
Lincoln Village and New Rome Water	426	-	(44)	382	45
Emmit/Mix Avenue Sewer	377	-	(22)	355	21
Darbydale Wastewater	1,883	-	-	1,883	94
Water Quality Wastewater	1,551	23	-	1,574	-
Darbydale Sewer	1,139	-	(43)	1,096	44
Timberlake Water	-	54	-	54	37
Timberlake Wastewater	-	102	-	102	18
	<u>6,752</u>	<u>179</u>	<u>(248)</u>	<u>6,683</u>	<u>410</u>
Unamortized amounts:					
Bond premiums and discounts	241	-	(50)	191	-
Deferred charges	(73)	-	15	(58)	-
	<u>168</u>	<u>-</u>	<u>(35)</u>	<u>133</u>	<u>-</u>
	<u>11,870</u>	<u>179</u>	<u>(1,353)</u>	<u>10,696</u>	<u>1,520</u>
Other long-term obligations:					
Compensated absences	164	-	(2)	162	2
	<u>\$ 12,034</u>	<u>\$ 179</u>	<u>\$ (1,355)</u>	<u>\$ 10,858</u>	<u>\$ 1,522</u>

Component Units The component units have no bonded debt. The long-term liabilities relate solely to capital leases and compensated absences. At December 31, 2007, long-term liabilities consisted of \$9,000 in capital leases and \$161,000 in compensated absences for a total of \$170,000.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
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D. Future Debt Service Requirements

The following is a summary of the County's estimated future annual debt service requirements:

Governmental Activities						
(Amounts in 000's)						
General Obligation						
	Bonds		Loans		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 10,090	\$ 11,612	\$ 212	\$ -	\$ 10,302	\$ 11,612
2009	9,800	11,205	167	-	9,967	11,205
2010	11,085	10,780	167	-	11,252	10,780
2011	11,650	10,302	167	-	11,817	10,302
2012	10,270	9,768	167	-	10,437	9,768
2013-2017	52,965	41,746	613	-	53,578	41,746
2018-2022	52,085	27,449	464	-	52,549	27,449
2023-2027	41,115	16,504	464	-	41,579	16,504
2028-2032	40,865	5,233	47	-	40,912	5,233
	<u>\$ 239,925</u>	<u>\$ 144,599</u>	<u>\$ 2,468</u>	<u>\$ -</u>	<u>\$ 242,393</u>	<u>\$ 144,599</u>
Special Obligation						
	Bonds		Notes		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ -	\$ 1,776	\$ -	\$ 786	\$ -	\$ 2,562
2009	-	1,504	-	786	-	2,290
2010	635	1,504	-	786	635	2,290
2011	670	1,472	-	786	670	2,258
2012	700	1,438	-	787	700	2,225
2013-2017	4,095	6,612	-	3,940	4,095	10,552
2018-2022	5,320	5,388	-	3,940	5,320	9,328
2023-2027	6,955	3,752	15,000	3,152	21,955	6,904
2028-2032	9,125	1,583	-	-	9,125	1,583
	<u>\$ 27,500</u>	<u>\$ 25,029</u>	<u>\$ 15,000</u>	<u>\$ 14,963</u>	<u>\$ 42,500</u>	<u>\$ 39,992</u>
Grand Total						
	Principal		Interest			
2008	\$ 10,302	\$ 14,174				
2009	9,967	13,495				
2010	11,887	13,070				
2011	12,487	12,560				
2012	11,137	11,993				
2013-2017	57,673	52,298				
2018-2022	57,869	36,777				
2023-2027	63,534	23,408				
2028-2032	50,037	6,816				
	<u>\$ 284,893</u>	<u>\$ 184,591</u>				

FRANKLIN COUNTY, OHIO
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For Year Ended December 31, 2007

Business-type Activities						
(Amounts in 000's)						
	Bonds		Loans		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 1,110	\$ 167	\$ 410	\$ 154	\$ 1,520	\$ 321
2009	875	109	487	139	1,362	248
2010	925	74	505	123	1,430	197
2011	970	37	519	106	1,489	143
2012	-	-	506	124	506	124
2013-2017	-	-	1,780	240	1,780	240
2018-2022	-	-	1,327	87	1,327	87
2023-2027	-	-	1,070	12	1,070	12
2028-2032	-	-	79	-	79	-
	<u>\$ 3,880</u>	<u>\$ 387</u>	<u>\$ 6,683</u>	<u>\$ 985</u>	<u>\$ 10,563</u>	<u>\$ 1,372</u>

E. Funds Used to Retire Long-term Liabilities

All general obligation bonds are supported by the full faith and credit of the County. General obligation bonds and loans will be paid with \$226,787,000 from taxes, and the remainder from lease revenues (note 8), user charges and payments received on the SWACO and CRAA loans including portions of the Series 2005 Refunding (note 7). Compensated absences liabilities will be paid from the fund from which the employee's salary is paid, which is typical of past treatment. Capital lease obligations will be paid from the fund that supports the department using the underlying asset, also typical of past treatment.

The Special Obligations in the amount of \$42,500,000 are not general obligations of the County, but are payable solely from the proceeds derived from the operation, lease, sale, or other disposition of a County park and recreation facility, including a baseball stadium and from the following non-tax revenue sources (Pledged Revenues) that are deposited in the County's General Fund: (i) fines and forfeitures, (ii) fees imposed from licenses and permits, (iii) investment earning on any fund or account of the County, including the County's General Fund, that are credited to the County's General Fund, (iv) proceeds from the sale of capital assets, (v) charges for services, and (vi) other revenues, including but not limited to, rental income, gifts and donations and payments received as reimbursement. Annual principal and interest payments on the Special Obligations are expected to require less than 27 percent of the County's General Fund revenue. There were no principal and interest payments made in 2007, yet Pledged Revenues amounted to \$103,687,000. The County has covenanted to appropriate each year a sufficient amount of the Pledged Revenues to pay the debt service required in such year.

From the original proceeds of the Stadium Facility Bonds and Notes, \$4,100,000 was deposited in the Stadium Debt Service fund to be applied to the payment of interest during the construction phase of the project. As of December 31, 2007, the fund balance of the Stadium Debt Service fund is \$3,897,000. In addition, the Commissioners have designated \$3,644,000 of the fund balance in the General Fund to secure the pledge for the payment of debt service and on the Special Obligations from the County's non-tax revenues.

F. Debt Limitations

The ORC provides that the net general obligation debt of the County, exclusive of certain exempt debt, issued without a vote of the electors should not exceed one percent of the total assessed valuation of the County. The ORC further provides that the total voted and unvoted net debt of the County less the same exempt debt should not exceed a sum equal to three percent of the first \$100,000,000 of the assessed valuation, plus one and one-half percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus two and one-half percent of such valuation in excess of \$300,000,000. The effects of

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

the debt limitations at December 31, 2007, are an overall debt margin of \$497,163,000 and an unvoted debt margin of \$78,201,000.

G. Defeased Bonds

In 1993, the County defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. At December 31, 2007, \$78,270,000 remained outstanding on the defeased bonds from 1993 refunding.

H. Optional Redemption

Certain bonds issued by the County are subject to redemption at the County's option. When partial redemption of any of the following bonds is authorized, the bond registrar will select bonds or portions thereof by lot within a maturity in such manner as the bond registrar may determine, provided, however, that the portion of any bond so selected will be in the amount of \$5,000 or an integral multiple thereof. In each case, accrued interest will be paid to the date fixed for redemption. The following schedule summarizes the bond issues subject to optional redemption, the relevant maturity dates, the redemption dates and the redemption rates:

<u>Bonds</u>	<u>Maturity Date</u>	<u>Redemption Dates (Dates Inclusive)</u>	<u>Redemption Prices</u>
Series 1993 Refunding	after 12/01/2008	12/01/2008 – 11/30/2009 12/01/2009 – 11/30/2010 12/01/2010 and thereafter	102% 101% 100%
Children Services Building	after 12/01/2015	12/01/2015 and thereafter	100%
Series 2005 Refunding	after 12/01/2015	12/01/2015 and thereafter	100%
Series 2007 Courthouse Project	after 12/01/2018	12/01/2017 and thereafter	100%
Series 2007 Animal Shelter Project	after 12/01/2018	12/01/2017 and thereafter	100%
Series 2007 Stadium Facility Project	after 12/01/2018	12/01/2017 and thereafter	100%

The Stadium Facility Notes were subject to optional redemption in whole or in part, by the County at an optional redemption price equal to 100 percent of the principal amount thereof. As further described in note 22, the County redeemed the Stadium Facility Notes on March 20, 2008.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

Note 11 – Capital Leases - Lessee Disclosure

The County leases various equipment through lease arrangements. Many of the lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Payments are made from the funds that purchase the assets. The assets acquired through capital leases are as follows:

(Amounts in 000's)	
	Governmental Activities
Machinery and equipment	\$ 3,074
Less accumulated depreciation	(1,142)
	\$ 1,932

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2007, were as follows:

(Amounts in 000's)	
	Governmental Activities
2008	\$ 540
2009	435
2010	365
2011	345
2012	255
Total minimum lease payments	1,940
Less amount representing interest	(271)
Present value of minimum lease	\$ 1,669

Note 12 – Operating Leases

The County has entered into various contracts and leases for equipment, land and office space. The following table represents the non-cancellable rental liabilities:

(Amounts in 000's)	
	Rental
2008	\$ 4,170
2009	4,039
2010	2,589
2011	1,403
2012	273
2013-2017	882
2018-2022	574
2023-2027	574
2028	115
	\$ 14,619

The County does not have operating leases or contracts after 2028. During 2007, the County incurred expenditures of \$4,556,000 for non-cancellable operating leases.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

Note 13 – Contingencies and Commitments

Contingent Liabilities The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. At December 31, 2007, the audits of certain programs had not been completed. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the County believes such disallowances, if any, will be immaterial.

Several claims and lawsuits are pending against the County. The Prosecuting Attorney has used his best judgment as legal counsel for the County to estimate the possible liability that the County could incur. \$2,800,000 has been accrued to offset expected liability arising from the current pending lawsuits.

By resolution, the Commissioners have designated amounts in the fund balance of the General Fund to be used for expenditures in future years. An amount of \$14,821,000 has been set aside for "rainy day" purposes. In addition, the Commissioners have designated \$3,644,000 to secure the pledge for the payment of debt service on the Stadium Facility Bonds and Notes from the County's non-tax revenues.

Commitments The County had several outstanding capital projects as of December 31, 2007, including construction of a new county courts building, stadium and several road construction projects. The projects include the following major commitments:

(Amounts in 000's)			
Project	Phase	Spent to Date	Commitment Remaining
Huntington Park Stadium	Land Acquisition	\$ 15,500	\$ -
Huntington Park Stadium	Construction	6,800	41,000
County Courts Building	Land Acquisition	10,900	-
County Courts Building	Construction	9,875	90,925
Tuttle Crossing Boulevard	Road Construction	137	4,400
Combat GPS Vehicle Locater	Emergency Preparedness	919	3,541
		\$ 44,131	\$ 139,866

The Commissioners have also entered into a long-term commitment whereby the County has agreed to contribute approximately \$4.34 million to the Columbus Regional Airport Authority annually through 2012.

Note 14 – Risk Management

The County is exposed to various risks of loss related to torts and general liability; theft of, damage to and destruction of assets; natural disasters; errors and omissions; health care claims for employees and their eligible dependents; and injuries to employees. Insurance policies are procured for commercial crime, flood, buildings and contents, equipment, boilers and machinery. In addition, a Commercial Crime and Public Employees Dishonesty policy is in effect for certain agencies that deal with large amounts of cash, and a Faithful Performance Blanket bond is in place for all County employees. Medical malpractice insurance is purchased for claims involving inmate medical care. Settled claims have not exceeded commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year. The County has elected to retain risk for losses related to torts, general and excess liability, and automobile casualty rather than insuring those risks through a third-party. Employee health care claims are self-insured, with purchased stop-loss coverage of \$1,000,000 per individual for the calendar year. The County purchases workers' compensation insurance from the State of Ohio to cover employees and auxiliary staff.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

A. Self-insurance for General Liability

The County's General Fund provides unlimited coverage for court judgments resulting from tort and general liability claims of County officials and employees. The County does not use actuaries to determine possible claims liability, nor are any interfund premiums charged. However, the County incorporates nonincremental claims adjustments when setting the annual budget amount for claims, judgments and settlements. The Commissioners appropriated \$200,000 within the General Fund in 2007 to satisfy court-ordered judgments, self-insured claims or other settlements. The actual claims paid during 2007 totaled \$112,000. \$5,391,000 of the General Fund's fund balance has been designated for unasserted claims.

B. Self-insurance for Health Benefits

The County provides multiple health care benefit plans that cover approximately 4,800 County employees. Approximately 1,400 employees of other political subdivisions are also in the County's insurance program. Coverage is extended to eligible dependents. Costs are allocated to the fund that pays the salary of the enrolled employee. These payments are accounted for as expenditures in the paying funds and as fees and charges for services in the Employee Benefits internal service fund from which the claims are paid. An estimate of amounts to be paid for claims incurred but not reported (IBNR) as of year-end has been developed by the County in conjunction with an actuary, based on appropriate standards of practice promulgated by the Actuarial Standards Board. At December 31, 2007, accounts payable balances included \$1,611,000 of reported, unpaid County claims and \$4,470,000 as an estimate for IBNR. Actual claims experience may differ from the estimate.

The Comprehensive Omnibus Budget Reconciliation Act of 1986 requires the County to offer terminated or retired employees continued participation in the County's employee health care benefits program, provided that the employees pay the rate established by the plan administrator.

C. Workers' Compensation

The County reimburses the Ohio Bureau of Workers' Compensation for the cost of injured workers' claims. All County agencies participate in the program and make payments for prior and current year claims. Because the plan is retrospectively rated, payments will be made in future periods for injuries sustained during 2007 and prior years. At December 31, 2007, this long-term liability was estimated to be \$8,254,000, a net increase of \$357,000 from the estimate as of December 31, 2006. The County has designated \$9,112,000 of the General Fund's fund balance for these future payments.

D. Summary

When it is probable that a loss has occurred and the amount of the loss can be reasonably estimated, the liability is reported in the fund. The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors. Accordingly, claims liabilities are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs) and other economic and social factors. The estimate of the claims liabilities includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Liabilities also include an amount for estimated IBNR claims. Changes in claims liabilities for the various plans during 2006 and 2007 were as follows:

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

	(Amounts in 000's)			
	General Liability	Health Benefits	Workers' Compensation	Total
Unpaid claims at 01/01/06	\$ -	\$ 7,160	\$ 9,012	\$ 16,172
2006 net change in claims estimate	-	-	(688)	(688)
2006 incurred claims & IBNR	58	52,480	1,579	54,117
2006 paid claims	(58)	(51,498)	(2,006)	(53,562)
Unpaid claims at 12/31/06	-	8,142	7,897	16,039
2007 net change in claims estimate	-	-	(240)	(240)
2007 incurred claims & IBNR	2,952	53,403	2,731	59,086
2007 paid claims	(112)	(55,464)	(2,134)	(57,710)
Unpaid claims at 12/31/07	<u>\$ 2,840</u>	<u>\$ 6,081</u>	<u>\$ 8,254</u>	<u>\$ 17,175</u>

The County analyzes all outstanding and potential claims that have arisen or could arise due to the occurrence of a loss contingency on or before December 31, 2007. Those claims that are judged to have a high probability of requiring a settlement and for which the amount required to settle the claim is reasonably estimable are shown as liabilities. Those claims for which the liability cannot be reasonably estimated or which are judged not to have a high probability of settlement are not displayed as liabilities on the balance sheet, but are discussed in note 13.

Note 15 – Defined Benefit Retirement Plans

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans. The authority to establish and amend benefits is provided by state statute per ORC Chapter 145. The three plans are described below:

- Traditional Pension (TP) Plan – a cost-sharing, multiple-employer defined benefit pension plan. OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to TP plan members.
- Member-Directed (MD) Plan – a defined contribution plan in which the member invests both member and employer contributions. Employer contributions vest over five years at 20 percent per year. Members accumulate retirement assets equal to the value of member and vested employer contributions, plus any investment earnings thereon. MD Plan members do not qualify for ancillary benefits.
- Combined (CO) Plan – a cost-sharing, multiple-employer defined benefit pension plan. OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the TP Plan benefit. Member contributions, the investment of which is self-directed by the member, accumulate retirement assets in a manner similar to the MD Plan. OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to CO Plan members.

Contributions are authorized by state statute. For 2007, member and employer contribution rates were consistent across all three plans. Separate divisions for law enforcement and public safety exist only within the TP Plan. The 2007 contribution rate for members, other than those engaged in law enforcement, was 9.50 percent of their annual covered salary. The law enforcement classification (sheriffs, deputy sheriffs and township police) had an employee contribution rate of 10.10 percent for

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

2007. The County's employer contribution rate for 2007 was 13.85 percent of covered payroll, except for law enforcement where the rate was 17.17 percent.

The County's required contributions to OPERS for the years ended December 31, 2007, 2006 and 2005 were as follows:

	(Amounts in 000's)		
	2007	2006	2005
Employer share	\$ 36,443	\$ 34,894	\$ 34,351
Employee share, paid by employer	2,737	3,024	2,988
Total contributions	<u>\$ 39,180</u>	<u>\$ 37,918</u>	<u>\$ 37,339</u>

The full amount has been contributed for 2006 and 2005. For 2007, 77.73 percent has been contributed with the remainder reported at December 31, 2007, in the Payroll and Benefit Revolving agency fund. In conjunction with the transition from quarterly payment to monthly payment of the employer liability, OPERS is permitting certain employers to pay their fourth quarter 2007 liability over a three-year period. This employer liability balance will be paid to OPERS incrementally, with the October 2007 portion due on December 31, 2008, the November 2007 portion due on December 31, 2009, and the December 2007 portion due on January 3, 2011.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling 614-222-5601 or 800-222-7377.

B. State Teachers Retirement System of Ohio

The County also contributes to State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement system. The authority to establish benefits is provided by ORC Chapter 3307. STRS Ohio provides retirement, disability and survivor benefits. By Ohio law, health care benefits are not guaranteed. STRS Ohio administers three separate pension plans:

- Defined Benefit (DB) Plan – a cost-sharing, multiple-employer defined benefit pension plan. Benefits are increased annually by 3.00 percent of the original base amount for DB participants. The DB Plan offers access to health care coverage to eligible retirees who participated in the plan, and their eligible dependents.
- Defined Contribution (DC) Plan – a defined contribution plan which allows the member to allocate all their member contributions and employer contributions equal to 10.50 percent of earned compensation among various investment choices. Members accumulate retirement assets equal to the value of member and vested employer contributions plus any investment earnings thereon. Employer contributions into members' accounts are vested after the first anniversary of the first day of paid service. Members of the DC Plan do not qualify for ancillary benefits.
- Combined (CO) Plan – a cost-sharing, multiple-employer defined benefit pension plan. The member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment at a reduced level from the DB Plan. The CO Plan offers access to health care coverage to eligible retirees who participated in the plan, and their eligible dependents.

DC and CO Plan members will transfer to the DB Plan during their fifth year of membership unless they permanently select the DC or CO Plan.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

Contribution rates are authorized by state statute and are established by the State Teachers Retirement Board upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10.00 percent for members and 14.00 percent for employers. Actual contributions during 2007 were made equal to the statutory maximum rates. The County's contributions to STRS Ohio for the years ended December 31, 2007, 2006 and 2005 were approximately \$1,324,000, \$1,310,000, and \$1,314,000, respectively. The full amount has been contributed for 2006 and 2005. For 2007, 96.01 percent has been contributed with the remainder reported at December 31, 2007, in the Payroll and Benefit Revolving agency fund. This balance was paid to STRS Ohio in January 2008.

STRS Ohio issues a stand-alone financial report. A copy can be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771 or by visiting the STRS Ohio Website at www.strsoh.org.

Note 16 – Postemployment Benefits

A. Ohio Public Employees Retirement System

OPERS administers three separate pension plans (see note 15.A.). OPERS provides retirement, disability, survivor and postretirement health care benefits to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including postemployment health care coverage.

OPERS maintains a cost-sharing multiple employer defined benefit postemployment health care plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement. In order to qualify for postretirement health care coverage, age and service retirees under the Traditional Pension and Combined Plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OPERS to provide postemployment benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in ORC Chapter 145.

In 2007, local government employers contributed at 13.85 percent of covered payroll, and public safety and law enforcement employers contributed at 17.17 percent. The ORC currently limits the employer contribution to a rate not to exceed 14.0 percent of covered payroll for local employers and 18.1 percent of covered payroll for law and public safety employers. Active members do not make contributions to the postemployment benefit plan.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of postemployment health care benefits, based on authority granted by state statute. For 2007, the employer contributions allocated to the health care plan from January 1 through June 30, 2007 and July 1 through December 31, 2007 were 5.0 percent and 6.0 percent of covered payroll, respectively. The County's actual contributions for 2007, 2006 and 2005, used to fund OPEB, were approximately \$15,148,000, \$12,136,000, and \$10,747,000, respectively.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

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

B. State Teachers Retirement System of Ohio

STRS Ohio administers a pension plan that is comprised of a defined benefit plan, a self-directed defined contribution plan and a combined plan which is a hybrid of the defined benefit and defined contribution plan.

Ohio law authorizes STRS Ohio to offer a cost-sharing, multiple-employer health care plan. Health care coverage is not statutorily guaranteed. STRS Ohio provides access to health care coverage to eligible retirees who participated in the Defined Benefit or the Combined Plans. Coverage under the current program includes hospitalization, physician fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. Pursuant to the ORC, the State Teachers Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All benefit recipients, for the most recent year, pay a portion of the health care cost in the form of a monthly premium.

Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14.0 percent employer contribution rate, 1.0 percent of covered payroll was allocated to post-employment health care for the years ended June 30, 2007, 2006 and 2005. The 14.0 percent employer contribution rate is the maximum rate established under Ohio law. For the County, this amount totaled approximately \$95,000 during 2007, and \$94,000 during both 2006 and 2005.

Note 17 – Conduit Debt Obligations

From time to time, the County has issued Hospital, Housing and Industrial Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of facilities deemed to be in the public interest. The bonds are secured by the financed property and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the facility transfers to the private-sector entity served by the bond issuance. The County is not 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, 2007, there were 175 series of bonds outstanding. The aggregate principal amount payable for 164 of these series was \$2.4 billion. The aggregate principal amount payable for 11 series issued prior to January 1, 1994, could not be determined; however, the original issue amounts totaled \$34,635,000.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

Note 18 – Component Units

Three discretely presented component units are included within the reporting entity of the County. Condensed financial statements follow:

Condensed Statement of Net Assets				
(Amounts in 000's)				
	ARC Industries	Veterans Memorial Hall	Stadium and Team	Total
Assets:				
Current and other assets	\$ 6,971	\$ 133	\$ 11,062	\$ 18,166
Due from primary government	504	-	-	504
Capital assets, net	956	199	1,420	2,575
Total assets	8,431	332	12,482	21,245
Liabilities:				
Current and other liabilities	676	234	8,328	9,238
Due to primary government	-	50	-	50
Long-term liabilities	-	161	9	170
Total liabilities	676	445	8,337	9,458
Net assets:				
Invested in capital assets	956	199	1,420	2,575
Restricted for other purposes	129	-	-	129
Unrestricted	6,670	(312)	2,725	9,083
Total net assets	\$ 7,755	\$ (113)	\$ 4,145	\$ 11,787

Condensed Statement of Activities				
(Amounts in 000's)				
	ARC Industries	Veterans Memorial Hall	Stadium and Team	Total
Expenses:	\$ 8,393	\$ 2,378	\$ 4,433	\$ 15,204
Program revenues:				
Charges for services	7,089	2,246	3,919	13,254
Operating grants and contributions	1,423	-	-	1,423
	8,512	2,246	3,919	14,677
Net program revenue (expense)	119	(132)	(514)	(527)
Other general revenues	391	1	198	590
Change in net assets	510	(131)	(316)	63
Net assets – beginning (restated)	7,245	18	4,461	11,724
Net assets – ending	\$ 7,755	\$ (113)	\$ 4,145	\$ 11,787

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

Note 19 – Joint Ventures

Franklin County and the City of Columbus (the City) participate in the following four joint ventures.

Columbus Regional Airport Authority (CRAA) Through an agreement effective January 1, 2003, the operations of the Columbus Municipal Airport Authority, created by the City in 1990, and the Rickenbacker Port Authority, created by the County in 1979, were united. The new entity was titled the Columbus Regional Airport Authority, an independent special purpose political subdivision. The County agreed to contribute \$4,338,000 per year for ten years to facilitate the consolidated operations. The annual contribution was provided in 2007. Complete financial statements can be obtained from the Columbus Regional Airport Authority, 4800 International Gateway, Columbus, Ohio 43219.

Columbus/Franklin County Affordable Housing Trust Corporation (AHT) The AHT is a nonprofit corporation created on August 31, 2000 to promote home ownership and affordable rental housing opportunities in the County and City. The AHT Board is appointed jointly by the Franklin County Board of Commissioners and the Mayor of the City of Columbus, and receives annual support from the County and City, including \$3,106,000 from the county in 2007. AHT will continue to receive annual funding from the County as long as the current agreement continues. Complete financial statements may be obtained from AHT at 1260 East Broad Street, Columbus, Ohio 43205.

Franklin Park Conservatory Joint Recreation District (Conservatory District) The Conservatory District was created in 1990 pursuant to the authority contained in Section 755.14 (B) of the Ohio Revised Code, and is dedicated to the promotion of environmental appreciation and ecological awareness. There is an ongoing financial responsibility on the part of the County and the City, whereby both the County and the City provide annual operating subsidies. The County provided \$475,000 in 2007. Complete financial statements can be obtained from Franklin Park Conservatory Joint Recreation District, 1777 East Broad Street, Columbus, Ohio 43203.

Columbus-Franklin County Finance Port Authority (Finance Authority) The Finance Authority was created in 2006 pursuant to the authority contained in Sections 4582.21 through 4582.59 of the Ohio Revised Code, to serve economic development needs. The County and City have committed to provide subsidies to the Finance Authority. The county provided an annual operating subsidy of \$150,000 in 2007. The county has agreed to provide this same annual operating subsidy for three more years. Audited financial statements for the Finance Authority may be obtained from The Columbus-Franklin County Finance Authority, 37 North High Street, Columbus, Ohio 43215.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

A summary of the financial position for the CRAA, AHT, and the Conservatory District follows:

Condensed Statement of Net Assets				
(Amounts in 000's)				
	<u>CRAA</u>	<u>AHT</u>	<u>Conservatory District</u>	<u>Finance Authority</u>
Assets:				
Cash, cash equivalents, and				
investments in segregated accounts	\$ 96,546	\$ 6,297	\$ 29	\$ 5,572
Other assets	48,371	13,165	15,213	3,075
Capital assets, net of accumulated depreciation	590,502	44	11,990	-
Total assets	<u>735,419</u>	<u>19,506</u>	<u>27,232</u>	<u>8,647</u>
Liabilities:				
Current liabilities	60,425	103	2,824	153
Noncurrent liabilities	120,589	35	8,357	5,378
Total liabilities	<u>181,014</u>	<u>138</u>	<u>11,181</u>	<u>5,531</u>
Net assets:				
Invested in capital assets, net of related debt	449,486	44	3,700	-
Restricted for other purposes	39,552	18,322	13,421	2,500
Unrestricted	65,367	1,002	(1,070)	616
Total net assets	<u>\$ 554,405</u>	<u>\$ 19,368</u>	<u>\$ 16,051</u>	<u>\$ 3,116</u>

Note 20 – Related Organizations and Other Agreements

Housing of City Prisoners Under the terms of an agreement between the County and the City, the County provides housing and medical treatment to persons incarcerated under City ordinances. For this service, the City has agreed to pay its proportionate share of the jail's costs. During 2007, the General Fund realized revenue of \$7,800,000 under this agreement.

Central Ohio Workforce Investment Corporation The Franklin County Department of Job and Family Services (FCDJFS) provides workforce development services for the Central Ohio Workforce Investment Corporation (COWIC) established pursuant to the Workforce Investment Act of 1998. A board of directors separate from FCDJFS heads the COWIC.

Columbus Metropolitan Library The Commissioners are responsible for a majority of the board appointments for the Columbus Metropolitan Library. The County has no further accountability or oversight for the library's operation.

Columbus Metropolitan Housing Authority The County and the City jointly formed the Columbus Metropolitan Housing Authority (CMHA). CMHA is a separate body from the City and the County, with no oversight or accountability by the County for CMHA's management or operations.

Columbus and Franklin County Metropolitan Park District The Columbus and Franklin County Metropolitan Park District (Metro Parks) was organized under ORC Chapter 1545. Metro Parks is a separate political subdivision and is governed by a three-member Board of Park Commissioners, appointed in a non-authoritative manner by the Franklin County Probate Judge. The Board of Park Commissioners adopts the annual budget. Metro Parks' operations are autonomous.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

Franklin County Family and Children First Council The operation of the Franklin County Family and Children First Council is controlled by an oversight committee. The chair of the County Commissioners serves on the committee. The Franklin County Educational Service Center is the administrative and fiscal agent for the Council's General Fund monies.

Franklin County Convention Facilities Authority The Commissioners appoint a majority of the board members of the Franklin County Convention Facilities Authority (CFA) but have no further accountability for it. The CFA is a separate and distinct legal entity. Neither the County nor the City is responsible for the operation of CFA or of the Greater Columbus Convention Center (Convention Center).

The CFA issued lease revenue bonds in 1990 to finance the construction of the Convention Center. Several bond issues have been completed since that date through which tax and lease revenue anticipation bonds were used to refund and refinance portions of the original and subsequent issues and to fund an expansion of the facility in 1997. The total amount of these revenue bonds outstanding as of December 31, 2007, was \$175.4 million net of premiums and discounts of \$1.7 million, or a gross amount of \$177.1 million.

The bond issues and the facility were made possible through a lease/sub-lease agreement whereby the County and the City lease the facility from CFA and concurrently sub-lease it back to CFA. The lease rent charged by CFA equals the annual debt service amount, with each party paying an amount equal to one half the amount of the debt service on the revenue bonds. The sub-lease rent charged by the County and the City also equals the annual debt service amount, and is expected to be paid from hotel/motel tax revenues. The County, at its discretion and without incurring any penalty or further liability, may cancel the lease by not appropriating funds for the lease payment. The terms of the agreement provide many alternative plans for payment of the debt service in the event that the hotel/motel tax revenues prove insufficient. The County considers it highly unlikely that it will ever be faced with meeting CFA's debt service. The Convention Center Lease special revenue fund records the lease and sub-lease payments made and received by the County.

New Albany Community Authority District Board of Trustees The Commissioners are responsible for a majority of the board appointments for the New Albany Community Authority District Board of Trustees. The County has no further accountability for this organization.

Pinnacle Community Infrastructure Financing Authority Board of Trustees The Commissioners are responsible for a majority of the board appointments for the Pinnacle Community Infrastructure Financing Authority Board of Trustees. The County has no further accountability for this organization.

Central Ohio Community Improvement Corporation The Commissioners are responsible for the appointments of two of the seven trustees for the Central Ohio Community Improvement Corporation. In addition, the Treasurer makes one appointment. The County has no further accountability for this organization.

Note 21 – Fund Reclassifications and Restatements

Restatements During calendar year 2007, it was determined that the intention of a transaction previously identified and accounted for as a transfer was to be an interfund loan. As such, an adjustment was made to the balances of two governmental funds. The adjustment had no effect on the government-wide financial statements, and no effect on the fund financial statements as a whole. However, there was an effect on the separately presented financial statements of the General Fund and the nonmajor governmental funds.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For Year Ended December 31, 2007

It was also determined that some liabilities as previously reported by the Stadium and Team, a component unit, were overstated. The effect of the restatement in the government-wide financial statements for the component units is summarized below:

(Amounts in '000's)	
	Component Units
Net assets at 12/31/06, as previously reported	\$ 11,645
Impact of restatement of assets and liabilities	79
Net assets at 12/31/06, as restated	<u>\$ 11,724</u>

The effect of the restatements in the individual fund financial statements are summarized below:

(Amounts in '000's)		
	General Fund	Nonmajor Governmental Funds
Fund balance at 12/31/06, as previously reported	\$ 173,820	\$ 83,531
Impact of reclassification of interfund transaction	10,900	(10,900)
Fund balance at 12/31/06, as restated	<u>\$ 184,720</u>	<u>\$ 72,631</u>

Note 22 – Subsequent Event

On March 19, 2008, due to market conditions, special obligation bond anticipation notes (the Notes) were issued in the amount of \$15,000,000 for the purposes of retiring the Stadium Facility Project Notes issued as auction rate securities. Huntington Investment Company, a party with a vested interest in the Huntington Park stadium project, purchased the Notes. Huntington National Bank has entered into a sponsorship agreement with the Stadium and Team, whereby in exchange for stadium naming rights, the bank will provide \$9,000,000 over twenty years.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

The special revenue funds are used to account for proceeds of specific revenue sources (other than debt service, capital projects, or enterprise funds) that are legally restricted to expenditure for specified purposes. A description of the nonmajor special revenue funds follows:

Motor Vehicle and Gasoline Tax – This fund accounts for revenue derived from taxes of gasoline and motor vehicle licenses. State law restricts expenditure of these funds to road and bridge maintenance and construction.

Senior Services – This fund accounts for the property taxes and grants spent for programs and services benefiting senior citizens.

Zoological Park – This fund accounts for the property taxes for the Columbus Zoo.

Child Support Enforcement – This fund accounts for the administration of the collection and distribution of voluntary and court-ordered child support payments.

Real Estate Assessment – This fund accounts for activities related to the appraisal of real property for tax purposes, and periodic county-wide revaluation. Funding is provided through charges to the various political subdivisions during the distribution of their property tax revenue.

Homeland Security and Justice Programs – This fund accounts for federal grants related to the various homeland security and criminal justice programs.

Additional special revenue funds are listed below:

- Convention Center Lease
- Domestic and Juvenile Court Grants
- Dog and Kennel
- Certificate of Title Administration
- Emergency Management Agency
- Economic Development and Planning
- Adult Probation and Community Corrections
- Wireless Enhanced 9-1-1
- Other Special Revenue Funds

NONMAJOR DEBT SERVICE FUNDS

The debt service funds are used to account for the accumulation of governmental resources and payment of principal and interest on long-term debt. Debt service funds are as follows:

- General Bond Retirement
- Maryhaven Debt Service
- Stadium Debt Service

NONMAJOR CAPITAL PROJECTS FUNDS

The capital projects funds are used to account for the financial resources used for the acquisition, construction or renovation of facilities (other than those financed by the enterprise funds). Following are descriptions of the nonmajor capital project funds:

New Building Construction – This fund accounts for land acquisition and construction of a new court building.

Stadium Construction – This fund accounts for land acquisition and construction of a new baseball stadium.

Road Projects-2005 Bonds – This fund accounts for construction costs associated with improving certain intersections and roads in the County. These costs are financed by bonded debt.

Road Projects-2007 Bonds – This fund accounts for construction costs associated with improving certain intersections and roads in the County. These costs are financed by bonded debt.

Animal Shelter Construction – This fund accounts for the construction of an addition to the current County Animal Shelter.

Other Capital Projects – This fund accounts for miscellaneous capital projects.

FRANKLIN COUNTY, OHIO

Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2007
 (Amounts in the 000's)

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total
Assets:				
Equity with County Treasurer	\$ 79,827	\$ 4,465	\$ 140,831	\$ 225,123
Cash and investments in segregated accounts	2,395	250	-	2,645
Property taxes receivable, net	44,431	-	-	44,431
Accounts receivable	816	-	-	816
Accrued interest receivable	2	-	852	854
Due from other funds	208	-	-	208
Due from other governments	27,008	-	-	27,008
Notes receivable	-	12,320	-	12,320
Leases receivable	-	2,748	-	2,748
Loans receivable, net	3,257	-	-	3,257
Inventories	1,475	-	-	1,475
Total assets	\$ 159,419	\$ 19,783	\$ 141,683	\$ 320,885
Liabilities and fund balances:				
Liabilities:				
Accrued wages	\$ 2,689	\$ -	\$ -	\$ 2,689
Accounts payable	7,271	-	1,324	8,595
Matured bonds and interest payable	-	754	-	754
Due to other funds	843	-	-	843
Deferred revenue	20,311	2,748	163	23,222
Unearned revenue	49,836	-	-	49,836
Advances from other funds	1,761	-	-	1,761
Total liabilities	82,711	3,502	1,487	87,700
Fund balances:				
Reserved for notes receivable	-	12,320	-	12,320
Reserved for inventories	1,475	-	-	1,475
Unreserved, reported in:				
Special revenue funds	75,233	-	-	75,233
Debt service funds	-	3,961	-	3,961
Capital projects funds	-	-	140,196	140,196
Total fund balances	76,708	16,281	140,196	233,185
Total liabilities and fund balances	\$ 159,419	\$ 19,783	\$ 141,683	\$ 320,885

FRANKLIN COUNTY, OHIO

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2007
 (Amounts in the 000's)

	Motor Vehicle and Gasoline Tax	Senior Services	Zoological Park	Child Support Enforcement
Assets:				
Equity with County Treasurer	\$ 3,937	\$ 8,694	\$ 760	\$ 2,584
Cash and investments in segregated accounts	-	-	-	-
Property taxes receivable, net	-	25,519	18,912	-
Accounts receivable	2	259	-	-
Accrued interest receivable	-	-	-	-
Due from other funds	-	98	-	-
Due from other governments	20,023	1,473	1,093	-
Loans receivable, net	-	-	-	-
Inventories	1,348	-	-	34
Total assets	\$ 25,310	\$ 36,043	\$ 20,765	\$ 2,618
Liabilities and fund balances:				
Liabilities:				
Accrued wages	\$ 792	\$ 224	\$ -	\$ 651
Accounts payable	1,424	1,520	555	20
Due to other funds	-	16	-	174
Deferred revenue	13,759	2,147	1,869	-
Unearned revenue	-	25,119	18,341	1,773
Advances from other funds	-	-	-	-
Total liabilities	15,975	29,026	20,765	2,618
Fund balances:				
Reserved for inventories	1,348	-	-	34
Unreserved	7,987	7,017	-	(34)
Total fund balances	9,335	7,017	-	-
Total liabilities and fund balances	\$ 25,310	\$ 36,043	\$ 20,765	\$ 2,618

(Continued on next page)

FRANKLIN COUNTY, OHIO
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
December 31, 2007
(Amounts in the 000's)

	<u>Real Estate Assessment</u>	<u>Homeland Security and Justice Programs</u>	<u>Convention Center Lease</u>
Assets:			
Equity with County Treasurer	\$ 17,208	\$ 2,300	\$ -
Cash and investments in segregated accounts	-	-	-
Property taxes receivable, net	-	-	-
Accounts receivable	-	-	-
Accrued interest receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	104	2,152	-
Loans receivable, net	-	-	-
Inventories	14	-	-
Total assets	<u>\$ 17,326</u>	<u>\$ 4,452</u>	<u>\$ -</u>
Liabilities and fund balances:			
Liabilities:			
Accrued wages	\$ 283	\$ 10	\$ -
Accounts payable	528	1,571	-
Due to other funds	5	215	-
Deferred revenue	104	1,962	-
Unearned revenue	-	1,218	-
Advances from other funds	-	1,438	-
Total liabilities	<u>920</u>	<u>6,414</u>	<u>-</u>
Fund balances:			
Reserved for inventories	14	-	-
Unreserved	16,392	(1,962)	-
Total fund balances	<u>16,406</u>	<u>(1,962)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 17,326</u>	<u>\$ 4,452</u>	<u>\$ -</u>

(Continued on next page)

FRANKLIN COUNTY, OHIO
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
December 31, 2007
(Amounts in the 000's)

	<u>Domestic and Juvenile Court Grants</u>	<u>Dog and Kennel</u>	<u>Certificate of Title Administration</u>
Assets:			
Equity with County Treasurer	\$ 6,616	\$ 401	\$ 3,719
Cash and investments in segregated accounts	-	-	4
Property taxes receivable, net	-	-	-
Accounts receivable	-	10	365
Accrued interest receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	336	-	-
Loans receivable, net	-	-	-
Inventories	-	32	6
Total assets	<u>\$ 6,952</u>	<u>\$ 443</u>	<u>\$ 4,094</u>
Liabilities and fund balances:			
Liabilities:			
Accrued wages	\$ 89	\$ 127	\$ 171
Accounts payable	126	181	25
Due to other funds	313	31	3
Deferred revenue	195	-	-
Unearned revenue	128	-	-
Advances from other funds	58	-	-
Total liabilities	<u>909</u>	<u>339</u>	<u>199</u>
Fund balances:			
Reserved for inventories	-	32	6
Unreserved	6,043	72	3,889
Total fund balances	<u>6,043</u>	<u>104</u>	<u>3,895</u>
Total liabilities and fund balances	<u>\$ 6,952</u>	<u>\$ 443</u>	<u>\$ 4,094</u>

(Continued on next page)

FRANKLIN COUNTY, OHIO
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
December 31, 2007
(Amounts in the 000's)

	Emergency Management Agency	Economic Development and Planning	Adult Probation and Community Corrections
Assets:			
Equity with County Treasurer	\$ 598	\$ 1,050	\$ 1,139
Cash and investments in segregated accounts	-	-	-
Property taxes receivable, net	-	-	-
Accounts receivable	-	-	-
Accrued interest receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	260	689	-
Loans receivable, net	-	3,257	-
Inventories	8	-	-
Total assets	\$ 866	\$ 4,996	\$ 1,139
Liabilities and fund balances:			
Liabilities:			
Accrued wages	\$ 19	\$ 12	\$ 90
Accounts payable	157	690	7
Due to other funds	74	-	1
Deferred revenue	-	-	-
Unearned revenue	-	3,257	-
Advances from other funds	-	-	-
Total liabilities	250	3,959	98
Fund balances:			
Reserved for inventories	8	-	-
Unreserved	608	1,037	1,041
Total fund balances	616	1,037	1,041
Total liabilities and fund balances	\$ 866	\$ 4,996	\$ 1,139

(Continued on next page)

FRANKLIN COUNTY, OHIO
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
December 31, 2007
(Amounts in the 000's)

	<u>Wireless Enhanced 9-1-1</u>	<u>Other Special Revenue</u>	<u>Total</u>
Assets:			
Equity with County Treasurer	\$ 4,692	\$ 26,129	\$ 79,827
Cash and investments in segregated accounts	-	2,391	2,395
Property taxes receivable, net	-	-	44,431
Accounts receivable	-	180	816
Accrued interest receivable	-	2	2
Due from other funds	-	110	208
Due from other governments	848	30	27,008
Loans receivable, net	-	-	3,257
Inventories	-	33	1,475
Total assets	<u>\$ 5,540</u>	<u>\$ 28,875</u>	<u>\$ 159,419</u>
Liabilities and fund balances:			
Liabilities:			
Accrued wages	\$ -	\$ 221	\$ 2,689
Accounts payable	12	455	7,271
Due to other funds	-	11	843
Deferred revenue	230	45	20,311
Unearned revenue	-	-	49,836
Advances from other funds	-	265	1,761
Total liabilities	<u>242</u>	<u>997</u>	<u>82,711</u>
Fund balances:			
Reserved for inventories	-	33	1,475
Unreserved	5,298	27,845	75,233
Total fund balances	<u>5,298</u>	<u>27,878</u>	<u>76,708</u>
Total liabilities and fund balances	<u>\$ 5,540</u>	<u>\$ 28,875</u>	<u>\$ 159,419</u>

FRANKLIN COUNTY, OHIO

Combining Balance Sheet
 Nonmajor Debt Service Funds
 December 31, 2007
 (Amounts in the 000's)

	<u>General Bond Retirement</u>	<u>Maryhaven Debt Service</u>	<u>Stadium Debt Service</u>	<u>Total</u>
Assets:				
Equity with County Treasurer	\$ 725	\$ 31	\$ 3,709	\$ 4,465
Cash in segregated accounts	-	-	250	250
Notes receivable	12,320	-	-	12,320
Leases receivable	-	2,748	-	2,748
Total assets	<u>\$ 13,045</u>	<u>\$ 2,779</u>	<u>\$ 3,959</u>	<u>\$ 19,783</u>
Liabilities and fund balances:				
Liabilities:				
Matured bonds and interest payable	\$ 692	\$ -	\$ 62	\$ 754
Deferred revenue	-	2,748	-	2,748
Total liabilities	<u>692</u>	<u>2,748</u>	<u>62</u>	<u>3,502</u>
Fund balances:				
Reserved for notes receivable	12,320	-	-	12,320
Unreserved	33	31	3,897	3,961
Total fund balances	<u>12,353</u>	<u>31</u>	<u>3,897</u>	<u>16,281</u>
Total liabilities and fund balances	<u>\$ 13,045</u>	<u>\$ 2,779</u>	<u>\$ 3,959</u>	<u>\$ 19,783</u>

FRANKLIN COUNTY, OHIO

Combining Balance Sheet

Nonmajor Capital Projects Funds

December 31, 2007

(Amounts in the 000's)

	<u>New Building Construction</u>	<u>Stadium Construction</u>	<u>Road Projects - 2005 Bonds</u>	<u>Road Projects - 2007 Bonds</u>
Assets:				
Equity with County Treasurer	\$ 100,948	\$ 22,375	\$ -	\$ 5,071
Accrued interest receivable	674	75	-	35
Total assets	<u>\$ 101,622</u>	<u>\$ 22,450</u>	<u>\$ -</u>	<u>\$ 5,106</u>
Liabilities and fund balances:				
Liabilities:				
Accounts payable	\$ 582	\$ 713	\$ -	\$ 29
Deferred revenue	142	-	-	7
Total liabilities	<u>724</u>	<u>713</u>	<u>-</u>	<u>36</u>
Fund balances:				
Unreserved	100,898	21,737	-	5,070
Total fund balances	<u>100,898</u>	<u>21,737</u>	<u>-</u>	<u>5,070</u>
Total liabilities and fund balances	<u>\$ 101,622</u>	<u>\$ 22,450</u>	<u>\$ -</u>	<u>\$ 5,106</u>

(Continued on next page)

FRANKLIN COUNTY, OHIO
Combining Balance Sheet
Nonmajor Capital Projects Funds (Continued)
December 31, 2007
(Amounts in the 000's)

	<u>Animal Shelter Construction</u>	<u>Other Capital Projects</u>	<u>Total</u>
Assets:			
Equity with County Treasurer	\$ 9,844	\$ 2,593	\$ 140,831
Accrued interest receivable	68	-	852
Total assets	<u>\$ 9,912</u>	<u>\$ 2,593</u>	<u>\$ 141,683</u>
Liabilities and fund balances:			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 1,324
Deferred revenue	14	-	163
Total liabilities	<u>14</u>	<u>-</u>	<u>1,487</u>
Fund balances:			
Unreserved	9,898	2,593	140,196
Total fund balances	<u>9,898</u>	<u>2,593</u>	<u>140,196</u>
Total liabilities and fund balances	<u>\$ 9,912</u>	<u>\$ 2,593</u>	<u>\$ 141,683</u>

FRANKLIN COUNTY, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended December 31, 2007

(Amounts in 000's)

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total
Revenues:				
Real and other taxes	\$ 35,209	\$ -	\$ -	\$ 35,209
Licenses and permits	1,276	-	-	1,276
Fees and charges for services	31,124	-	-	31,124
Fines and forfeitures	2,727	-	-	2,727
Intergovernmental	86,611	-	-	86,611
Investment income	656	1	3,154	3,811
Other	8,788	1,861	5,310	15,959
Total revenues	166,391	1,862	8,464	176,717
Expenditures:				
Current:				
General government	23,798	-	-	23,798
Judicial	2,320	-	-	2,320
Public safety	20,410	-	-	20,410
Human services	42,192	-	-	42,192
Public works	51,299	-	-	51,299
Conservation and recreation	19,441	-	-	19,441
Community development	2,354	-	-	2,354
Capital outlays	-	-	15,736	15,736
Debt service:				
Principal retirement	431	8,930	-	9,361
Interest charges	-	8,200	776	8,976
Bond issuance cost	-	7	1,163	1,170
Intergovernmental grants	8,718	-	-	8,718
Total expenditures	170,963	17,137	17,675	205,775
Excess (deficiency) of revenues over (under) expenditures	(4,572)	(15,275)	(9,211)	(29,058)
Other financing sources (uses):				
Transfers in	4,675	14,165	93	18,933
Transfers out	(3,532)	-	(34)	(3,566)
Proceeds of bonds	-	2,418	151,132	153,550
Proceeds of notes	-	1,682	13,318	15,000
Proceeds of loans	557	-	-	557
Premium on issuance of bonds	-	-	5,198	5,198
Discount on issuance of bonds	-	-	(105)	(105)
Sale of capital assets	45	-	-	45
Total other financing sources (uses)	1,745	18,265	169,602	189,612
Net change in fund balances	(2,827)	2,990	160,391	160,554
Fund balances - beginning (restated)	79,535	13,291	(20,195)	72,631
Fund balances - ending	\$ 76,708	\$ 16,281	\$ 140,196	\$ 233,185

FRANKLIN COUNTY, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 Year Ended December 31, 2007
 (Amounts in 000's)

	<u>Motor Vehicle and Gasoline Tax</u>	<u>Senior Services</u>	<u>Zoological Park</u>	<u>Child Support Enforcement</u>
Revenues:				
Real and other taxes	\$ -	\$ 17,945	\$ 17,264	\$ -
Licenses and permits	12	-	-	-
Fees and charges for services	435	783	-	3,150
Fines and forfeitures	612	-	-	-
Intergovernmental	46,471	3,933	2,408	13,362
Investment income	271	-	-	-
Other	424	263	-	225
Total revenues	48,225	22,924	19,672	16,737
Expenditures:				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Human services	-	24,221	-	16,737
Public works	50,421	-	-	-
Conservation and recreation	-	-	19,441	-
Community development	-	-	-	-
Debt service:				
Principal retirement	431	-	-	-
Intergovernmental grants	-	150	-	-
Total expenditures	50,852	24,371	19,441	16,737
Excess (deficiency) of revenues over (under) expenditures	(2,627)	(1,447)	231	-
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(715)	(1,000)	(231)	-
Proceeds of loans	557	-	-	-
Sale of capital assets	45	-	-	-
Total other financing sources (uses)	(113)	(1,000)	(231)	-
Net change in fund balances	(2,740)	(2,447)	-	-
Fund balances - beginning	12,075	9,464	-	-
Fund balances - ending	\$ 9,335	\$ 7,017	\$ -	\$ -

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FRANKLIN COUNTY, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Special Revenue Funds (Continued)
 Year Ended December 31, 2007
 (Amounts in 000's)

	Real Estate Assessment	Homeland Security and Justice Programs	Convention Center Lease
Revenues:			
Real and other taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Fees and charges for services	12,774	-	-
Fines and forfeitures	-	-	-
Intergovernmental	-	5,608	-
Investment income	-	53	-
Other	-	51	6,356
Total revenues	12,774	5,712	6,356
Expenditures:			
Current:			
General government	10,506	-	6,356
Judicial	-	-	-
Public safety	-	2,619	-
Human services	-	-	-
Public works	-	-	-
Conservation and recreation	-	-	-
Community development	-	-	-
Debt service:			
Principal retirement	-	-	-
Intergovernmental grants	-	4,356	-
Total expenditures	10,506	6,975	6,356
Excess (deficiency) of revenues over (under) expenditures	2,268	(1,263)	-
Other financing sources (uses):			
Transfers in	-	197	-
Transfers out	-	(538)	-
Proceeds of loans	-	-	-
Sale of capital assets	-	-	-
Total other financing sources (uses)	-	(341)	-
Net change in fund balances	2,268	(1,604)	-
Fund balances - beginning	14,138	(358)	-
Fund balances - ending	\$ 16,406	\$ (1,962)	\$ -

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FRANKLIN COUNTY, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Special Revenue Funds (Continued)
 Year Ended December 31, 2007
 (Amounts in 000's)

	<u>Domestic and Juvenile Court Grants</u>	<u>Dog and Kennel</u>	<u>Certificate of Title Administration</u>
Revenues:			
Real and other taxes	\$ -	\$ -	\$ -
Licenses and permits	-	1,189	-
Fees and charges for services	-	464	4,350
Fines and forfeitures	-	268	-
Intergovernmental	2,491	1	-
Investment income	-	-	-
Other	-	62	-
Total revenues	<u>2,491</u>	<u>1,984</u>	<u>4,350</u>
Expenditures:			
Current:			
General government	-	-	4,235
Judicial	80	-	-
Public safety	4,571	4,594	-
Human services	93	-	-
Public works	-	-	-
Conservation and recreation	-	-	-
Community development	-	-	-
Debt service:			
Principal retirement	-	-	-
Intergovernmental grants	-	-	-
Total expenditures	<u>4,744</u>	<u>4,594</u>	<u>4,235</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,253)</u>	<u>(2,610)</u>	<u>115</u>
Other financing sources (uses):			
Transfers in	-	2,286	-
Transfers out	-	-	(33)
Proceeds of loans	-	-	-
Sale of capital assets	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>2,286</u>	<u>(33)</u>
Net change in fund balances	<u>(2,253)</u>	<u>(324)</u>	<u>82</u>
Fund balances - beginning	8,296	428	3,813
Fund balances - ending	<u>\$ 6,043</u>	<u>\$ 104</u>	<u>\$ 3,895</u>

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FRANKLIN COUNTY, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Special Revenue Funds (Continued)
 Year Ended December 31, 2007
 (Amounts in 000's)

	<u>Emergency Management Agency</u>	<u>Economic Development and Planning</u>	<u>Adult Probation and Community Corrections</u>
Revenues:			
Real and other taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Fees and charges for services	754	103	131
Fines and forfeitures	-	-	-
Intergovernmental	2,933	3,514	2,142
Investment income	-	-	-
Other	-	-	4
Total revenues	<u>3,687</u>	<u>3,617</u>	<u>2,277</u>
Expenditures:			
Current:			
General government	-	-	-
Judicial	-	-	-
Public safety	1,559	-	2,112
Human services	-	-	-
Public works	-	-	-
Conservation and recreation	-	-	-
Community development	-	2,354	-
Debt service:			
Principal retirement	-	-	-
Intergovernmental grants	2,200	1,007	-
Total expenditures	<u>3,759</u>	<u>3,361</u>	<u>2,112</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(72)</u>	<u>256</u>	<u>165</u>
Other financing sources (uses):			
Transfers in	-	161	-
Transfers out	-	-	-
Proceeds of loans	-	-	-
Sale of capital assets	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>161</u>	<u>-</u>
Net change in fund balances	<u>(72)</u>	<u>417</u>	<u>165</u>
Fund balances - beginning	688	620	876
Fund balances - ending	<u>\$ 616</u>	<u>\$ 1,037</u>	<u>\$ 1,041</u>

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FRANKLIN COUNTY, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Special Revenue Funds (Continued)
 Year Ended December 31, 2007
 (Amounts in 000's)

	Wireless Enhanced 9-1-1	Other Special Revenue	Total
Revenues:			
Real and other taxes	\$ -	\$ -	\$ 35,209
Licenses and permits	-	75	1,276
Fees and charges for services	-	8,180	31,124
Fines and forfeitures	-	1,847	2,727
Intergovernmental	2,848	900	86,611
Investment income	-	332	656
Other	-	1,403	8,788
Total revenues	2,848	12,737	166,391
Expenditures:			
Current:			
General government	-	2,701	23,798
Judicial	-	2,240	2,320
Public safety	12	4,943	20,410
Human services	-	1,141	42,192
Public works	-	878	51,299
Conservation and recreation	-	-	19,441
Community development	-	-	2,354
Debt service:			
Principal retirement	-	-	431
Intergovernmental grants	955	50	8,718
Total expenditures	967	11,953	170,963
Excess (deficiency) of revenues over (under) expenditures	1,881	784	(4,572)
Other financing sources (uses):			
Transfers in	-	2,031	4,675
Transfers out	-	(1,015)	(3,532)
Proceeds of loans	-	-	557
Sale of capital assets	-	-	45
Total other financing sources (uses)	-	1,016	1,745
Net change in fund balances	1,881	1,800	(2,827)
Fund balances - beginning	3,417	26,078	79,535
Fund balances - ending	\$ 5,298	\$ 27,878	\$ 76,708

FRANKLIN COUNTY, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Debt Service Funds
 Year Ended December 31, 2007
 (Amounts in 000's)

	General Bond Retirement	Maryhaven Debt Service	Stadium Debt Service	Total
Revenues:				
Investment income	\$ -	\$ -	\$ 1	\$ 1
Other	1,502	359	-	1,861
Total revenues	1,502	359	1	1,862
Expenditures:				
Debt service:				
Principal retirement	8,720	210	-	8,930
Interest charges	7,855	148	197	8,200
Bond issuance costs	-	-	7	7
Total expenditures	16,575	358	204	17,137
Excess (deficiency) of revenues over (under) expenditures	(15,073)	1	(203)	(15,275)
Other financing sources (uses):				
Transfers in	14,165	-	-	14,165
Proceeds of bonds	-	-	2,418	2,418
Proceeds of notes	-	-	1,682	1,682
Total other financing sources (uses)	14,165	-	4,100	18,265
Net change in fund balances	(908)	1	3,897	2,990
Fund balances - beginning	13,261	30	-	13,291
Fund balances - ending	\$ 12,353	\$ 31	\$ 3,897	\$ 16,281

FRANKLIN COUNTY, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Capital Projects Funds
 Year Ended December 31, 2007
 (Amounts in 000's)

	<u>New Building Construction</u>	<u>Stadium Construction</u>	<u>Road Projects - 2005 Bonds</u>	<u>Road Projects - 2007 Bonds</u>
Revenues:				
Investment income	\$ 2,477	\$ 268	\$ 26	\$ 131
Other	-	5,310	-	-
Total revenues	<u>2,477</u>	<u>5,578</u>	<u>26</u>	<u>131</u>
Expenditures:				
Capital outlays	8,015	6,633	966	61
Debt service:				
Interest charges	-	776	-	-
Bond issuance costs	628	473	-	6
Total expenditures	<u>8,643</u>	<u>7,882</u>	<u>966</u>	<u>67</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,166)</u>	<u>(2,304)</u>	<u>(940)</u>	<u>64</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds of bonds	111,695	25,082	-	5,000
Proceeds of notes	-	13,318	-	-
Premium on issuance of bonds	4,823	-	-	14
Discount on issuance of bonds	(21)	(62)	-	(8)
Total other financing sources (uses)	<u>116,497</u>	<u>38,338</u>	<u>-</u>	<u>5,006</u>
Net change in fund balances	<u>110,331</u>	<u>36,034</u>	<u>(940)</u>	<u>5,070</u>
Fund balances - beginning (restated)	(9,433)	(14,297)	940	-
Fund balances - ending	<u>\$ 100,898</u>	<u>\$ 21,737</u>	<u>\$ -</u>	<u>\$ 5,070</u>

(Continued on next page)

FRANKLIN COUNTY, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Capital Projects Funds (Continued)
 Year Ended December 31, 2007
 (Amounts in 000's)

	Animal Shelter Construction	Other Capital Projects	Total
Revenues:			
Investment income	\$ 252	\$ -	\$ 3,154
Other	-	-	5,310
Total revenues	252	-	8,464
Expenditures:			
Capital outlays	-	61	15,736
Debt service:			
Interest charges	-	-	776
Bond issuance cost	56	-	1,163
Total expenditures	56	61	17,675
Excess (deficiency) of revenues over (under) expenditures	196	(61)	(9,211)
Other financing sources (uses):			
Transfers in	-	93	93
Transfers out	-	(34)	(34)
Proceeds of bonds	9,355	-	151,132
Proceeds of notes	-	-	13,318
Premium on issuance of bonds	361	-	5,198
Discount on issuance of bonds	(14)	-	(105)
Total other financing sources (uses)	9,702	59	169,602
Net change in fund balances	9,898	(2)	160,391
Fund balances - beginning (restated)	-	2,595	(20,195)
Fund balances - ending	\$ 9,898	\$ 2,593	\$ 140,196

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Sales tax	\$ 172,104	\$ 171,292	\$ 176,471	\$ 5,179
Real and other taxes	42,999	45,140	43,735	(1,405)
Licenses and permits	677	691	455	(236)
Fees and charges for services	52,134	42,809	41,346	(1,463)
Fines and forfeitures	696	967	770	(197)
Intergovernmental	43,146	38,255	38,120	(135)
Investment income	24,272	34,090	43,123	9,033
Other	2,923	5,476	3,435	(2,041)
<i>Total revenues</i>	338,951	338,720	347,455	8,735
Expenditures:				
Current:				
General government				
Commissioners				
Personal services	5,703	4,887	1,695	3,192
Fringe benefits	1,209	1,107	625	482
Materials and services	2,716	3,921	3,070	851
Capital outlays	59	8	8	-
Total commissioners	9,687	9,923	5,398	4,525
General services				
Personal services	887	902	862	40
Fringe benefits	378	384	378	6
Materials and services	2,923	2,925	2,750	175
Capital outlays	134	154	127	27
Total general services	4,322	4,365	4,117	248
Public facilities management				
Personal services	7,091	7,253	7,246	7
Fringe benefits	3,578	3,415	3,272	143
Materials and services	12,674	15,784	14,474	1,310
Capital outlays	332	333	8	325
Total public facilities management	23,675	26,785	25,000	1,785
Human resources				
Personal services	781	781	663	118
Fringe benefits	289	289	254	35
Materials and services	842	777	389	388
Capital outlays	14	14	10	4
Total human resources	1,926	1,861	1,316	545

(Continued on next page)

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund (Continued)
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(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>		
Community partnerships				
Personal services	\$ 54	\$ 54	\$ 46	\$ 8
Fringe benefits	19	19	14	5
Materials and services	2,413	2,588	2,557	31
Total community partnerships	<u>2,486</u>	<u>2,661</u>	<u>2,617</u>	<u>44</u>
Auditor				
Personal services	1,430	1,430	1,399	31
Fringe benefits	556	556	485	71
Materials and services	1,177	1,177	1,097	80
Total auditor	<u>3,163</u>	<u>3,163</u>	<u>2,981</u>	<u>182</u>
Data center				
Personal services	3,593	3,593	3,554	39
Fringe benefits	1,250	1,251	1,216	35
Materials and services	2,046	2,143	2,046	97
Capital outlays	327	327	326	1
Total data center	<u>7,216</u>	<u>7,314</u>	<u>7,142</u>	<u>172</u>
Recorder				
Personal services	1,973	1,973	1,970	3
Fringe benefits	900	900	851	49
Materials and services	221	221	198	23
Capital outlays	5	5	5	-
Total recorder	<u>3,099</u>	<u>3,099</u>	<u>3,024</u>	<u>75</u>
Treasurer				
Personal services	831	947	907	40
Fringe benefits	329	329	315	14
Materials and services	525	525	427	98
Total treasurer	<u>1,685</u>	<u>1,801</u>	<u>1,649</u>	<u>152</u>
Board of elections				
Personal services	3,155	3,404	3,341	63
Fringe benefits	755	930	919	11
Materials and services	2,263	2,468	2,465	3
Grants	20	20	20	-
Capital outlays	-	109	104	5
Total board of elections	<u>6,193</u>	<u>6,931</u>	<u>6,849</u>	<u>82</u>
Commissioners - risk management				
Materials and services	200	200	112	88
Total general government	<u>63,652</u>	<u>68,103</u>	<u>60,205</u>	<u>7,898</u>

(Continued on next page)

FRANKLIN COUNTY, OHIO
Changes in Fund Balance - Budget and Actual
General Fund (Continued)
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(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>		
Judicial				
Prosecuting attorney				
Personal services	\$ 9,011	\$ 9,076	\$ 9,051	\$ 25
Fringe benefits	3,187	3,122	3,053	69
Materials and services	746	831	764	67
Capital outlays	12	12	9	3
Contingency	85	-	-	-
Total prosecuting attorney	<u>13,041</u>	<u>13,041</u>	<u>12,877</u>	<u>164</u>
Court of appeals				
Personal services	397	372	353	19
Fringe benefits	451	451	434	17
Materials and services	278	303	294	9
Total court of appeals	<u>1,126</u>	<u>1,126</u>	<u>1,081</u>	<u>45</u>
Common pleas court				
Personal services	8,491	8,539	8,487	52
Fringe benefits	3,459	3,411	3,324	87
Materials and services	5,410	5,410	4,687	723
Capital outlays	78	78	23	55
Total common pleas court	<u>17,438</u>	<u>17,438</u>	<u>16,521</u>	<u>917</u>
Domestic and juvenile court				
Personal services	13,735	13,735	13,031	704
Fringe benefits	5,865	5,865	5,362	503
Materials and services	8,346	8,346	7,080	1,266
Capital outlays	48	48	46	2
Total domestic and juvenile court	<u>27,994</u>	<u>27,994</u>	<u>25,519</u>	<u>2,475</u>
Probate court				
Personal services	1,805	1,780	1,752	28
Fringe benefits	711	736	723	13
Materials and services	225	225	200	25
Total probate court	<u>2,741</u>	<u>2,741</u>	<u>2,675</u>	<u>66</u>
Clerk of courts				
Personal services	4,590	4,590	4,531	59
Fringe benefits	2,343	2,343	2,197	146
Materials and services	608	598	501	97
Capital outlays	13	13	-	13
Total clerk of courts	<u>7,554</u>	<u>7,544</u>	<u>7,229</u>	<u>315</u>
Municipal court				
Personal services	536	587	587	-
Fringe benefits	143	150	149	1
Materials and services	1,052	1,149	1,043	106
Total municipal court	<u>1,731</u>	<u>1,886</u>	<u>1,779</u>	<u>107</u>

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FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund (Continued)
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(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>		
Municipal court clerk				
Personal services	\$ 38	\$ 38	\$ 38	\$ -
Fringe benefits	10	10	9	1
Total municipal court clerk	<u>48</u>	<u>48</u>	<u>47</u>	<u>1</u>
Public defender				
Personal services	6,877	6,893	6,879	14
Fringe benefits	2,371	2,355	2,319	36
Materials and services	1,323	1,323	1,317	6
Capital outlays	45	45	45	-
Total public defender	<u>10,616</u>	<u>10,616</u>	<u>10,560</u>	<u>56</u>
Total judicial	<u>82,289</u>	<u>82,434</u>	<u>78,288</u>	<u>4,146</u>
Public safety				
Coroner				
Personal services	1,990	1,940	1,918	22
Fringe benefits	605	605	575	30
Materials and services	597	674	673	1
Capital outlays	46	67	34	33
Total coroner	<u>3,238</u>	<u>3,286</u>	<u>3,200</u>	<u>86</u>
Sheriff				
Personal services	49,308	50,366	50,320	46
Fringe benefits	17,834	17,666	17,274	392
Materials and services	12,795	12,840	11,867	973
Capital outlays	1,054	1,315	310	1,005
Contingencies	130	15	-	15
Total sheriff	<u>81,121</u>	<u>82,202</u>	<u>79,771</u>	<u>2,431</u>
Sheriff - rotary				
Personal services	2,006	2,006	1,700	306
Fringe benefits	752	752	594	158
Materials and services	114	114	86	28
Capital outlays	-	36	36	-
Total sheriff - rotary	<u>2,872</u>	<u>2,908</u>	<u>2,416</u>	<u>492</u>
Total public safety	<u>87,231</u>	<u>88,396</u>	<u>85,387</u>	<u>3,009</u>
Human services				
Veterans' service commission				
Personal services	673	684	683	1
Fringe benefits	290	290	285	5
Materials and services	1,095	1,092	994	98
Grants	2,149	2,142	1,785	357
Total human services	<u>4,207</u>	<u>4,208</u>	<u>3,747</u>	<u>461</u>
Public works				
Engineer				
Personal services	355	355	319	36
Fringe benefits	141	141	118	23
Materials and services	12	12	-	12
Total public works	<u>508</u>	<u>508</u>	<u>437</u>	<u>71</u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund (Continued)
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(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>		
Community development				
Economic development and planning				
Personal services	\$ 623	\$ 623	\$ 582	\$ 41
Fringe benefits	238	238	222	16
Materials and services	517	517	382	135
Grants	1,150	1,163	654	509
Capital outlays	7	6	-	6
Total community development	2,535	2,547	1,840	707
Other				
Community partnerships				
Grants	16,215	10,977	10,650	327
Commissioners				
Contingencies	8,707	7,400	-	7,400
Total other	24,922	18,377	10,650	7,727
Capital outlays:				
Public facilities management - permanent improvement projects				
Capital outlays	4,403	4,403	1,565	2,838
Total capital outlays	4,403	4,403	1,565	2,838
Debt service:				
Principal retirement	-	75	75	-
Total debt service	-	75	75	-
Intergovernmental grants:				
Community partnerships				
Intergovernmental grants	-	5,303	5,303	-
Total intergovernmental grants	-	5,303	5,303	-
Total expenditures	269,747	274,354	247,497	26,857
Excess (deficiency) of revenues over (under) expenditures	69,204	64,366	99,958	35,592
Other financing sources (uses):				
Transfers in	6,479	2,570	1,260	(1,310)
Transfers out	(42,111)	(41,104)	(24,319)	16,785
Advances in	1,438	44,538	44,538	-
Advances out	(1,987)	(20,802)	(20,802)	-
Proceeds from sale of capital assets	80	80	3	(77)
Total other financing sources (uses)	(36,101)	(14,718)	680	15,398
Net change in fund balance	33,103	49,648	100,638	50,990
Fund balance - beginning	132,288	132,288	132,288	-
Fund balance - ending	\$ 165,391	\$ 181,936	\$ 232,926	\$ 50,990

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Board of MR&DD Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(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:				
Real and other taxes	\$ 128,855	\$ 135,722	\$ 133,139	\$ (2,583)
Fees and charges for services	661	8,574	8,593	19
Intergovernmental	38,161	39,759	52,061	12,302
Other	268	1,546	493	(1,053)
<i>Total revenues</i>	<u>167,945</u>	<u>185,601</u>	<u>194,286</u>	<u>8,685</u>
Expenditures:				
Current:				
Health				
MR&DD				
Personal services	59,155	59,155	54,424	4,731
Fringe benefits	27,811	27,811	24,460	3,351
Materials and services	104,577	104,577	103,354	1,223
Capital outlays	3,033	3,033	1,880	1,153
Contingencies	152,225	152,225	-	152,225
<i>Total expenditures</i>	<u>346,801</u>	<u>346,801</u>	<u>184,118</u>	<u>162,683</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(178,856)</u>	<u>(161,200)</u>	<u>10,168</u>	<u>171,368</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	-	-	179	179
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>179</u>	<u>179</u>
<i>Net change in fund balance</i>	<u>(178,856)</u>	<u>(161,200)</u>	<u>10,347</u>	<u>171,547</u>
Fund balance - beginning	176,376	176,376	176,376	-
Fund balance - ending	<u>\$ (2,480)</u>	<u>\$ 15,176</u>	<u>\$ 186,723</u>	<u>\$ 171,547</u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Children Services Board Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(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:				
Real and other taxes	\$ 98,965	\$ 103,918	\$ 102,320	\$ (1,598)
Fees and charges for services	1,508	2,548	3,481	933
Intergovernmental	74,727	70,902	72,085	1,183
Other	103	291	259	(32)
<i>Total revenues</i>	<u>175,303</u>	<u>177,659</u>	<u>178,145</u>	<u>486</u>
Expenditures:				
Current:				
Human services				
Children services				
Personal services	31,322	31,322	30,101	1,221
Fringe benefits	15,359	15,359	14,265	1,094
Materials and services	126,674	126,224	122,913	3,311
Capital outlays	142	592	501	91
<i>Total expenditures</i>	<u>173,497</u>	<u>173,497</u>	<u>167,780</u>	<u>5,717</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>1,806</u>	<u>4,162</u>	<u>10,365</u>	<u>6,203</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	1	5	7	2
<i>Total other financing sources (uses)</i>	<u>1</u>	<u>5</u>	<u>7</u>	<u>2</u>
<i>Net change in fund balance</i>	<u>1,807</u>	<u>4,167</u>	<u>10,372</u>	<u>6,205</u>
Fund balance - beginning	45,260	45,260	45,260	-
Fund balance - ending	<u>\$ 47,067</u>	<u>\$ 49,427</u>	<u>\$ 55,632</u>	<u>\$ 6,205</u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Public Assistance Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 122,918	\$ 162,387	\$ 152,206	\$ (10,181)
Other	2,412	2,448	1,808	(640)
<i>Total revenues</i>	125,330	164,835	154,014	(10,821)
Expenditures:				
Current:				
Human services				
Job and family services				
Personal services	24,100	24,264	22,125	2,139
Fringe benefits	10,895	10,984	9,842	1,142
Materials and services	105,510	138,483	127,811	10,672
Capital outlays	278	3,391	2,114	1,277
<i>Total expenditures</i>	140,783	177,122	161,892	15,230
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(15,453)	(12,287)	(7,878)	4,409
Other financing sources (uses):				
Transfers in	8,331	8,274	7,721	(553)
Advances in	-	3,114	3,114	-
<i>Total other financing sources (uses)</i>	8,331	11,388	10,835	(553)
<i>Net change in fund balance</i>	(7,122)	(899)	2,957	3,856
Fund balance - beginning	3,872	3,872	3,872	-
Fund balance - ending	\$ (3,250)	\$ 2,973	\$ 6,829	\$ 3,856

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
ADAMH Board Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Real and other taxes	\$ 54,426	\$ 57,012	\$ 56,501	\$ (511)
Intergovernmental	81,521	83,287	83,592	305
Other	100	4,451	271	(4,180)
<i>Total revenues</i>	136,047	144,750	140,364	(4,386)
Expenditures:				
Current:				
Health				
ADAMH Board				
Personal services	3,552	3,552	3,324	228
Fringe benefits	1,385	1,385	1,245	140
Materials and services	133,582	133,582	126,169	7,413
Grants	5	5	4	1
Capital outlays	97	97	61	36
<i>Total expenditures</i>	138,621	138,621	130,803	7,818
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(2,574)	6,129	9,561	3,432
Other financing sources (uses):				
Transfers in	-	-	16	16
Transfers out	(698)	(698)	(45)	653
<i>Total other financing sources (uses)</i>	(698)	(698)	(29)	669
<i>Net change in fund balance</i>	(3,272)	5,431	9,532	4,101
Fund balance - beginning	11,300	11,300	11,300	-
Fund balance - ending	\$ 8,028	\$ 16,731	\$ 20,832	\$ 4,101

FRANKLIN COUNTY, OHIO

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Motor Vehicle and Gasoline Tax Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Licenses and permits	\$ 25	\$ 12	\$ (13)
Fees and charges for services	81	435	354
Fines and forfeitures	600	612	12
Intergovernmental	54,100	46,898	(7,202)
Investment income	150	271	121
Other	111	423	312
Total revenues	55,067	48,651	(6,416)
Expenditures:			
Current:			
Public works			
Engineer			
Personal services	10,117	9,322	795
Fringe benefits	3,583	3,112	471
Materials and services	11,308	9,582	1,726
Capital outlays	32,829	27,799	5,030
Total public works	57,837	49,815	8,022
Debt service:			
Principal retirement	431	431	-
Total expenditures	58,268	50,246	8,022
Excess (deficiency) of revenues over (under) expenditures	(3,201)	(1,595)	1,606
Other financing sources (uses):			
Transfers out	(747)	(715)	32
Proceeds from sale of capital assets	375	220	(155)
Total other financing sources (uses)	(372)	(495)	(123)
Net change in fund balance	(3,573)	(2,090)	1,483
Fund balance - beginning	6,027	6,027	-
Fund balance - ending	\$ 2,454	\$ 3,937	\$ 1,483

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Senior Services Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Real and other taxes	\$ 18,050	\$ 17,782	\$ (268)
Fees and charges for services	650	779	129
Intergovernmental	3,903	4,059	156
Other	216	23	(193)
Total revenues	22,819	22,643	(176)
Expenditures:			
Current:			
Human services			
Office on aging			
Personal services	3,307	3,201	106
Fringe benefits	1,328	1,269	59
Materials and services	19,052	17,846	1,206
Grants	1,861	1,824	37
Capital outlays	25	19	6
Total human services	25,573	24,159	1,414
Intergovernmental grants:			
Office on aging			
Intergovernmental grants	150	150	-
Total intergovernmental grants	150	150	-
Total expenditures	25,723	24,309	1,414
Excess (deficiency) of revenues over (under) expenditures	(2,904)	(1,666)	1,238
Other financing sources (uses):			
Transfers out	(1,000)	(1,000)	-
Total other financing sources (uses)	(1,000)	(1,000)	-
Net change in fund balance	(3,904)	(2,666)	1,238
Fund balance - beginning	10,438	10,438	-
Fund balance - ending	\$ 6,534	\$ 7,772	\$ 1,238

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Zoological Park Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Real and other taxes	\$ 18,045	\$ 17,259	\$ (786)
Intergovernmental	2,382	2,438	56
<i>Total revenues</i>	<u>20,427</u>	<u>19,697</u>	<u>(730)</u>
Expenditures:			
Current:			
Conservation and recreation			
Zoological Park			
Materials and services	284	254	30
Grants	19,137	19,137	-
<i>Total expenditures</i>	<u>19,421</u>	<u>19,391</u>	<u>30</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>1,006</u>	<u>306</u>	<u>(700)</u>
Other financing sources (uses):			
Transfers out	(231)	(231)	-
<i>Total other financing sources (uses)</i>	<u>(231)</u>	<u>(231)</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>775</u>	<u>75</u>	<u>(700)</u>
Fund balance - beginning	-	-	-
Fund balance - ending	<u>\$ 775</u>	<u>\$ 75</u>	<u>\$ (700)</u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Child Support Enforcement Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Fees and charges for services	\$ 3,065	\$ 3,150	\$ 85
Intergovernmental	14,199	13,948	(251)
Other	220	225	5
<i>Total revenues</i>	<u>17,484</u>	<u>17,323</u>	<u>(161)</u>
Expenditures:			
Current:			
Human services			
Child support enforcement agency			
Personal services	9,491	8,731	760
Fringe benefits	4,291	4,003	288
Materials and services	4,442	3,922	520
Capital outlays	65	23	42
<i>Total expenditures</i>	<u>18,289</u>	<u>16,679</u>	<u>1,610</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(805)</u>	<u>644</u>	<u>1,449</u>
Other financing sources (uses):			
Transfers in	132	-	(132)
<i>Total other financing sources (uses)</i>	<u>132</u>	<u>-</u>	<u>(132)</u>
<i>Net change in fund balance</i>	<u>(673)</u>	<u>644</u>	<u>1,317</u>
Fund balance - beginning	1,940	1,940	-
Fund balance - ending	<u>\$ 1,267</u>	<u>\$ 2,584</u>	<u>\$ 1,317</u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Real Estate Assessment Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Fees and charges for services	\$ 12,036	\$ 12,832	\$ 796
Total revenues	12,036	12,832	796
Expenditures:			
Current:			
General government			
Auditor - real estate assessment			
Personal services	4,114	3,953	161
Fringe benefits	1,638	1,452	186
Materials and services	6,167	3,391	2,776
Capital outlays	5,066	1,306	3,760
Total expenditures	16,985	10,102	6,883
Excess (deficiency) of revenues over (under) expenditures	(4,949)	2,730	7,679
Other financing sources (uses):	-	-	-
Net change in fund balance	(4,949)	2,730	7,679
Fund balance - beginning	14,478	14,478	-
Fund balance - ending	\$ 9,529	\$ 17,208	\$ 7,679

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Homeland Security and Justice Programs Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 10,171	\$ 6,752	\$ (3,419)
Investment income	-	53	53
Other	51	51	-
<i>Total revenues</i>	10,222	6,856	(3,366)
Expenditures:			
Current:			
Public safety			
Homeland security and justice programs			
Personal services	426	246	180
Fringe benefits	135	77	58
Materials and services	317	183	134
Grants	5,234	1,655	3,579
Capital outlays	322	322	-
 Total public safety	6,434	2,483	3,951
Intergovernmental grants:			
Homeland security and justice programs			
Intergovernmental grants	4,367	4,367	-
Total intergovernmental grants	4,367	4,367	-
<i>Total expenditures</i>	10,801	6,850	3,951
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(579)	6	585
Other financing sources (uses):			
Transfers in	460	197	(263)
Transfers out	(538)	(538)	-
Advances in	1,438	1,438	-
Advances out	(1,438)	(1,438)	-
<i>Total other financing sources (uses)</i>	(78)	(341)	(263)
<i>Net change in fund balance</i>	(657)	(335)	322
Fund balance - beginning	2,532	2,532	-
Fund balance - ending	\$ 1,875	\$ 2,197	\$ 322

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Convention Center Lease Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Other	\$ 6,399	\$ 6,356	\$ (43)
Total revenues	<u>6,399</u>	<u>6,356</u>	<u>(43)</u>
Expenditures:			
Current:			
General government			
Commissioners - convention facility			
Materials and services	<u>6,399</u>	<u>6,356</u>	<u>43</u>
Total expenditures	<u>6,399</u>	<u>6,356</u>	<u>43</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Domestic and Juvenile Court Grants Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 2,761	\$ 2,479	\$ (282)
<i>Total revenues</i>	<u>2,761</u>	<u>2,479</u>	<u>(282)</u>
Expenditures:			
Current:			
Judicial			
Domestic and juvenile court - drug court			
Personal services	45	45	-
Fringe benefits	17	17	-
Materials and services	37	17	20
Total judicial	<u>99</u>	<u>79</u>	<u>20</u>
Public safety			
Domestic and juvenile court - felony delinquent care and custody			
Personal services	1,644	1,393	251
Fringe benefits	700	599	101
Materials and services	2,788	2,310	478
Total public safety	<u>5,132</u>	<u>4,302</u>	<u>830</u>
Human services			
Domestic and juvenile court - SMART program			
Personal services	111	61	50
Fringe benefits	58	29	29
Materials and services	9	4	5
Total human services	<u>178</u>	<u>94</u>	<u>84</u>
<i>Total expenditures</i>	<u>5,409</u>	<u>4,475</u>	<u>934</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,648)</u>	<u>(1,996)</u>	<u>652</u>
Other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>(2,648)</u>	<u>(1,996)</u>	<u>652</u>
Fund balance - beginning	8,612	8,612	-
Fund balance - ending	<u>\$ 5,964</u>	<u>\$ 6,616</u>	<u>\$ 652</u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Dog and Kennel Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Licenses and permits	\$ 1,350	\$ 1,187	\$ (163)
Fees and charges for services	398	458	60
Fines and forfeitures	197	266	69
Intergovernmental	13	13	-
Other	66	62	(4)
Total revenues	2,024	1,986	(38)
Expenditures:			
Current:			
Public safety			
Animal control			
Personal services	1,788	1,748	40
Fringe benefits	898	863	35
Materials and services	1,873	1,773	100
Capital outlays	155	122	33
Total animal control	<u>4,714</u>	<u>4,506</u>	<u>208</u>
Auditor - dog & kennel			
Materials and services	117	91	26
Total auditor - dog & kennel	<u>117</u>	<u>91</u>	<u>26</u>
Total expenditures	4,831	4,597	234
Excess (deficiency) of revenues over (under) expenditures	(2,807)	(2,611)	196
Other financing sources (uses):			
Transfers in	2,526	2,286	(240)
Total other financing sources (uses)	2,526	2,286	(240)
Net change in fund balance	(281)	(325)	(44)
Fund balance - beginning	726	726	-
Fund balance - ending	\$ 445	\$ 401	\$ (44)

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Certificate of Title Administration Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Fees and charges for services	\$ 4,159	\$ 4,365	\$ 206
<i>Total revenues</i>	<u>4,159</u>	<u>4,365</u>	<u>206</u>
Expenditures:			
Current:			
General government			
Clerk of courts - certificate of title administration			
Personal services	2,749	2,394	355
Fringe benefits	1,256	1,090	166
Materials and services	705	685	20
Capital outlays	25	24	1
<i>Total expenditures</i>	<u>4,735</u>	<u>4,193</u>	<u>542</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(576)</u>	<u>172</u>	<u>748</u>
Other financing sources (uses):			
Transfers out	(33)	(33)	-
<i>Total other financing sources (uses)</i>	<u>(33)</u>	<u>(33)</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>(609)</u>	<u>139</u>	<u>748</u>
Fund balance - beginning	3,580	3,580	-
Fund balance - ending	<u><u>\$ 2,971</u></u>	<u><u>\$ 3,719</u></u>	<u><u>\$ 748</u></u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Emergency Management Agency Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Fees and charges for services	\$ 804	\$ 754	\$ (50)
Intergovernmental	3,612	3,314	(298)
Total revenues	4,416	4,068	(348)
Expenditures:			
Current:			
Public safety			
EMA - emergency management			
Personal services	471	442	29
Fringe benefits	152	129	23
Materials and services	451	338	113
Grants	266	68	198
Capital outlays	8	8	-
Total EMA - emergency management	<u>1,348</u>	<u>985</u>	<u>363</u>
EMA - warning			
Materials and services	442	401	41
Capital outlays	295	232	63
Total EMA - warning	<u>737</u>	<u>633</u>	<u>104</u>
Total public safety	2,085	1,618	467
Intergovernmental grants:			
EMA - emergency management			
Intergovernmental grants	2,893	2,893	-
Total intergovernmental grants	2,893	2,893	-
Total expenditures	4,978	4,511	467
Excess (deficiency) of revenues over (under) expenditures	(562)	(443)	119
Other financing sources (uses):			
Advances in	150	150	-
Advances out	(100)	(100)	-
Total other financing sources (uses)	50	50	-
Net change in fund balance	(512)	(393)	119
Fund balance - beginning	991	991	-
Fund balance - ending	\$ 479	\$ 598	\$ 119

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Economic Development and Planning Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Fees and charges for services	\$ 152	\$ 137	\$ (15)
Intergovernmental	7,236	2,846	(4,390)
Total revenues	7,388	2,983	(4,405)
Expenditures:			
Current:			
Community development			
Economic Development and Planning			
Personal services	268	188	80
Fringe benefits	89	69	20
Materials and services	128	89	39
Grants	6,854	1,568	5,286
Total community development	7,339	1,914	5,425
Intergovernmental grants:			
Community and economic development			
Intergovernmental grants	1,133	1,133	-
Total intergovernmental grants	1,133	1,133	-
Total expenditures	8,472	3,047	5,425
Excess (deficiency) of revenues over (under) expenditures	(1,084)	(64)	1,020
Other financing sources (uses):			
Transfers in	169	161	(8)
Total other financing sources (uses)	169	161	(8)
Net change in fund balance	(915)	97	1,012
Fund balance - beginning	953	953	-
Fund balance - ending	\$ 38	\$ 1,050	\$ 1,012

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Adult Probation and Community Corrections Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Fees and charges for services	\$ 135	\$ 141	\$ 6
Intergovernmental	2,128	2,142	14
Other	6	6	-
<i>Total revenues</i>	<u>2,269</u>	<u>2,289</u>	<u>20</u>
Expenditures:			
Current:			
Public safety			
Common pleas court			
Personal services	1,287	1,230	57
Fringe benefits	527	470	57
Materials and services	423	362	61
Capital outlays	25	25	-
<i>Total expenditures</i>	<u>2,262</u>	<u>2,087</u>	<u>175</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>7</u>	<u>202</u>	<u>195</u>
Other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>7</u>	<u>202</u>	<u>195</u>
Fund balance - beginning	937	937	-
Fund balance - ending	<u>\$ 944</u>	<u>\$ 1,139</u>	<u>\$ 195</u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Wireless Enhanced 911 Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 2,220	\$ 2,783	\$ 563
<i>Total revenues</i>	<u>2,220</u>	<u>2,783</u>	<u>563</u>
Expenditures:			
Intergovernmental grants:			
Wireless enhanced 911			
Intergovernmental grants	3,148	955	2,193
<i>Total expenditures</i>	<u>3,148</u>	<u>955</u>	<u>2,193</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(928)</u>	<u>1,828</u>	<u>2,756</u>
Other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>(928)</u>	<u>1,828</u>	<u>2,756</u>
Fund balance - beginning	2,864	2,864	-
Fund balance - ending	<u><u>\$ 1,936</u></u>	<u><u>\$ 4,692</u></u>	<u><u>\$ 2,756</u></u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Other Special Revenue Funds
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Licenses and permits	\$ 60	\$ 73	\$ 13
Fees and charges for services	9,963	7,797	(2,166)
Fines and forfeitures	6	6	-
Intergovernmental	1,870	844	(1,026)
Investment income	171	313	142
Other	657	535	(122)
Total revenues	<u>12,727</u>	<u>9,568</u>	<u>(3,159)</u>
Expenditures:			
Current:			
General government			
Personal services	1,211	1,163	48
Fringe benefits	475	417	58
Materials and services	1,251	833	418
Grants	343	293	50
Total general government	<u>3,280</u>	<u>2,706</u>	<u>574</u>
Judicial			
Personal services	997	808	189
Fringe benefits	331	283	48
Materials and services	1,800	739	1,061
Capital outlays	59	36	23
Total judicial	<u>3,187</u>	<u>1,866</u>	<u>1,321</u>
Public safety			
Personal services	1,126	945	181
Fringe benefits	412	350	62
Materials and services	1,796	1,514	282
Capital outlays	30	-	30
Total public safety	<u>3,364</u>	<u>2,809</u>	<u>555</u>
Human services			
Materials and services	884	834	50
Total human services	<u>884</u>	<u>834</u>	<u>50</u>
Public works			
Personal services	144	86	58
Fringe benefits	44	23	21
Materials and services	811	629	182
Capital outlays	1,058	34	1,024
Total public works	<u>2,057</u>	<u>772</u>	<u>1,285</u>

(Continued on next page)

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Other Special Revenue Funds (Continued)
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Intergovernmental grants:			
Intergovernmental grants	\$ 50	\$ 50	\$ -
Total intergovernmental grants	<u>50</u>	<u>50</u>	<u>-</u>
<i>Total expenditures</i>	<u>12,822</u>	<u>9,037</u>	<u>3,785</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(95)</u>	<u>531</u>	<u>626</u>
Other financing sources (uses):			
Transfers in	2,158	2,031	(127)
Transfers out	(1,054)	(1,015)	39
<i>Total other financing sources (uses)</i>	<u>1,104</u>	<u>1,016</u>	<u>(88)</u>
<i>Net change in fund balance</i>	<u>1,009</u>	<u>1,547</u>	<u>538</u>
Fund balance - beginning	<u>24,582</u>	<u>24,582</u>	<u>-</u>
Fund balance - ending	<u>\$ 25,591</u>	<u>\$ 26,129</u>	<u>\$ 538</u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Bond Retirement Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Other	\$ 1,817	\$ 2,432	\$ 615
<i>Total revenues</i>	<u>1,817</u>	<u>2,432</u>	<u>615</u>
Expenditures:			
Debt service:			
Commissioners - bond retirement			
Principal retirement	31,982	25,235	6,747
Interest charges	12,402	8,789	3,613
Bond issuance costs	1,250	-	1,250
<i>Total expenditures</i>	<u>45,634</u>	<u>34,024</u>	<u>11,610</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(43,817)</u>	<u>(31,592)</u>	<u>12,225</u>
Other financing sources (uses):			
Transfers in	41,937	31,675	(10,262)
Proceeds of bonds	1,250	-	(1,250)
<i>Total other financing sources (uses)</i>	<u>43,187</u>	<u>31,675</u>	<u>(11,512)</u>
<i>Net change in fund balance</i>	<u>(630)</u>	<u>83</u>	<u>713</u>
Fund balance - beginning	642	642	-
Fund balance - ending	<u><u>\$ 12</u></u>	<u><u>\$ 725</u></u>	<u><u>\$ 713</u></u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Maryhaven Debt Service Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Other	\$ 360	\$ 359	\$ (1)
Total revenues	360	359	(1)
Expenditures:			
Debt service:			
Commissioners - Maryhaven bonds			
Principal retirement	210	210	-
Interest charges	150	148	2
Total expenditures	360	358	2
Excess (deficiency) of revenues over (under) expenditures	-	1	1
Other financing sources (uses):	-	-	-
Net change in fund balance	-	1	1
Fund balance - beginning	30	30	-
Fund balance - ending	\$ 30	\$ 31	\$ 1

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Stadium Debt Service Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Investment income	\$ -	\$ 1	\$ 1
<i>Total revenues</i>	<u>-</u>	<u>1</u>	<u>1</u>
Expenditures:			
Debt service:			
Commissioners - stadium debt service			
Interest charges	375	135	240
Bond issuance costs	19	7	12
<i>Total expenditures</i>	<u>394</u>	<u>142</u>	<u>252</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(394)</u>	<u>(141)</u>	<u>253</u>
Other financing sources (uses):			
Proceeds of bonds	2,418	2,418	-
Proceeds of notes	1,594	1,682	88
<i>Total other financing sources (uses)</i>	<u>4,012</u>	<u>4,100</u>	<u>88</u>
<i>Net change in fund balance</i>	<u>3,618</u>	<u>3,959</u>	<u>341</u>
Fund balance - beginning	-	-	-
Fund balance - ending	<u>\$ 3,618</u>	<u>\$ 3,959</u>	<u>\$ 341</u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
New Building Capital Projects Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:	\$ -	\$ -	\$ -
Expenditures:			
Capital outlays			
Public facilities management - new building			
Capital outlays	29,294	7,433	21,861
Debt service			
Public facilities management - new building			
Bond issuance costs	634	628	6
Total expenditures	29,928	8,061	21,867
Excess (deficiency) of revenues over (under) expenditures	(29,928)	(8,061)	(21,867)
Other financing sources (uses):			
Advances out	(22,900)	(22,900)	-
Proceeds of bonds	111,695	111,695	-
Premium on issuance of bonds	4,823	4,823	-
Discount on issuance of bonds	(21)	(21)	-
Total other financing sources (uses)	93,597	93,597	-
Net change in fund balance	63,669	85,536	(21,867)
Fund balance - beginning	13,467	13,467	-
Fund balance - ending	\$ 77,136	\$ 99,003	\$ (21,867)

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Stadium Construction Capital Project Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 7,000	\$ -	\$ (7,000)
Investment income	-	193	193
Other	10,580	5,310	(5,270)
Total revenues	17,580	5,503	(12,077)
Expenditures:			
Capital outlays			
Public facilities management - stadium construction			
Capital outlays	24,488	5,920	18,568
Total capital outlays	24,488	5,920	18,568
Debt service			
Public facilities management - stadium construction			
Interest charges	743	743	-
Bond issuance costs	488	473	15
Total debt service	1,231	1,216	15
Total expenditures	25,719	7,136	18,583
Excess (deficiency) of revenues over (under) expenditures	(8,139)	(1,633)	6,506
Other financing sources (uses):			
Transfers out	(16,215)	(16,215)	-
Advances in	16,100	16,100	-
Advances out	(20,100)	(20,100)	-
Proceeds of bonds	25,082	25,082	-
Proceeds of notes	13,406	13,318	(88)
Discount on issuance of bonds	(62)	(62)	-
Total other financing sources (uses)	18,211	18,123	(88)
Net change in fund balance	10,072	16,490	6,418
Fund balance - beginning	5,885	5,885	-
Fund balance - ending	\$ 15,957	\$ 22,375	\$ 6,418

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Road Projects - 2005 Bonds Capital Project Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Investment Income	\$ 50	\$ 26	\$ (24)
<i>Total revenues</i>	<u>50</u>	<u>26</u>	<u>(24)</u>
Expenditures:			
Capital outlays:			
Engineer - roadway infrastructure			
Capital outlays	990	966	24
Total capital outlays	<u>990</u>	<u>966</u>	<u>24</u>
<i>Total expenditures</i>	<u>990</u>	<u>966</u>	<u>24</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(940)</u>	<u>(940)</u>	<u>-</u>
Other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>(940)</u>	<u>(940)</u>	<u>-</u>
Fund balance - beginning	940	940	-
Fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Road Projects - 2007 Bonds Capital Project Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:	\$ -	\$ -	\$ -
Expenditures:			
Capital outlays			
Engineer - roadway infrastructure			
Capital outlays	500	32	468
Total capital outlays	<u>500</u>	<u>32</u>	<u>468</u>
Debt service			
Engineer - roadway infrastructure			
Bond issuance costs	6	6	-
Total debt service	<u>6</u>	<u>6</u>	<u>-</u>
Total expenditures	<u>506</u>	<u>38</u>	<u>468</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(506)</u>	<u>(38)</u>	<u>(468)</u>
Other financing sources (uses):			
Proceeds of bonds	5,000	5,000	-
Premium on issuance of bonds	14	14	-
Discount on issuance of bonds	(8)	(8)	-
Total other financing sources (uses)	<u>5,006</u>	<u>5,006</u>	<u>-</u>
Net change in fund balance	<u>4,500</u>	<u>4,968</u>	<u>(468)</u>
Fund balance - beginning	-	-	-
Fund balance - ending	<u>\$ 4,500</u>	<u>\$ 4,968</u>	<u>\$ (468)</u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Animal Shelter Construction Capital Project Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:	\$ -	\$ -	\$ -
Expenditures:			
Capital outlays			
Public facilities management - animal shelter construction			
Capital outlays	1,500	-	1,500
Total capital outlays	<u>1,500</u>	<u>-</u>	<u>1,500</u>
Debt service			
Public facilities management - animal shelter construction			
Bond issuance costs	56	56	-
Total debt service	<u>56</u>	<u>56</u>	<u>-</u>
Total expenditures	<u>1,556</u>	<u>56</u>	<u>1,500</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,556)</u>	<u>(56)</u>	<u>(1,500)</u>
Other financing sources (uses):			
Proceeds of bonds	9,355	9,355	-
Premium on issuance of bonds	361	361	-
Discount on issuance of bonds	(14)	(14)	-
Total other financing sources (uses)	<u>9,702</u>	<u>9,702</u>	<u>-</u>
Net change in fund balance	<u>8,146</u>	<u>9,646</u>	<u>(1,500)</u>
Fund balance - beginning	-	-	-
Fund balance - ending	<u>\$ 8,146</u>	<u>\$ 9,646</u>	<u>\$ (1,500)</u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Other Capital Projects Funds
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:			
Capital outlays			
Public facilities management			
other capital projects			
Capital outlays	99	95	4
Total expenditures	<u>99</u>	<u>95</u>	<u>4</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(99)</u>	<u>(95)</u>	<u>4</u>
Other financing sources (uses):			
Transfers in	93	93	-
Transfers out	(34)	(34)	-
Total other financing sources (uses)	<u>59</u>	<u>59</u>	<u>-</u>
Net change in fund balance	(40)	(36)	4
Fund balance - beginning	2,629	2,629	-
Fund balance - ending	<u><u>\$ 2,589</u></u>	<u><u>\$ 2,593</u></u>	<u><u>\$ 4</u></u>

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to a private business enterprise. The County intends that the cost of providing services to the general public on a continuing basis be financed or recovered primarily through user charges. Following are descriptions of the enterprise funds:

Water and Sewer – This fund accounts for the provision of water and sewer services to a relatively small area of the County not serviced by other local water and sewer operations. All activities necessary to provide such services are accounted for in this fund.

Parking Facilities – This fund accounts for the fees and operations of the County-owned parking facilities. The facilities serve both County employees and the general public.

Since the Statement of Net Assets, the Statement of Revenues, Expenses and Changes in Net Assets and the Statement of Cash Flows for each of the enterprise funds are presented in the basic financial statements, they are not repeated in this section.

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenses and
Changes in Fund Equity - Budget and Actual
Water and Sewer Enterprise Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating revenues:			
Fees and charges for services	\$ 5,664	\$ 4,902	\$ (762)
Other	61	169	108
Total operating revenues	5,725	5,071	(654)
Operating expenses:			
Personal services	685	576	109
Fringe benefits	270	225	45
Materials and services	4,693	4,479	214
Capital outlays	4,381	779	3,602
Total operating expenses	10,029	6,059	3,970
Operating income (loss)	(4,304)	(988)	3,316
Nonoperating revenues (expenses):			
Proceeds of loans	3,498	480	(3,018)
Debt service:			
Principal retirement	(342)	(248)	94
Interest charges	(167)	(167)	-
Total nonoperating revenues (expenses)	2,989	65	(2,924)
Net change in fund equity	(1,315)	(923)	392
Fund equity - beginning	3,307	3,307	-
Fund equity - ending	\$ 1,992	\$ 2,384	\$ 392

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenses and
Changes in Fund Equity - Budget and Actual
Parking Facilities Enterprise Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Operating revenues:			
Fees and charges for services	\$ 2,805	\$ 2,828	\$ 23
Other	5	140	135
<i>Total operating revenues</i>	<u>2,810</u>	<u>2,968</u>	<u>158</u>
Operating expenses:			
Personal services	272	271	1
Fringe benefits	135	135	-
Materials and services	1,721	1,085	636
<i>Total operating expenses</i>	<u>2,128</u>	<u>1,491</u>	<u>637</u>
<i>Operating income (loss)</i>	<u>682</u>	<u>1,477</u>	<u>795</u>
Nonoperating revenues (expenses):	<u>-</u>	<u>-</u>	<u>-</u>
Income (loss) before operating transfers	682	1,477	795
Transfers out	(1,295)	(1,295)	-
<i>Total transfers</i>	<u>(1,295)</u>	<u>(1,295)</u>	<u>-</u>
<i>Net change in fund equity</i>	<u>(613)</u>	<u>182</u>	<u>795</u>
Fund equity - beginning	<u>3,107</u>	<u>3,107</u>	<u>-</u>
Fund equity - ending	<u>\$ 2,494</u>	<u>\$ 3,289</u>	<u>\$ 795</u>

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INTERNAL SERVICE FUNDS

The internal service funds report activities provided to the departments and agencies on a cost-reimbursement basis. The County has two internal service funds:

Employee Benefits – This fund accounts for the provision of medical, dental, optical, prescription, life and mental health insurance to departments and agencies.

Telecommunications – This fund accounts for the provision of telecommunication services, primarily voicemail.

FRANKLIN COUNTY, OHIO

Combining Statement of Net Assets

Internal Service Funds

December 31, 2007

(Amounts in 000's)

	<u>Employee Benefits</u>	<u>Telecom- munications</u>	<u>Total</u>
Assets:			
Current assets:			
Equity with County Treasurer	\$ 13,859	\$ 596	\$ 14,455
Accounts receivable	211	2	213
Due from other funds	-	21	21
Prepaid items	90	-	90
Total current assets	<u>14,160</u>	<u>619</u>	<u>14,779</u>
Noncurrent assets:			
Capital assets, net of accumulated depreciation:			
Depreciable	-	118	118
Total noncurrent assets	<u>-</u>	<u>118</u>	<u>118</u>
Total assets	<u>14,160</u>	<u>737</u>	<u>14,897</u>
Liabilities:			
Current liabilities:			
Accrued wages	35	-	35
Compensated absences payable	1	-	1
Accounts payable	6,116	4	6,120
Total current liabilities	<u>6,152</u>	<u>4</u>	<u>6,156</u>
Noncurrent liabilities:			
Compensated absences payable	45	-	45
Total noncurrent liabilities	<u>45</u>	<u>-</u>	<u>45</u>
Total liabilities	<u>6,197</u>	<u>4</u>	<u>6,201</u>
Net assets:			
Invested in capital assets	-	118	118
Unrestricted	7,963	615	8,578
Total net assets	<u>\$ 7,963</u>	<u>\$ 733</u>	<u>\$ 8,696</u>

FRANKLIN COUNTY, OHIO

Combining Statement of Revenues, Expenses and Changes in Net Assets

Internal Service Funds

Year Ended December 31, 2007

(Amounts in 000's)

	<u>Employee Benefits</u>	<u>Telecom- munications</u>	<u>Total</u>
Operating revenues:			
Fees and charges for services	\$ 61,586	\$ 192	\$ 61,778
Other	395	-	395
Total operating revenues	<u>61,981</u>	<u>192</u>	<u>62,173</u>
Operating expenses:			
Personal services	599	-	599
Cost of sales and services	57,182	42	57,224
Depreciation	-	15	15
Total operating expenses	<u>57,781</u>	<u>57</u>	<u>57,838</u>
Operating income (loss)	<u>4,200</u>	<u>135</u>	<u>4,335</u>
Nonoperating revenues (expenses):	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	4,200	135	4,335
Net assets - beginning	3,763	598	4,361
Net assets - ending	<u>\$ 7,963</u>	<u>\$ 733</u>	<u>\$ 8,696</u>

FRANKLIN COUNTY, OHIO

Combining Statement of Cash Flows

Internal Service Funds

Year Ended December 31, 2007

(Amounts in 000's)

	<u>Employee Benefits</u>	<u>Telecom- munications</u>	<u>Total</u>
Cash flows from operating activities:			
Cash collections from customers	\$ 61,770	\$ 191	\$ 61,961
Cash payments to suppliers	(59,231)	(38)	(59,269)
Cash payments for salaries	(556)	-	(556)
	<u>1,983</u>	<u>153</u>	<u>2,136</u>
Net cash provided by operating activities			
	<u>1,983</u>	<u>153</u>	<u>2,136</u>
Increase in cash for the year			
	<u>1,983</u>	<u>153</u>	<u>2,136</u>
Cash and cash equivalents - beginning	11,876	443	12,319
	<u>11,876</u>	<u>443</u>	<u>12,319</u>
Cash and cash equivalents - ending			
	<u>\$ 13,859</u>	<u>\$ 596</u>	<u>\$ 14,455</u>
Reconciliation of operating income to net cash provided by (used in) operating activities:			
Operating income	\$ 4,200	\$ 135	\$ 4,335
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	-	15	15
Changes in operating assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(211)	(2)	(213)
Due from other funds	-	1	1
Prepaid items	25	-	25
Increase (decrease) in:			
Accrued wages	16	-	16
Accounts payable	(2,073)	4	(2,069)
Due to other funds	(1)	-	(1)
Compensated absences	27	-	27
	<u>27</u>	<u>-</u>	<u>27</u>
Net cash provided by operating activities			
	<u>\$ 1,983</u>	<u>\$ 153</u>	<u>\$ 2,136</u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenses and
Changes in Fund Equity - Budget and Actual
Employee Benefits Internal Service Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Operating revenues:			
Fees and charges for services	\$ 61,299	\$ 61,642	\$ 343
Other	175	184	9
<i>Total operating revenues</i>	<u>61,474</u>	<u>61,826</u>	<u>352</u>
Operating expenses:			
Personal services	457	411	46
Fringe benefits	171	145	26
Materials and services	60,810	59,222	1,588
Capital outlays	9	9	-
<i>Total operating expenses</i>	<u>61,447</u>	<u>59,787</u>	<u>1,660</u>
<i>Operating income (loss)</i>	<u>27</u>	<u>2,039</u>	<u>2,012</u>
Nonoperating revenues (expenses):	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund equity</i>	<u>27</u>	<u>2,039</u>	<u>2,012</u>
Fund equity - beginning	<u>11,820</u>	<u>11,820</u>	<u>-</u>
Fund equity - ending	<u><u>\$ 11,847</u></u>	<u><u>\$ 13,859</u></u>	<u><u>\$ 2,012</u></u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenses and
Changes in Fund Equity - Budget and Actual
Telecommunications Internal Service Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2007
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating revenues:			
Fees and charges for services	\$ 187	\$ 199	\$ 12
<i>Total operating revenues</i>	187	199	12
Operating expenses:			
Materials and services	72	38	34
<i>Total operating expenses</i>	72	38	34
<i>Operating income (loss)</i>	115	161	46
Nonoperating revenues (expenses):	-	-	-
<i>Net change in fund equity</i>	115	161	46
Fund equity - beginning	435	435	-
Fund equity - ending	\$ 550	\$ 596	\$ 46

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FIDUCIARY FUNDS

AGENCY FUNDS

Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments, or other funds. A description of the agency funds follows:

Undivided Taxes – This fund includes the collection and distribution of real estate, property, motor vehicle, and estate taxes.

Payroll and Benefit Revolving – This fund accounts for the collection and distribution of the employer and employee shares of all payroll taxes and other withholdings.

Other Agency Funds – These funds account for the collection and distribution of local government taxes levied and collected by the State of Ohio. Also included are the collection and distribution of moneys held by County agencies in outside bank accounts, moneys held outside of the County treasury by the courts, and all funds that are not part of the County's reporting entity, but for whom the County serves as fiscal agent.

FRANKLIN COUNTY, OHIO

Combining Statement of Changes in
Fiduciary Assets and Liabilities
Agency Funds
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
UNDIVIDED TAXES				
Assets:				
Equity with County Treasurer	\$ 92,753	\$ 2,008,077	\$ 2,033,247	\$ 67,583
Cash in segregated accounts	5,015	37,297	39,149	3,163
Property taxes receivable, net	1,427,934	1,482,555	1,427,934	1,482,555
Total assets	<u>\$ 1,525,702</u>	<u>\$ 3,527,929</u>	<u>\$ 3,500,330</u>	<u>\$ 1,553,301</u>
Liabilities:				
Undistributed assets	\$ 1,525,685	\$ 3,490,847	\$ 3,463,278	\$ 1,553,254
Deposits held and due to others	17	37,082	37,052	47
Total liabilities	<u>\$ 1,525,702</u>	<u>\$ 3,527,929</u>	<u>\$ 3,500,330</u>	<u>\$ 1,553,301</u>
PAYROLL AND BENEFIT REVOLVING FUND				
Assets:				
Equity with County Treasurer	\$ 10,329	\$ 319,584	\$ 320,884	\$ 9,029
Liabilities:				
Deposits held and due to others	\$ 10,329	\$ 319,584	\$ 320,884	\$ 9,029
OTHER AGENCY FUNDS				
Assets:				
Equity with County Treasurer	\$ 20,060	\$ 79,417	\$ 74,223	\$ 25,254
Cash in segregated accounts	22,048	214,538	215,841	20,745
Total assets	<u>\$ 42,108</u>	<u>\$ 293,955</u>	<u>\$ 290,064</u>	<u>\$ 45,999</u>
Liabilities:				
Deposits held and due to others	\$ 42,108	\$ 293,008	\$ 289,117	\$ 45,999
Due to other funds	-	947	947	-
Total liabilities	<u>\$ 42,108</u>	<u>\$ 293,955</u>	<u>\$ 290,064</u>	<u>\$ 45,999</u>
TOTAL ALL AGENCY FUNDS				
Assets:				
Equity with County Treasurer	\$ 123,142	\$ 2,407,078	\$ 2,428,354	\$ 101,866
Cash in segregated accounts	27,063	251,835	254,990	23,908
Property taxes receivable, net	1,427,934	1,482,555	1,427,934	1,482,555
Total assets	<u>\$ 1,578,139</u>	<u>\$ 4,141,468</u>	<u>\$ 4,111,278</u>	<u>\$ 1,608,329</u>
Liabilities:				
Undistributed assets	\$ 1,525,685	\$ 3,490,847	\$ 3,463,278	\$ 1,553,254
Deposits held and due to others	52,454	649,674	647,053	55,075
Due to other funds	-	947	947	-
Total liabilities	<u>\$ 1,578,139</u>	<u>\$ 4,141,468</u>	<u>\$ 4,111,278</u>	<u>\$ 1,608,329</u>

COMPONENT UNITS

Component units are legally separate organizations for which the County is financially accountable.

ARC Industries, Incorporated, of Franklin County, Ohio (ARC Industries) – ARC Industries is a sheltered, not-for-profit workshop that enters into contracts with the business community to provide workers for various manufacturing and service industry jobs.

Veterans Memorial Hall – Veterans Memorial Hall was built to commemorate the services of all members and veterans of the United States armed forces and to provide a center for veterans' meetings and programs.

Franklin County Stadium, Inc. and Columbus Baseball Team, Inc. (Stadium and Team) – These two interrelated nonprofit corporations were organized under ORC Chapter 1702 to provide entertainment and recreation in the stadium for the benefit and general welfare of the County.

FRANKLIN COUNTY, OHIO
Combining Statement of Net Assets
Discretely Presented Component Units
December 31, 2007
(Amounts in 000's)

	ARC Industries	Veterans Memorial Hall	Stadium and Team	Total
Assets:				
Cash, cash equivalents and investments in segregated accounts	\$ 6,046	\$ 12	\$ 2,508	\$ 8,566
Accounts receivable	840	59	108	1,007
Due from primary government	504	-	-	504
Inventories	45	-	157	202
Prepaid items	40	62	8,289	8,391
Depreciable capital assets	956	199	1,420	2,575
Total assets	8,431	332	12,482	21,245
Liabilities:				
Accrued wages	449	4	-	453
Accounts payable and other current liabilities	227	145	550	922
Unearned revenue	-	85	7,778	7,863
Due to primary government	-	50	-	50
Long term liabilities:				
Due within one year	-	50	9	59
Due in more than one year	-	111	-	111
Total liabilities	676	445	8,337	9,458
Net assets:				
Invested in capital assets	956	199	1,420	2,575
Restricted for other purposes	129	-	-	129
Unrestricted	6,670	(312)	2,725	9,083
Total net assets	\$ 7,755	\$ (113)	\$ 4,145	\$ 11,787

FRANKLIN COUNTY, OHIO
Combining Statement of Activities
Discretely Presented Component Units
Year Ended December 31, 2007
(Amounts in 000's)

	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>ARC Industries</u>	<u>Veterans Memorial Hall</u>	<u>Stadium and Team</u>	<u>Total</u>
Component units:							
ARC Industries:							
Health	\$ 8,393	\$ 7,089	\$ 1,423	\$ 119	\$ -	\$ -	\$ 119
Veterans Memorial Hall:							
Conservation and recreation	2,378	2,246	-	-	(132)	-	(132)
Stadium and Team:							
Conservation and recreation	4,433	3,919	-	-	-	(514)	(514)
Total component units	<u>\$ 15,204</u>	<u>\$ 13,254</u>	<u>\$ 1,423</u>	<u>119</u>	<u>(132)</u>	<u>(514)</u>	<u>(527)</u>
General revenues:							
Unrestricted investment earnings				391	1	198	590
Total general revenues				<u>391</u>	<u>1</u>	<u>198</u>	<u>590</u>
Change in net assets				510	(131)	(316)	63
Net assets - beginning (restated)				7,245	18	4,461	11,724
Net assets - ending				<u>\$ 7,755</u>	<u>\$ (113)</u>	<u>\$ 4,145</u>	<u>\$ 11,787</u>



Statistical Section

FRANKLIN COUNTY, OHIO

Statistical Section

This part of Franklin County, Ohio's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents

Tables

Financial Trends

1-4

These schedules contain trend information to help the reader understand how the County's financial position has changed over time.

Revenue Capacity

5-13

These schedules contain information to help the reader understand and assess the factors' effect on the County's ability to generate its most significant local revenue sources, the property tax and the sales tax.

Debt Capacity

14-19
and 24

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Economic and Demographic Information

20-21

These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place and to provide information that facilitates comparison of financial information over time and among governments.

Operating Information

22-23

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

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

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FRANKLIN COUNTY, OHIO

Table 1

Net Assets by Component
(Accrual Basis of Accounting)
Last Six Years
(Amounts in 000's)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental activities:						
Invested in capital assets, net of related debt	\$ 286,609	\$ 308,191	\$ 305,033	\$ 308,863	\$ 346,360	\$ 304,589
Restricted	304,501	340,080	311,997	343,785	372,210	450,568
Unrestricted	<u>140,326</u>	<u>120,336</u>	<u>98,002</u>	<u>119,627</u>	<u>194,269</u>	<u>306,776</u>
Total governmental activities net assets	<u><u>\$ 731,436</u></u>	<u><u>\$ 768,607</u></u>	<u><u>\$ 715,032</u></u>	<u><u>\$ 772,275</u></u>	<u><u>\$ 912,839</u></u>	<u><u>\$ 1,061,933</u></u>
Business-type activities:						
Invested in capital assets, net of related debt	\$ 8,175	\$ 9,626	\$ 14,712	\$ 16,520	\$ 18,674	\$ 19,349
Unrestricted	<u>4,186</u>	<u>5,067</u>	<u>6,033</u>	<u>5,578</u>	<u>5,961</u>	<u>5,357</u>
Total business-type activities net assets	<u><u>\$ 12,361</u></u>	<u><u>\$ 14,693</u></u>	<u><u>\$ 20,745</u></u>	<u><u>\$ 22,098</u></u>	<u><u>\$ 24,635</u></u>	<u><u>\$ 24,706</u></u>
Primary government:						
Invested in capital assets, net of related debt	\$ 294,784	\$ 317,817	\$ 319,745	\$ 325,383	\$ 365,034	\$ 323,938
Restricted	304,501	340,080	311,997	343,785	372,210	450,568
Unrestricted	<u>144,512</u>	<u>125,403</u>	<u>104,035</u>	<u>125,205</u>	<u>200,230</u>	<u>312,133</u>
Total primary government net assets	<u><u>\$ 743,797</u></u>	<u><u>\$ 783,300</u></u>	<u><u>\$ 735,777</u></u>	<u><u>\$ 794,373</u></u>	<u><u>\$ 937,474</u></u>	<u><u>\$ 1,086,639</u></u>

Note: Fiscal years 2002 - 2005 reflect reclassification and/or restatements.

FRANKLIN COUNTY, OHIO

Table 2

Changes in Net Assets
(Accrual Basis of Accounting)
Last Six Years
(Amounts in 000's)

	<u>2002¹</u>	<u>2003¹</u>	<u>2004¹</u>	<u>2005¹</u>	<u>2006</u>	<u>2007</u>
Expenses:						
Governmental activities:						
General government ²	\$ 79,025	\$ 87,918	\$ 97,951	\$ 89,376	\$ 99,566	\$ 123,389
Judicial	61,743	63,326	63,848	64,428	65,470	66,493
Public safety	105,752	110,265	115,335	125,185	119,756	131,384
Human services	306,806	324,388	312,037	317,211	344,807	369,831
Health	256,547	251,971	308,096	291,569	304,339	305,114
Public works	21,744	27,067	41,027	41,313	33,679	45,070
Conservation and recreation	14,186	14,250	14,445	14,505	20,757	20,537
Community development	7,366	6,645	7,668	7,834	3,694	5,299
Interest and fiscal charges	8,065	8,091	6,383	5,553	6,845	9,697
Total government activities expenses	<u>861,234</u>	<u>893,921</u>	<u>966,790</u>	<u>956,974</u>	<u>998,913</u>	<u>1,076,814</u>
Business-type activities:						
Water and sewer	4,849	4,620	4,434	4,541	4,808	5,890
Parking facilities	1,779	1,733	1,670	1,891	1,990	2,043
Total business-type activities expenses	<u>6,628</u>	<u>6,353</u>	<u>6,104</u>	<u>6,432</u>	<u>6,798</u>	<u>7,933</u>
Total primary government expenses	<u>\$ 867,862</u>	<u>\$ 900,274</u>	<u>\$ 972,894</u>	<u>\$ 963,406</u>	<u>\$ 1,005,711</u>	<u>\$ 1,084,747</u>
Program revenues:						
Governmental activities:						
Charges for services:						
General government	\$ 57,808	\$ 60,953	\$ 54,265	\$ 58,691	\$ 62,586	\$ 57,593
Judicial	9,186	10,521	10,872	10,979	10,857	10,502
Public safety	21,573	20,545	20,714	21,603	22,772	22,693
Human services	6,479	7,510	9,302	8,932	7,847	8,530
Health	1,175	1,409	1,708	6,418	12,773	10,459
Public works	1,239	2,807	2,821	3,084	1,096	1,216
Community development	280	834	1,112	907	758	516
Operating grants and contributions	357,324	349,067	327,708	351,932	361,153	393,634
Capital grants and contributions	10,891	18,875	8,944	26,232	14,839	30,532
Total governmental activities program revenues	<u>465,955</u>	<u>472,521</u>	<u>437,446</u>	<u>488,778</u>	<u>494,681</u>	<u>535,675</u>
Business-type activities:						
Charges for services:						
Water and sewer	4,203	4,314	4,701	5,053	4,672	5,031
Parking facilities	2,278	2,289	2,512	2,718	3,334	2,973
Capital grants and contributions	442	45	3,568	45	1,329	-
Total business-type activities program revenues	<u>6,923</u>	<u>6,648</u>	<u>10,781</u>	<u>7,816</u>	<u>9,335</u>	<u>8,004</u>
Total primary government program revenues	<u>\$ 472,878</u>	<u>\$ 479,169</u>	<u>\$ 448,227</u>	<u>\$ 496,594</u>	<u>\$ 504,016</u>	<u>\$ 543,679</u>

(Continued on next page)

FRANKLIN COUNTY, OHIO

Changes in Net Assets (Continued)

(Accrual Basis of Accounting)

Last Six Years

(Amounts in 000's)

Table 2

	<u>2002¹</u>	<u>2003¹</u>	<u>2004¹</u>	<u>2005¹</u>	<u>2006</u>	<u>2007</u>
Net program revenue (expense):						
Governmental activities net program expense	\$ (395,279)	\$ (421,400)	\$ (529,344)	\$ (468,196)	\$ (504,232)	\$ (541,139)
Business-type activities net program revenue	295	295	4,677	1,384	2,537	71
Total primary government net program expense	<u>\$ (394,984)</u>	<u>\$ (421,105)</u>	<u>\$ (524,667)</u>	<u>\$ (466,812)</u>	<u>\$ (501,695)</u>	<u>\$ (541,068)</u>
General revenues and other changes in net assets:						
Governmental activities:						
Property taxes	\$ 284,070	\$ 302,419	\$ 313,562	\$ 337,991	\$ 360,173	\$ 374,017
Sales taxes	79,423	82,728	85,718	105,886	175,343	177,398
Grants and contributions not restricted to specific programs	62,398	66,242	66,358	63,506	72,791	84,033
Unrestricted investment earnings	25,438	9,219	11,506	18,025	36,489	54,785
Special item	(41,363)	-	-	-	-	-
Transfers in (out)	<u>(200)</u>	<u>(2,037)</u>	<u>(1,375)</u>	<u>31</u>	<u>-</u>	<u>-</u>
Total governmental activities general revenues and other changes in net assets	<u>409,766</u>	<u>458,571</u>	<u>475,769</u>	<u>525,439</u>	<u>644,796</u>	<u>690,233</u>
Business-type activities:						
Transfers in (out)	<u>200</u>	<u>2,037</u>	<u>1,375</u>	<u>(31)</u>	<u>-</u>	<u>-</u>
Total business-type activities general revenues and other changes in net assets	<u>200</u>	<u>2,037</u>	<u>1,375</u>	<u>(31)</u>	<u>-</u>	<u>-</u>
Total primary government general revenues and other changes in net assets	<u>\$ 409,966</u>	<u>\$ 460,608</u>	<u>\$ 477,144</u>	<u>\$ 525,408</u>	<u>\$ 644,796</u>	<u>\$ 690,233</u>
Total change in net assets:						
Governmental activities change in net assets	\$ 14,487	\$ 37,171	\$ (53,575)	\$ 57,243	\$ 140,564	\$ 149,094
Business-type activities change in net assets	495	2,332	6,052	1,353	2,537	71
Total primary government change in net assets	<u>\$ 14,982</u>	<u>\$ 39,503</u>	<u>\$ (47,523)</u>	<u>\$ 58,596</u>	<u>\$ 143,101</u>	<u>\$ 149,165</u>

Notes: ¹ Fiscal years 2002 - 2005 reflect reclassifications and/or restatements.

² Expense in the amount of \$18,242,000 for the transfer of infrastructure assets to the State of Ohio included in General Government for fiscal year 2007

FRANKLIN COUNTY, OHIO

Fund Balances, Governmental Funds

(Modified Accrual Basis of Accounting)

Last Ten Years

(Amounts in 000's)

Table 3

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General fund:										
Reserved	\$ 31,541	\$ 34,235	\$ 37,341	\$ 41,423	\$ 1,843	\$ 2,636	\$ 3,154	\$ 13,276	\$ 15,146	\$ 7,500
Unreserved	95,394	81,619	130,411	147,498	135,663	117,294	90,037	79,201	169,574	265,071
Total general fund	<u>126,935</u>	<u>115,854</u>	<u>167,752</u>	<u>188,921</u>	<u>137,506</u>	<u>119,930</u>	<u>93,191</u>	<u>92,477</u>	<u>184,720</u>	<u>272,571</u>
All other governmental funds:										
Reserved	33,079	37,593	42,128	31,835	18,953	20,940	18,959	17,225	15,421	14,284
Unreserved, reported in:										
Special revenue funds	83,405	108,892	165,357	184,698	230,592	246,575	211,540	258,138	294,466	347,120
Debt service funds	239	117	88	1	-	30	29	30	41	3,961
Capital projects funds	9,233	32,897	19,402	5,634	7,237	8,830	4,786	(4,627)	(20,195)	140,196
Total all other governmental funds	<u>125,956</u>	<u>179,499</u>	<u>226,975</u>	<u>222,168</u>	<u>256,782</u>	<u>276,375</u>	<u>235,314</u>	<u>270,766</u>	<u>289,733</u>	<u>505,561</u>
Total governmental funds	<u>\$ 252,891</u>	<u>\$ 295,353</u>	<u>\$ 394,727</u>	<u>\$ 411,089</u>	<u>\$ 394,288</u>	<u>\$ 396,305</u>	<u>\$ 328,505</u>	<u>\$ 363,243</u>	<u>\$ 474,453</u>	<u>\$ 778,132</u>

Note: Fiscal years 1998 - 2006 reflect reclassifications and/or restatements.

FRANKLIN COUNTY, OHIO
 Changes in Fund Balances, Governmental Funds
 (Modified Accrual Basis of Accounting)
 Last Ten Years
 (Amounts in 000's)

Table 4

	1998 ¹	1999 ¹	2000 ¹	2001 ¹	2002 ¹	2003 ¹	2004 ¹	2005 ¹	2006	2007
Revenues:										
Sales tax	\$ 72,262	\$ 79,030	\$ 82,901	\$ 81,139	\$ 79,622	\$ 81,682	\$ 85,588	\$ 97,633	\$ 172,866	\$ 177,768
Real and other taxes	206,696	248,657	273,209	280,490	284,251	304,651	309,002	333,844	365,863	370,977
Licenses and permits	1,526	1,223	1,426	1,112	1,273	1,396	1,535	1,606	1,978	1,744
Fees and charges for services	62,207	60,355	62,393	68,801	79,116	83,798	73,467	88,165	85,914	92,659
Fines and forfeitures	1,325	1,568	1,401	1,552	1,655	1,852	2,286	2,522	2,818	3,456
Intergovernmental	305,679	348,060	365,968	384,419	418,617	411,993	391,599	440,588	444,850	494,091
Investment income	23,954	20,448	42,340	43,570	24,697	12,523	11,033	17,006	35,709	54,412
Other	18,619	15,507	19,986	20,560	19,112	23,114	21,705	20,515	28,221	22,299
Total revenues	<u>692,268</u>	<u>774,848</u>	<u>849,624</u>	<u>881,643</u>	<u>908,343</u>	<u>921,009</u>	<u>896,215</u>	<u>1,001,879</u>	<u>1,138,219</u>	<u>1,217,406</u>
Expenditures:										
Current:										
General government	82,886	67,445	64,071	73,819	70,907	76,651	83,267	78,583	90,239	96,815
Judicial	34,271	43,730	46,607	53,979	58,561	62,662	63,260	64,203	64,291	66,807
Public safety	66,837	72,008	80,082	88,014	100,410	104,804	112,000	114,260	109,636	121,971
Human services	206,651	231,603	252,770	307,487	306,802	324,661	312,418	318,665	346,007	374,442
Health	200,708	246,294	238,555	257,707	254,013	251,131	306,618	292,420	302,142	302,713
Public works	34,229	34,395	34,110	31,365	38,483	47,945	37,413	38,691	40,016	51,738
Conservation and recreation	12,426	12,898	13,191	13,602	13,959	14,023	14,218	14,278	19,660	19,441
Community development	2,220	3,262	2,992	3,058	6,557	5,489	6,528	5,510	2,200	4,278
Capital outlays	6,894	12,623	19,795	23,037	13,578	5,407	3,884	26,102	21,680	17,250
Debt service:										
Principal retirement	8,148	7,991	7,629	7,778	7,616	8,992	9,096	9,636	9,833	9,792
Interest and fiscal charges ²	11,020	9,879	9,703	8,607	8,096	8,185	6,952	6,169	7,112	10,254
Intergovernmental grants	3,433	3,286	2,902	2,040	5,346	7,753	7,753	16,550	16,274	14,021
Total expenditures	<u>669,723</u>	<u>745,414</u>	<u>772,407</u>	<u>870,493</u>	<u>884,328</u>	<u>917,703</u>	<u>963,407</u>	<u>985,067</u>	<u>1,029,090</u>	<u>1,089,522</u>
Excess (deficiency) of revenues over (under) expenditures	<u>22,545</u>	<u>29,434</u>	<u>77,217</u>	<u>11,150</u>	<u>24,015</u>	<u>3,306</u>	<u>(67,192)</u>	<u>16,812</u>	<u>109,129</u>	<u>127,884</u>
Other financing sources (uses):										
Transfers in	21,536	58,891	38,906	31,433	37,477	31,327	25,089	33,888	28,532	27,930
Transfers out	(21,462)	(58,821)	(38,843)	(31,951)	(37,677)	(33,364)	(26,464)	(33,857)	(28,532)	(27,930)
Proceeds of debt ³	-	255	1,942	-	734	599	-	16,703	1,300	174,200
Capital leases	69	459	711	735	306	707	304	347	168	1,481
Sale of capital assets	223	183	432	150	347	581	463	845	613	114
Total other financing sources (uses)	<u>366</u>	<u>967</u>	<u>3,148</u>	<u>367</u>	<u>1,187</u>	<u>(150)</u>	<u>(608)</u>	<u>17,926</u>	<u>2,081</u>	<u>175,795</u>
Special item - uncollectible receivable	-	-	-	-	(41,363)	-	-	-	-	-
Net change in fund balances	<u>\$ 22,911</u>	<u>\$ 30,401</u>	<u>\$ 80,365</u>	<u>\$ 11,517</u>	<u>\$ (16,161)</u>	<u>\$ 3,156</u>	<u>\$ (67,800)</u>	<u>\$ 34,738</u>	<u>\$ 111,210</u>	<u>\$ 303,679</u>
Debt service as a percentage of noncapital expenditures	2.89%	2.44%	2.30%	1.93%	1.80%	1.88%	1.72%	1.69%	1.73%	1.90%

Notes: ¹Fiscal years 1998 - 2005 reflect reclassifications and/or restatements.

²Includes bond issuance cost.

³Includes bonds, notes, loans, and the related premiums and discounts.

FRANKLIN COUNTY, OHIO
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Years
 (Amounts in 000's)

Table 5

Tax Year	Real Property		Personal Property ⁷		Public Utilities		Total		Ratio
	Assessed Value ¹	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value ⁶	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1998	\$ 15,360,595	\$ 43,887,414	\$ 2,319,124	\$ 9,276,496	\$ 927,986	\$ 2,651,389	\$ 18,607,705	\$ 55,815,299	33.3%
1999	17,689,287	50,540,820	2,383,642	9,534,568	959,182	2,740,520	21,032,111	62,815,908	33.5%
2000	18,204,578	52,013,080	2,553,204	10,212,816	940,870	2,688,200	21,698,652	64,914,096	33.4%
2001	18,749,004	53,568,583	2,579,141	10,316,564	783,268	2,237,909	22,111,413	66,123,056	33.4%
2002	21,246,923	60,705,494	2,695,271	10,781,084	801,985	2,291,386	24,744,179	73,777,964	33.5%
2003	21,760,810	62,173,743	2,222,664	9,261,100	788,157	2,251,877	24,771,631	73,686,720	33.6%
2004	22,266,430	63,618,371	2,148,071	8,950,296	818,179	2,337,654	25,232,680	74,906,321	33.7%
2005	25,818,193	73,766,266	1,564,678	6,519,492	785,224	2,243,497	28,168,095	82,529,255	34.1%
2006	26,439,904	75,542,582	1,117,739	5,961,275	745,706	2,130,589	28,303,349	83,634,446	33.8%
2007	26,842,945	76,694,129	633,872	5,070,976	553,977	1,582,791	28,030,794	83,347,896	33.6%

Source: Franklin County Auditor's Office.

Notes: The full property tax rate for 2007 collections was 17.99 per \$1,000 of assessed valuation.

¹Assessed value = 35% of estimated actual value.

²Assessed value = 25% of estimated actual value.

³Assessed value = 24% of estimated actual value.

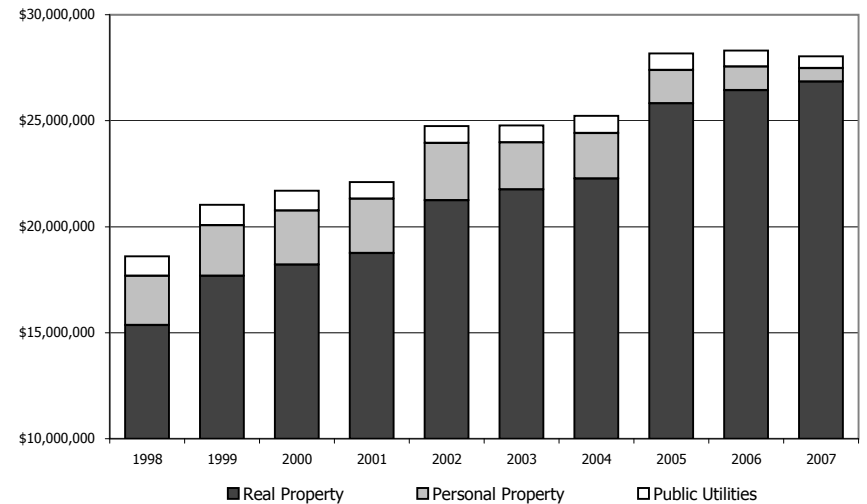
⁴Assessed value = 18.75% of estimated actual value.

⁵Assessed value = 12.50% of estimated actual value.

⁶Assessment percentage varies depending on type of utility (electric, telecommunication, and gas).

⁷Telecommunication utilities reclassified to Personal Property in 2007.

ASSESSED VALUE OF TAXABLE PROPERTY



FRANKLIN COUNTY, OHIO
 Assessed Valuation of the County by Classification
 Last Ten Years
 (Amounts in 000's)

Table 6

Tax Year	Real Estate Classification								Personal Property Classification						Total Assessed Valuation	
	Residential/ Agricultural		Commercial/ Industrial		Public Utility Real Estate		Total Real Estate		General		Public Utility Personal		Total Personal Property			
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
1998	\$ 10,041,236	53.96%	\$ 5,310,373	28.54%	\$ 8,986	0.05%	\$ 15,360,595	82.55%	\$ 2,319,124	12.46%	\$ 927,986	4.99%	\$ 3,247,110	17.45%	\$ 18,607,705	100.00%
1999	11,719,337	55.72%	5,959,833	28.34%	10,118	0.05%	17,689,288	84.11%	2,383,642	11.33%	959,182	4.56%	3,342,824	15.89%	21,032,112	100.00%
2000	12,044,851	55.51%	6,148,684	28.34%	11,043	0.05%	18,204,578	83.90%	2,553,204	11.77%	940,870	4.34%	3,494,074	16.10%	21,698,652	100.00%
2001	12,372,774	55.96%	6,368,777	28.80%	7,453	0.03%	18,749,004	84.79%	2,579,141	11.66%	783,268	3.54%	3,362,409	15.21%	22,111,413	100.00%
2002	14,311,646	57.84%	6,928,334	28.00%	6,943	0.03%	21,246,923	85.87%	2,695,271	10.89%	801,985	3.24%	3,497,256	14.13%	24,744,179	100.00%
2003	14,734,182	59.48%	7,019,231	28.34%	7,397	0.03%	21,760,810	87.85%	2,222,664	8.97%	788,157	3.18%	3,010,821	12.15%	24,771,631	100.00%
2004	15,175,539	60.14%	7,083,514	28.07%	7,377	0.03%	22,266,430	88.24%	2,148,071	8.51%	818,179	3.24%	2,966,250	11.76%	25,232,680	100.00%
2005	18,363,757	65.19%	7,446,945	26.44%	7,491	0.03%	25,818,193	91.66%	1,564,678	5.55%	785,224	2.79%	2,349,902	8.34%	28,168,095	100.00%
2006	18,795,315	66.41%	7,635,997	26.98%	8,592	0.03%	26,439,904	93.42%	1,117,739	3.95%	745,706	2.63%	1,863,445	6.58%	28,303,349	100.00%
2007	19,036,047	67.91%	7,795,863	27.81%	11,034	0.04%	26,842,945	95.76%	633,872	2.26%	553,977	1.98%	1,187,849	4.24%	28,030,794	100.00%

Source: Franklin County Auditor's Office.

FRANKLIN COUNTY, OHIO
Real Property Value and Construction
Last Ten Years
(Amounts in 000's)

Table 7

Tax Year	New Construction			Real Property Value		
	Agricultural/ Residential	Commercial/ Industrial	Total New Construction	Agricultural/ Residential ¹	Commercial/ Industrial ¹	Tax-Exempt ²
1998	\$ 720,208	\$ 496,006	\$ 1,216,214	\$ 28,689,247	\$ 15,198,168	\$ 8,848,304
1999	778,365	593,507	1,371,872	33,483,819	17,028,093	9,898,872
2000	739,535	596,765	1,336,300	34,413,861	17,567,667	10,843,918
2001	755,688	553,429	1,309,117	35,350,784	18,196,506	11,599,142
2002	902,251	494,123	1,396,374	40,890,417	19,815,076	13,178,663
2003	995,854	375,633	1,371,487	42,097,663	20,076,080	13,498,844
2004	1,061,898	436,245	1,498,143	43,358,683	20,259,686	14,034,765
2005	1,201,420	601,435	1,802,855	52,467,877	21,298,388	16,062,632
2006	1,091,652	651,470	1,743,122	53,700,901	21,817,134	16,380,748
2007	825,819	659,327	1,485,146	54,389,185	22,273,894	17,517,167

Source: Franklin County Auditor's Office.

Notes: All are appraised values.

¹Prior to any value or class adjustment (e.g., homestead, current agricultural use valuation)

²Includes abated values.

FRANKLIN COUNTY, OHIO
 Property Taxes on a \$100,000
 Owner-Occupied Home or a Business
 City of Columbus / Columbus School District
 December 31, 2007

Table 8

Real estate taxes help finance your school district, your city, village or township, your public library, your parks and zoo, and various County services. In the example below, if your home or business has an appraised value of \$100,000 located in the City of Columbus and the Columbus City School District for tax year 2007, this is how the taxes will be distributed in calendar year 2008.

<u>Tax Recipient</u>	<u>Home</u>	<u>Business</u>
Columbus City Schools	\$ 992.32	\$ 1,610.99
Board of MR&DD	139.32	207.44
Children Services	110.80	156.71
City of Columbus	96.16	109.90
ADAMH Board	67.10	77.00
County General Fund	45.02	51.45
Columbus Public Library	22.91	41.05
Office on Aging	27.51	31.50
Zoological Park	19.51	25.31
Metro Parks	12.71	19.10
Total	<u>\$ 1,533.36</u>	<u>\$ 2,330.45</u>

Source: Franklin County Auditor's Office.

FRANKLIN COUNTY, OHIO
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Value)
Last Ten Years

Table 9

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
County:										
General Fund	\$ 1.47	\$ 1.47	\$ 1.47	\$ 1.47	\$ 1.47	\$ 1.47	\$ 1.47	\$ 1.47	\$ 1.47	\$ 1.47
Children Services	4.25	4.25	4.25	4.25	4.25	4.25	5.05	5.05	5.05	5.05
ADAMH Board	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20
MR & DD	7.47	7.47	7.47	7.47	7.47	7.47	7.47	7.47	7.47	7.47
Zoological Park	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Office on Aging	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.90
Total County rates	\$ 16.99	\$ 16.99	\$ 16.99	\$ 16.99	\$ 16.99	\$ 16.99	\$ 17.79	\$ 17.79	\$ 17.79	\$ 17.84
School districts:										
Bexley	\$ 98.10	\$ 97.73	\$ 111.08	\$ 111.10	\$ 109.72	\$ 113.00	\$ 109.50	\$ 108.45	\$ 108.30	\$ 108.25
Canal Winchester	55.86	55.91	55.91	62.80	61.20	61.05	61.00	61.25	61.25	61.25
Columbus	57.95	57.57	57.37	57.37	58.80	59.18	67.65	66.47	67.65	67.65
Dublin	65.50	65.22	65.22	65.22	64.60	64.60	64.60	72.50	72.50	72.50
Gahanna-Jefferson	62.09	61.35	61.21	61.24	60.90	61.19	60.14	59.24	66.95	65.80
Grandview Heights	82.32	81.82	81.97	82.17	92.12	92.33	92.45	101.28	100.50	100.80
Groveport-Madison	56.33	55.40	55.05	54.50	53.78	53.88	53.36	52.60	52.75	52.81
Hamilton	47.13	47.09	54.10	54.11	53.75	53.65	53.43	55.57	55.15	55.60
Hilliard	59.71	59.71	65.61	65.61	64.44	64.44	74.40	73.14	75.89	75.89
New Albany-Plain	49.34	47.46	52.17	52.03	50.17	59.19	58.10	56.16	65.16	65.10
Reynoldsburg	55.12	55.49	55.39	55.28	58.20	58.21	59.63	59.30	59.30	59.10
South-Western	57.18	56.97	56.97	56.61	56.44	56.43	55.23	64.67	64.55	64.45
Upper Arlington	84.03	83.95	83.32	89.52	89.15	89.11	96.24	95.88	95.88	102.08
Westerville	61.15	59.66	63.50	63.40	63.20	63.20	68.01	67.31	72.50	72.50
Whitehall	65.61	65.49	65.52	65.49	65.40	65.40	65.40	65.33	65.45	65.45
Worthington	73.66	72.65	72.60	78.38	77.88	77.71	84.56	83.23	83.23	83.23
School districts (out-of-County):										
Jonathan Alder	\$ 40.10	\$ 40.10	\$ 40.10	\$ 40.10	\$ 49.00	\$ 48.60	\$ 48.10	\$ 38.60	\$ 38.10	\$ 34.90
Licking Heights	40.10	39.60	48.50	48.10	47.53	47.52	47.52	48.50	48.52	47.07
Madison-Plains	35.45	35.45	35.45	35.45	35.45	40.45	40.45	48.45	48.45	48.45
Olentangy	41.57	49.77	49.80	49.80	50.56	50.50	61.00	62.00	62.00	62.00
Pickerington	66.36	66.36	70.30	70.10	70.10	78.00	77.50	77.05	80.75	80.35
Teays Valley	25.00	31.60	31.60	31.60	31.60	31.60	31.60	31.20	34.10	31.80
Joint vocational school districts:										
Central Ohio	\$ 1.60	\$ 1.60	\$ 1.10	\$ 1.10	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 1.30	\$ 1.30
Delaware County	3.40	3.40	3.40	3.20	3.20	3.20	3.20	3.20	3.20	3.20
Eastland	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Licking County	2.00	2.00	2.00	2.00	3.00	2.80	3.00	3.00	3.00	3.00
Corporations:										
Bexley	\$ 5.35	\$ 5.35	\$ 5.35	\$ 5.35	\$ 7.85	\$ 7.85	\$ 7.85	\$ 7.85	\$ 7.85	\$ 7.85
Brice	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20
Canal Winchester	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Columbus	3.14	3.14	3.14	3.14	3.14	3.14	3.14	3.14	3.14	3.14
Dublin	2.97	2.97	2.97	2.97	2.97	2.96	2.96	2.95	2.95	2.95
Gahanna	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40

FRANKLIN COUNTY, OHIO
 Property Tax Rates - Direct and Overlapping Governments (Continued)
 (Per \$1,000 of Assessed Value)
 Last Ten Years

Table 9

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Grandview Heights	10.70	10.70	10.70	10.70	10.70	10.70	10.70	10.70	10.70	10.70
Grove City	4.70	4.60	4.50	4.40	4.30	4.20	4.20	4.20	3.70	3.50
Groveport	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Harrisburg	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Hilliard	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60
Lockbourne	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Marble Cliff	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35
Minerva Park	16.31	12.32	16.32	16.32	16.13	16.13	16.08	16.09	16.09	15.95
New Albany	1.70	1.57	1.23	1.72	1.73	1.94	1.94	1.94	1.94	1.94
New Rome	1.20	1.20	1.20	1.20	1.20	-	-	-	-	-
Obetz	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70
Pickerington	7.80	7.80	7.80	7.80	7.80	7.80	7.80	7.80	7.80	7.80
Reynoldsburg	0.77	0.76	0.76	0.70	0.70	0.70	0.70	0.70	0.70	0.70
Riverlea	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.50	6.50	6.50
Upper Arlington	6.42	6.39	6.39	6.76	6.86	6.86	6.85	6.74	6.64	6.38
Urbancrest	5.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60
Valleyview	24.53	24.53	24.53	24.53	24.53	24.53	24.53	24.53	22.53	22.53
Westerville	14.65	14.57	14.54	14.50	17.85	18.06	17.95	17.97	17.60	17.64
Whitehall	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Worthington	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	5.00	5.00
Townships:										
Blendon	\$ 22.43	\$ 22.41	\$ 22.16	\$ 22.00	\$ 25.40	\$ 25.07	\$ 25.05	\$ 25.02	\$ 26.55	\$ 26.51
Brown	9.60	9.60	9.60	9.60	9.60	9.60	12.80	12.80	12.80	12.80
Clinton	25.64	25.64	25.64	25.64	25.64	25.64	25.64	25.64	31.14	31.14
Franklin	13.05	13.05	13.05	13.05	13.05	13.05	18.05	18.05	21.31	21.31
Hamilton	14.55	15.05	15.55	15.80	15.80	15.80	15.80	15.80	15.80	15.80
Jackson	20.20	20.20	20.20	20.20	20.20	20.20	20.20	20.20	20.20	20.20
Jefferson	10.82	10.59	10.53	10.50	10.37	10.37	10.28	10.21	10.09	9.12
Madison	21.80	21.80	21.80	21.80	21.80	21.80	21.80	21.80	21.80	21.80
Mifflin	20.80	20.80	21.80	21.80	21.80	21.80	22.80	22.80	22.80	22.80
Norwich	18.80	18.80	18.80	18.80	21.60	21.60	21.60	21.60	21.60	21.60
Perry	23.80	23.80	20.50	23.80	23.80	20.40	18.40	18.40	21.20	21.20
Plain	9.34	10.72	13.58	13.52	13.43	13.12	13.37	13.27	13.15	12.85
Pleasant	16.20	16.20	16.20	16.20	16.20	18.70	18.70	18.70	18.70	18.70
Prairie	14.20	14.20	14.20	14.20	14.20	14.20	14.20	14.20	18.20	18.20
Sharon	13.10	19.10	19.08	19.00	23.50	23.50	23.50	23.50	23.50	23.50
Truro	12.65	12.65	12.65	12.65	16.65	16.65	16.65	16.65	16.65	16.65
Washington	18.51	20.01	20.00	20.00	20.00	20.00	19.99	19.99	19.95	14.47
Other units:										
Columbus Metropolitan Library	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20
Grandview Heights Public Library	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70
Delaware County District Library	0.29	0.24	0.19	0.18	0.15	0.12	0.09	0.08	0.07	0.06
Metropolitan Park District	0.55	0.65	0.65	0.65	0.65	0.65	0.65	0.65	0.65	0.65
New Albany-Plain Park District ¹	-	-	0.75	0.75	0.75	1.27	1.87	1.72	1.72	1.69
Upper Arlington Public Library	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00
Westerville Public Library ²	-	-	-	-	0.80	0.80	0.80	0.80	0.80	0.80
Worthington Public Library	2.20	2.20	2.20	2.20	2.20	2.20	2.20	4.80	4.80	4.80

Source: Franklin County Auditor's Office.

Notes: ¹Effective 2000

²Effective 2002

FRANKLIN COUNTY, OHIO
Principal Property Taxpayers
As of December 31, 2007 and December 31, 1998
(Amounts in 000's)

Table 10

2007					1998				
Taxpayer	Assessed Valuation	Rank	Percent of Total	Rank in 1998	Taxpayer	Assessed Valuation	Rank	Percent of Total	
Public utilities:					Public utilities:				
Columbus Southern Power Company	\$ 454,259	1	1.62%	1	Columbus Southern Power Company	\$ 422,794	1	2.27%	
Columbia Gas of Ohio Inc.	63,602	2	0.23%	3	Ohio Bell Telephone Company	259,897	2	1.40%	
					Columbia Gas of Ohio Inc.	168,494	3	0.91%	
					New Par	13,622	4	0.07%	
Real estate:					Real estate:				
Nationwide Mutual Insurance Company	91,548	1	0.33%	1	Nationwide Mutual Insurance Company	99,681	1	0.54%	
Distribution Land Corp.	70,123	2	0.25%	4	Capitol South Community Redevelopment	75,972	2	0.41%	
OhioHealth Corp	64,258	3	0.23%	-	Huntington Center Associates	50,232	3	0.27%	
Huntington Center	58,100	4	0.21%	3	Distribution Land Corp.	34,496	4	0.19%	
Duke Realty LP	57,363	5	0.20%	5	Duke Realty LP	33,646	5	0.18%	
American Electric Power	25,852	6	0.09%	6	American Electric Power Service	42,362	6	0.23%	
New Albany Company	23,485	7	0.08%	7	New Albany Company	33,381	7	0.18%	
M/I Homes of Central Ohio	23,379	8	0.08%	-	Associated Estates Realty Corp.	30,325	8	0.16%	
Dominion Homes	21,797	9	0.08%	-	State Teachers Retirement Board of Ohio	24,762	9	0.13%	
Huntington National Bank	21,695	10	0.08%	10	Huntington National Bank	20,761	10	0.11%	
Tangible personal property:					Tangible personal property:				
Ohio Bell Telephone Company ¹	58,643	1	0.21%	-	Lucent Technologies Inc.	68,348	1	0.37%	
New Par	39,397	2	0.14%	-	IBM Credit Corporation	57,153	2	0.31%	
Anheuser Busch Inc.	32,346	3	0.12%	4	CompuServe Inc.	49,971	3	0.27%	
Wal-Mart Stores East, LP	19,124	4	0.07%	-	Anheuser Busch Inc.	45,914	4	0.25%	
Kroger Company	14,358	5	0.05%	6	Abbott Laboratories	39,011	5	0.21%	
Time Warner Entertainment Company LP	13,846	6	0.05%	10	Kroger Company	28,638	6	0.15%	
Medco Health Solutions Inc	13,846	7	0.05%	-	J.C. Penney Company Inc.	27,597	7	0.15%	
Lucent Technologies Inc.	13,565	8	0.05%	1	Sears Roebuck & Company	26,634	8	0.14%	
Abbott Laboratories	13,439	9	0.05%	5	Roxane Laboratories Inc.	26,208	9	0.14%	
Insight Communications	12,599	10	0.04%	-	Time Warner Entertainment Company LP	26,016	10	0.14%	
All others	<u>26,824,170</u>		<u>95.70%</u>		All others	<u>16,901,790</u>		<u>90.83%</u>	
Total	<u>\$ 28,030,794</u>		<u>100.00%</u>		Total	<u>\$ 18,607,705</u>		<u>100.00%</u>	

Source: Franklin County Auditor's Office.

Note: ¹The State of Ohio reclassified telecommunications public utilities to personal property in 2007.

FRANKLIN COUNTY, OHIO
 Property Tax Levies and Collections
 Last Ten Years
 (Amounts in 000's)

Table 11

<u>Fiscal Year</u>	<u>Equalized Tax Levy¹</u>	<u>Current Tax Collections²</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections³</u>	<u>Percent of Total Collections to Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Outstanding Delinquent Taxes to Levy</u>
1998	\$ 228,439	\$ 223,748	97.9%	\$ 8,153	\$ 231,901	101.5%	\$ 13,881	6.1%
1999	279,715	273,824	97.9%	8,757	282,581	101.0%	17,723	6.3%
2000	304,051	295,269	97.1%	7,628	302,897	99.6%	22,582	7.4%
2001	314,141	301,641	96.0%	10,548	312,189	99.4%	27,843	8.9%
2002	319,340	302,203	94.6%	13,132	315,335	98.7%	28,615	9.0%
2003	342,578	324,408	94.7%	14,637	339,045	99.0%	29,103	8.5%
2004	346,556	326,932	94.3%	16,739	343,671	99.2%	23,635	6.8%
2005	380,805	358,907	94.2%	13,005	371,912	97.7%	25,711	6.8%
2006	389,647	362,824	93.1%	14,908	377,732	96.9%	29,600	7.6%
2007	412,301	379,278	92.0%	15,568	394,846	95.8%	31,988	7.8%

Source: Franklin County Auditor's Office.

Notes: ¹Levy before adjustment for exempt valuation.
²Current tax collections include state reimbursement for homestead/roll-back.
³Total tax collections include state reimbursement for homestead/roll-back.

FRANKLIN COUNTY, OHIO
 Property Tax Levies - Voted and Unvoted
 (Per \$1,000 of Assessed Value)
 As of December 31, 2007 and December 31, 1998

	2007					
	Full Tax Rate	Effective Rate Res/Agr	Effective Rate Com/Ind	Year of Election	Beginning Year of Collection	Final Year of Collection
General Fund	\$ 1.47	\$ 1.470000	\$ 1.470000			
Children Services	1.90	1.605834	1.832272	2004	2005	2014
Children Services	3.15	2.011990	2.645099	1999	2000	2009
ADAMH Board	2.20	2.191083	2.200000	2005	2006	2016
MR & DD	1.00	0.245494	0.407826	1977	1978	IND
MR & DD	0.65	0.231506	0.366759	1982	1983	IND
MR & DD	3.50	2.597728	3.216619	2002	2003	2012
MR & DD	2.32	1.474313	1.935615	1998	1999	2008
Zoological Park	0.75	0.637194	0.723265	2004	2005	2015
Office on Aging	0.90	0.898210	0.900000	2007	2008	2012
Total	\$ 17.84	\$ 13.363352	\$ 15.697455			

	1998					
	Full Tax Rate	Effective Rate Res/Agr	Effective Rate Com/Ind	Year of Election	Beginning Year of Collection	Final Year of Collection
General Fund	\$ 1.47	\$ 1.470000	\$ 1.470000			
Children Services	1.10	0.997045	1.058106	1996	1997	2004
Children Services	3.15	2.177078	2.806983	1999	2000	2009
ADAMH Board	2.20	1.994091	2.116213	1996	1997	2006
MR & DD	1.00	0.384345	0.485671	1977	1978	IND
MR & DD	0.65	0.362449	0.436766	1982	1983	IND
MR & DD	3.50	2.763771	3.342251	1992	1993	2002
MR & DD	2.32	2.308202	2.305089	1998	1999	2008
Zoological Park	0.75	0.675582	0.721436	1995	1996	2006
Office on Aging	0.85	0.841531	0.841454	1997	1998	2002
Total	\$ 16.99	\$ 13.974094	\$ 15.583969			

Source: Franklin County Auditor's Office.

Note: Tax rates displayed are for tax years 2007 and 1998, to be collected in 2008 and 1999, respectively.

FRANKLIN COUNTY, OHIO
 Other Major General Fund Revenue Sources
 Last Ten Years
 (Amounts in 000's)

Table 13

County sales tax:

The County imposed a one-half percent sales tax effective September 1, 1985, and an additional permanent one-fourth percent effective October 1, 2005. A temporary one-fourth percent sales tax became effective October 1, 2005, and expired December 31, 2007. The sales tax may be repealed if a majority of voters approve the repeal at a general election. The question of repeal must be placed on the ballot by a petition signed by qualified voters equal in number to 10% of those voting for governor in the last gubernatorial election. No such petition has been filed with the County Board of Elections.

Local government fund:

The Ohio local government fund was created by statute and is comprised of designated state revenues, which are distributed to each county and then allocated among the county and cities, villages and townships in the county on the basis of statutory formulas.

The following table shows sales tax and local government fund revenue for the County's General Fund:

<u>Fiscal Year</u>	<u>Sales Tax</u>	<u>Local Government Fund</u>
1998	\$ 72,262	\$ 25,210
1999	79,030	26,096
2000	82,901	27,852
2001	81,139	28,961
2002	79,423	26,913
2003	82,728	27,213
2004	85,718	25,593
2005	105,886	27,184
2006	175,343	27,184
2007	177,398	24,223

Source: Franklin County Auditor's Office.

FRANKLIN COUNTY, OHIO
Ratios of Outstanding Debt by Type
Last Ten Years
(Amounts in 000's, Except Per Capita)

Table 14

Fiscal Year	Governmental Activities					Business-type Activities			Total Primary Government	Personal Income			Debt Per Capita
	General Obligation Bonds and Notes	Special Obligation Bonds and Notes	Loans	Capital Leases	Total	Bonds	Loans	Total		Total ¹	Percentage	Population ²	
1998	\$ 172,840	\$ -	\$ 1,478	\$ 2,529	\$ 176,847	\$ 9,705	\$ 3,374	\$ 13,079	\$ 189,926	\$ 29,431,000	0.65%	1,056,863	\$ 179.71
1999	165,375	-	1,522	2,033	168,930	9,375	3,433	12,808	181,738	31,275,000	0.58%	1,067,993	170.17
2000	157,775	-	3,571	1,869	163,215	9,040	3,169	12,209	175,424	33,798,000	0.52%	1,068,978	164.10
2001	149,795	-	3,887	1,610	155,292	8,700	3,035	11,735	167,027	34,829,000	0.48%	1,088,445	153.45
2002	142,405	-	4,105	1,294	147,804	8,020	2,884	10,904	158,708	36,219,000	0.44%	1,101,225	144.12
2003	132,245	-	3,809	1,642	137,696	7,135	2,724	9,859	147,555	36,701,000	0.40%	1,114,159	132.44
2004	124,560	-	2,912	1,044	128,516	6,440	2,553	8,993	137,509	38,020,000	0.36%	1,131,895	121.49
2005	131,490	-	2,014	936	134,440	5,705	5,435	11,140	145,580	39,800,000	0.37%	1,144,820	127.16
2006	122,805	-	2,416	579	125,800	4,950	6,752	11,702	137,502	41,582,000	0.33%	1,153,926	119.16
2007	239,925	42,500	2,468	1,669	286,562	3,880	6,683	10,563	297,125	43,699,000	0.68%	1,158,368	256.50

Source: Franklin County Auditor's Office.

Notes: ¹ Provided by Woods & Poole Economics.

² Estimates by Mid-Ohio Regional Planning Commission, except for 2000, which was provided by the U.S. Department of Commerce, Bureau of the Census.

FRANKLIN COUNTY, OHIO
Ratios of General Bonded Debt Outstanding
Last Ten Years
(Amounts in 000's)

Table 15

<u>Tax Year</u>	<u>Population^{1,2}</u>	<u>Assessed Value</u>	<u>Gross Bonded Debt³</u>	<u>Less Unreserved Debt Service Funds⁴</u>	<u>Less Debt Supported by Non-Tax Revenues⁵</u>	<u>Net General Bonded Debt</u>	<u>Ratio of Net General Bonded Debt to Assessed Value</u>	<u>Net General Bonded Debt per Capita²</u>
1998	1,056,863	\$ 18,607,705	\$ 180,300	\$ 239	\$ 20,970	\$ 159,091	0.855%	\$ 150.53
1999	1,067,993	21,032,111	172,755	117	19,465	153,173	0.728%	143.42
2000	1,068,978	21,698,652	165,070	88	17,945	147,037	0.678%	137.55
2001	1,088,445	22,111,413	157,000	1	16,100	140,899	0.637%	129.45
2002	1,101,225	24,744,179	149,180	1	14,400	134,779	0.545%	122.39
2003	1,114,159	24,771,631	139,380	30	12,485	126,865	0.512%	113.87
2004	1,131,895	25,232,680	131,000	29	10,740	120,231	0.476%	106.22
2005	1,144,820	28,161,095	137,195	30	8,880	128,285	0.456%	112.06
2006	1,153,926	28,303,349	127,755	41	7,925	119,789	0.423%	103.81
2007	1,158,368	28,030,794	271,305	33	34,145	237,127	0.846%	204.71

Sources: ¹ Estimates by Mid-Ohio Regional Planning Commission, except for 2000, which was provided by the U.S. Department of Commerce, Bureau of the Census.

² Population and Net Bonded Debt per Capita amounts are not in thousands.

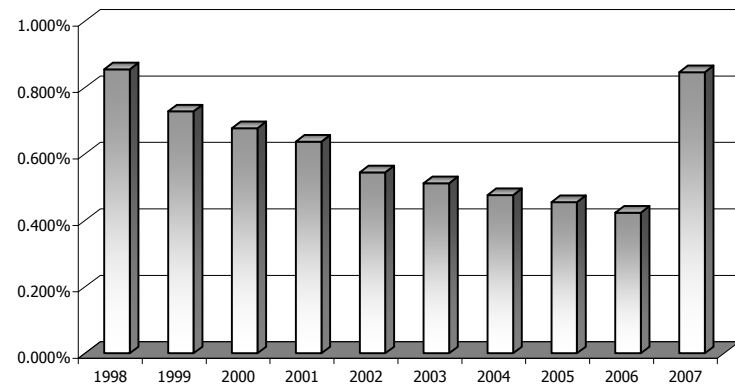
³ Gross Bonded Debt does not include unamortized bond premiums or deferred charges, calculated as below for 2007:

General obligation bonds	\$ 239,925
Special obligation bonds	27,500
Bonds supported by enterprise revenues	<u>3,880</u>
	<u>\$ 271,305</u>

⁴ Resources available in the general obligation debt service fund to pay principal of outstanding debt.

⁵ Includes bonds supported by enterprise revenues, leases, and special obligations payable from non-tax revenues.

RATIO OF NET BONDED DEBT TO ASSESSED VALUE



FRANKLIN COUNTY, OHIO

Computation of Legal Debt Margin

Last Ten Years

(Amounts in 000's)

Table 16

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Total assessed property value	<u>\$ 18,607,705</u>	<u>\$ 20,032,111</u>	<u>\$ 21,698,652</u>	<u>\$ 22,111,413</u>	<u>\$ 24,744,179</u>	<u>\$ 24,771,631</u>	<u>\$ 25,232,680</u>	<u>\$ 28,168,095</u>	<u>\$ 28,303,349</u>	<u>\$ 28,030,794</u>
Total debt limit:										
Debt limit of assessed value ¹	\$ 463,693	\$ 499,323	\$ 540,966	\$ 551,285	\$ 617,105	\$ 617,791	\$ 629,317	\$ 702,702	\$ 706,084	\$ 699,270
Amount of debt applicable to limit:										
General obligation bonds and notes	115,694	108,140	103,890	99,315	95,281	88,439	84,926	90,205	85,750	202,140
Less amount available in debt service fund	<u>(239)</u>	<u>(117)</u>	<u>(88)</u>	<u>(1)</u>	<u>(1)</u>	<u>(30)</u>	<u>(29)</u>	<u>(30)</u>	<u>(41)</u>	<u>(33)</u>
Amount of debt subject to limit	<u>115,455</u>	<u>108,023</u>	<u>103,802</u>	<u>99,314</u>	<u>95,280</u>	<u>88,409</u>	<u>84,897</u>	<u>90,175</u>	<u>85,709</u>	<u>202,107</u>
Legal debt margin	<u>\$ 348,238</u>	<u>\$ 391,300</u>	<u>\$ 437,164</u>	<u>\$ 451,971</u>	<u>\$ 521,825</u>	<u>\$ 529,382</u>	<u>\$ 544,420</u>	<u>\$ 612,527</u>	<u>\$ 620,375</u>	<u>\$ 497,163</u>
Legal debt margin as a percentage of the debt limit	75.10%	78.37%	80.81%	81.98%	84.56%	85.69%	86.51%	87.17%	87.86%	71.10%
Unvoted debt limit:										
Unvoted debt limit of assessed value ²	\$ 186,077	\$ 200,321	\$ 216,987	\$ 221,114	\$ 247,442	\$ 247,716	\$ 252,327	\$ 281,681	\$ 283,033	\$ 280,308
Amount of debt subject to limit	<u>115,455</u>	<u>108,023</u>	<u>103,802</u>	<u>99,314</u>	<u>95,280</u>	<u>88,409</u>	<u>84,897</u>	<u>90,175</u>	<u>85,709</u>	<u>202,107</u>
Unvoted legal debt margin	<u>\$ 70,622</u>	<u>\$ 92,298</u>	<u>\$ 113,185</u>	<u>\$ 121,800</u>	<u>\$ 152,162</u>	<u>\$ 159,307</u>	<u>\$ 167,430</u>	<u>\$ 191,506</u>	<u>\$ 197,324</u>	<u>\$ 78,201</u>
Unvoted legal debt margin as a percentage of the unvoted debt limit	37.95%	46.08%	52.16%	55.08%	61.49%	64.31%	66.35%	67.99%	69.72%	27.90%

<p>Notes: ¹ Debt limit is a total of a sum equal to three percent of the first \$100,000,000 of the assessed valuation plus one and one-half percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000 plus two and one-half percent of such valuation in excess of \$300,000,000.</p> <p>² Debt limit is one percent of total assessed valuation.</p>	<p>³ General obligation bonds, notes and loans subject to debt limit calculations:</p> <table border="0"> <tr> <td colspan="2">Governmental activities:</td> </tr> <tr> <td> General obligation bonds</td> <td align="right">\$ 239,925</td> </tr> <tr> <td> Taxable special obligation bonds and notes</td> <td align="right">42,500</td> </tr> <tr> <td> Loans</td> <td align="right"><u>2,468</u></td> </tr> <tr> <td></td> <td align="right"><u>284,893</u></td> </tr> <tr> <td colspan="2">Business-type activities:</td> </tr> <tr> <td> General obligation bonds</td> <td align="right">3,880</td> </tr> <tr> <td> Loans</td> <td align="right"><u>6,683</u></td> </tr> <tr> <td></td> <td align="right"><u>10,563</u></td> </tr> <tr> <td>Total outstanding debt</td> <td align="right"><u>295,456</u></td> </tr> <tr> <td colspan="2">Exemptions:</td> </tr> <tr> <td> Debt Service fund balance</td> <td align="right">33</td> </tr> <tr> <td> Self-supported debt</td> <td align="right">55,933</td> </tr> <tr> <td> Used for jail construction or renovation</td> <td align="right">13,430</td> </tr> <tr> <td> Used for construction of solid waste facilities</td> <td align="right">12,320</td> </tr> <tr> <td> Used for road or bridge construction</td> <td align="right"><u>11,633</u></td> </tr> <tr> <td> Total exemptions</td> <td align="right"><u>93,349</u></td> </tr> <tr> <td>Net debt</td> <td align="right"><u>\$ 202,107</u></td> </tr> </table>	Governmental activities:		General obligation bonds	\$ 239,925	Taxable special obligation bonds and notes	42,500	Loans	<u>2,468</u>		<u>284,893</u>	Business-type activities:		General obligation bonds	3,880	Loans	<u>6,683</u>		<u>10,563</u>	Total outstanding debt	<u>295,456</u>	Exemptions:		Debt Service fund balance	33	Self-supported debt	55,933	Used for jail construction or renovation	13,430	Used for construction of solid waste facilities	12,320	Used for road or bridge construction	<u>11,633</u>	Total exemptions	<u>93,349</u>	Net debt	<u>\$ 202,107</u>
Governmental activities:																																					
General obligation bonds	\$ 239,925																																				
Taxable special obligation bonds and notes	42,500																																				
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Total exemptions	<u>93,349</u>																																				
Net debt	<u>\$ 202,107</u>																																				

FRANKLIN COUNTY, OHIO
 Outstanding Debt
 As of December 31, 2007 and December 31, 1998
 (Amounts in 000's)

Table 17

2007	1998
Total debt outstanding:	Total debt outstanding:
\$ 295,456	\$ 187,397
Exempt debt:	Exempt debt:
General bond retirement fund balance	General bond retirement fund balance
33	239
Parking garage addition	Parking garage addition
260	2,600
Mental health building	Mental health building
105	420
Series 2003 refunding ¹	Hall of Justice addition
12,755	6,040
Series 2005 road improvements	Jail renovation and juvenile detention facility
4,165	27,675
Series 2005 refunding ²	Solid Waste Authority Facilities
19,380	19,770
Series 2007 road improvements	Voting machines
5,000	2,245
Stadium facility project bonds	Maryhaven facility
27,500	4,370
Stadium facility project notes	Other self supporting debt
15,000	2,677
Governmental activity - OPWC loans	Governmental activity - OPWC loans
2,468	2,532
Business-type activity - OPWC/OWDA loans	Business-type activity - OPWC/OWDA loans
6,683	3,374
Total exempt debt	Total exempt debt
93,349	71,942
Total non-exempt debt³	Total non-exempt debt
\$ 202,107	\$ 115,455

Source: Franklin County Auditor's Office.

Notes: ¹Exempt portion of series 2003 refunding bonds includes:

Juvenile detention center	\$ 9,135
Detention center garage	3,620
	\$ 12,755

²Exempt portion of series 2005 refunding bonds includes:

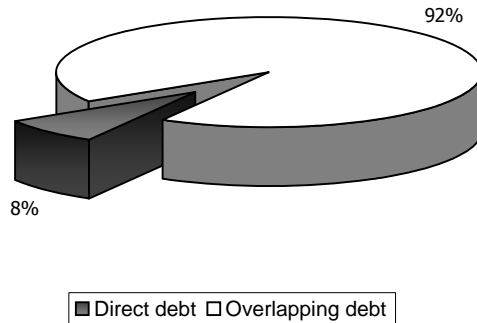
Solid Waste Authority	\$ 12,320
Corrections center	4,295
Maryhaven facility	2,765
	\$ 19,380

³All of the County's outstanding non-exempt debt is in the form of bonds.

FRANKLIN COUNTY, OHIO
 Computation of Direct and Overlapping Debt
 As of December 31, 2007
 (Amounts in 000's)

Table 18

<u>Political Subdivision</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Overlapping Debt¹</u>
Direct debt:			
Franklin County	\$ 295,456	100.0%	\$ 295,456
Entities wholly within County:			
Cities	133,435	100.0%	133,435
Villages	56,660	100.0%	56,660
Townships	6,579	100.0%	6,579
School districts	526,541	100.0%	526,541
Entities partially within County:			
Cities	1,939,817	94.2%	1,827,635
Villages	13,160	89.9%	11,835
Townships	2,835	0.0%	-
School districts	778,609	86.4%	672,960
Special district	14,600	99.8%	14,576
Total overlapping debt	<u>3,472,236</u>		<u>3,250,221</u>
Total direct and overlapping debt	<u>\$ 3,767,692</u>		<u>\$ 3,545,677</u>



Source: Debt schedules submitted by political subdivisions to the Franklin County Budget Commission and Settlement Division and the Ohio Municipal Advisory Council.

Note: ¹Some political subdivisions are not wholly located within the legal boundaries of Franklin County. For those entities, amount applicable to Franklin County is determined by dividing the assessed valuation of the Franklin County portion of the subdivision by the total assessed valuation. 2007 tax year valuations were used. Major entities partially within Franklin County include the cities of Columbus, Dublin, Pickerington, Reynoldsburg, and Westerville, along with their respective school districts.

FRANKLIN COUNTY, OHIO
Pledged Revenue Coverage for Special Obligations
Last Ten Years
(Amounts in 000's)

Table 19

Tax Year	Licenses and Permits	Fees and Charges for Services	Fines and Forfeitures	Investment Income	Other Revenues	Sales of Capital Assets	Net Available Revenue	Debt Service		Coverage
								Principal	Interest	
1998	\$ 462	\$ 44,639	\$ 455	\$ 23,863	\$ 5,441	\$ 124	\$ 74,984	\$ -	\$ -	-
1999	449	41,959	781	20,279	3,840	171	67,479	-	-	-
2000	423	41,306	518	42,209	5,835	137	90,428	-	-	-
2001	411	45,479	572	43,456	5,048	102	95,068	-	-	-
2002	447	52,764	606	24,223	4,082	106	82,228	-	-	-
2003	598	54,248	954	12,307	5,284	189	73,580	-	-	-
2004	782	50,871	681	10,875	4,386	193	67,788	-	-	-
2005	694	53,810	868	16,799	3,572	70	75,813	-	-	-
2006	558	50,602	790	35,032	10,570	76	97,628	-	-	-
2007	468	48,469	729	50,601	3,417	3	103,687	-	-	-

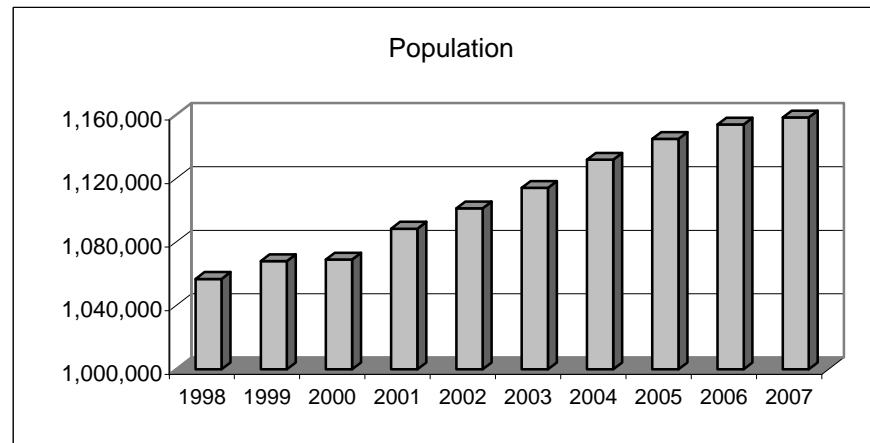
Source: Franklin County Auditor's Office.

Note: In September 2007, the County issued \$27,500,000 taxable special obligation bonds and \$15,000,000 taxable special obligation notes to pay a portion of the cost of acquiring, constructing, installing, and equipping a county park and recreation facility, including a baseball stadium. The special obligation bonds and notes do not represent general obligation debt or a pledge of the full faith and credit or taxing power of the County. The special obligations are payable solely from, and secured by, a pledge of project revenues and the above non-tax General Fund revenues of the County. While the first debt payments will be made in 2008, the above table summarizes historical amounts for the last ten years.

FRANKLIN COUNTY, OHIO
Demographic and Economic Statistics
Last Ten Years

Table 20

Year	Demographics				Average Unemployment Rates ⁴		
	Population ¹	Per Capita Income ²	Median Age ²	K-12 School Enrollment ³	Franklin County	State of Ohio	United States
1998	1,056,863	\$ 28,005	32.5	190,949	2.6%	4.3%	4.5%
1999	1,067,993	\$ 29,471	32.6	193,003	2.6%	4.3%	4.2%
2000	1,068,978	\$ 31,517	32.5	201,960	3.1%	4.0%	4.0%
2001	1,088,445	\$ 32,170	32.8	197,828	3.4%	4.4%	4.7%
2002	1,101,225	\$ 33,294	33.0	199,439	5.0%	5.7%	5.8%
2003	1,114,159	\$ 33,576	33.4	194,365	5.3%	6.2%	6.0%
2004	1,131,895	\$ 34,664	33.7	204,254	5.5%	6.2%	5.5%
2005	1,144,820	\$ 36,135	34.1	207,702	5.2%	5.9%	5.1%
2006	1,153,926	\$ 37,492	34.2	208,154	4.7%	5.5%	4.6%
2007	1,158,368	\$ 39,083	34.2	207,859	4.7%	5.6%	4.6%



Source: ¹ Estimates by Mid-Ohio Regional Planning Commission, except for 2000 which was provided by the U.S. Department of Commerce, Bureau of the Census.

² Woods & Poole Economics Inc.

³ Ohio Department of Education, Division of Information Management Services.

⁴ Ohio Department of Job and Family Services.

FRANKLIN COUNTY, OHIO

Table 21

Principal Employers

As of December 31, 2007 and December 31, 1998

2007					
Employer	Principal Business	Number of Employees	Rank	Percentage of Total Employment	Rank in 1998
State of Ohio	Government	26,239	1	4.41%	1
The Ohio State University	Education	20,345	2	3.42%	2
JP Morgan Chase (formerly Bank One)	Finance	14,469	3	2.43%	5
Nationwide	Finance	11,768	4	1.98%	6
United States Government	Government	10,726	5	1.80%	3
Ohio Health (formerly Grant/Riverside)	Health Care	9,336	6	1.57%	9
City of Columbus	Government	8,227	7	1.38%	8
Columbus Public Schools	Education	7,181	8	1.21%	7
Franklin County	Government	6,055	9	1.02%	10
Mount Carmel Health System	Health Care	5,750	10	0.97%	-
Total principal employers		120,096		20.19%	
Total employment within the County		595,300		100.00%	

1998					
Employer	Principal Business	Number of Employees	Rank	Percentage of Total Employment	Rank in 2007
State of Ohio	Government	27,755	1	4.89%	1
The Ohio State University	Education	16,625	2	2.93%	2
United States Government	Government	16,500	3	2.91%	5
Limited Brands	Trade	10,000	4	1.76%	-
Bank One (currently JP Morgan Chase)	Finance	9,917	5	1.75%	3
Nationwide	Finance	9,309	6	1.64%	4
Columbus Public Schools	Education	8,583	7	1.51%	9
City of Columbus	Government	8,398	8	1.48%	7
Grant/Riverside (currently Ohio Health)	Health Care	6,600	9	1.16%	6
Franklin County	Government	5,843	10	1.03%	10
Total principal employers		119,530		21.07%	
Total employment within the County		567,300		100.00%	

Source: Business First, Book of Lists, 2007.

Note: This table includes full-time employees only.

FRANKLIN COUNTY, OHIO
County Government Employees by Function/Activity
Last Three Years

Table 22

	<u>2005¹</u>	<u>2006</u>	<u>2007</u>
General government:			
Commissioners	25.50	23.50	23.00
Purchasing	14.00	13.00	15.00
Public facilities management	215.50	209.50	235.50
Fleet management	8.00	8.00	7.00
Human resources	20.00	21.00	23.00
Auditor	115.00	114.00	117.00
Data center	64.50	65.50	66.50
Recorder	58.00	58.00	59.00
Treasurer	47.00	46.00	44.50
Board of elections	95.50	51.00	51.00
Clerk of courts	227.00	222.00	224.50
Judicial:			
Prosecuting attorney	193.50	199.50	195.50
Public defender	141.50	140.00	140.00
Court of appeals	38.00	39.00	39.00
Common pleas court ²	285.00	212.50	223.50
Domestic and juvenile court	358.00	353.00	355.50
Probate court	49.50	50.50	48.50
Municipal court	20.00	20.00	22.50
Public safety:			
Coroner	27.00	28.50	29.50
Sheriff	839.50	834.00	839.50
Emergency management agency	7.00	8.50	6.50
Animal control	54.50	55.50	52.50
Homeland security and justice programs unit	5.00	4.50	2.00
Human services:			
Veterans service commission	17.50	19.50	20.50
Office on aging	75.00	73.00	76.00
Job and family services	616.50	616.00	644.00
Children services	717.00	710.00	699.00
Child support enforcement agency	274.00	258.00	257.00
Health:			
MR&DD	1,251.50	1,299.50	1,263.00
ADAMH board	59.00	54.00	58.00
Public works:			
Engineer	178.00	180.50	175.00
Community and economic development:			
Economic development and planning	14.00	15.00	19.00
Water and sewer operations:			
Sanitary engineer	12.00	11.00	15.00
Parking facilities operations:			
Public facilities management:	8.00	8.50	8.50
Total	<u>6,131.00</u>	<u>6,022.00</u>	<u>6,055.50</u>

Source: Franklin County Auditor's Office.

Method: 1.00 for each full-time and 0.50 for each part-time employee. Includes 5,834.00 full-time employees and 221.50 full-time equivalents for part-time employees.

Notes: ¹The County implemented GASB Statement No. 44, which revised the statistical tables in 2005; information for this table has only been compiled since that year.

²Total employment decline from 2005 to 2006 due to CBCF becoming independent from Common Pleas Court.

FRANKLIN COUNTY, OHIO
Operating Indicators and Capital Asset Statistics
Last Six Years

Table 23

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General government:						
Commissioners:						
Number of resolutions presented	1,317	1,184	1,122	1,060	969	1,117
Purchasing:						
Number of purchase orders issued	11,143	11,037	10,800	9,832	8,725	8,251
Public facilities management:						
Number of buildings maintained	21	22	22	22	22	22
Fleet management:						
Number of titled vehicles	402	402	387	382	398	374
Human resources:						
Number of workers compensation claims on file	467	435	474	387	393	410
Auditor:						
Real estate						
Number of parcels o file	389,083	396,047	401,998	408,694	416,875	425,429
Fiscal services						
Number of payment requests processed	N/A	374,733	389,992	382,403	395,030	397,216
Data center:						
Number of users supported	3,864	4,136	4,237	4,237	3,497	3,557
Recorder:						
Number of deeds recorded	53,616	57,584	58,922	57,458	54,570	48,596
Number of mortgages recorded	114,763	146,944	101,241	93,601	80,445	64,223
Board of elections:						
Number of registered voters	706,668	724,851	845,720	736,789	766,652	N/A
Number of voters last general election	285,685	185,469	533,575	217,725	385,863	N/A
Percentage of registered voters that voted	40.4%	25.6%	63.1%	29.6%	50.3%	N/A
Clerk of courts:						
Number of titles processed	656,738	672,785	650,813	654,465	637,265	633,436
Judicial:						
Prosecuting attorney:						
Number of criminal cases filed	N/A	29,020	31,109	33,482	35,322	38,765
Number of civil cases filed	N/A	275	556	595	625	619
Public defender:						
Number of cases filed	63,064	77,118	73,114	66,570	67,275	68,786
Court of appeals:						
Number of cases filed	1,446	1,291	1,388	1,374	1,306	1,085
Common pleas court:						
Number of civil cases filed ¹	14,595	14,294	13,825	14,891	56,489	53,437
Number of criminal cases filed	7,530	8,747	8,442	8,874	11,578	10,771
Number of domestic cases filed	6,029	5,859	6,093	6,136	6,405	6,545
Number of court rooms	17	17	17	17	17	17
Domestic and juvenile court:						
Number of cases filed	15,102	15,005	15,290	16,209	25,271	23,959

¹Increase in civil cases filed reflects cases referred by Attorney General to assist them with a backlog.

(Continued on next page)

FRANKLIN COUNTY, OHIO
 Operating Indicators and Capital Asset Statistics
 Last Six Years

Table 23

	2002	2003	2004	2005	2006	2007
Probate court:						
Number of civil cases filed	256	267	288	292	288	305
Number of court rooms	1	1	1	1	1	1
Municipal court:						
Number of civil cases filed	38,625	41,626	43,286	45,372	56,001	60,728
Number of criminal cases filed	161,901	169,548	158,454	164,095	163,092	166,501
Number of small claims cases filed	11,148	11,247	9,567	9,064	9,121	9,657
Number of court rooms	16	16	16	16	16	16
Public safety:						
Coroner:						
Number of autopsies performed	1,279	1,462	1,375	1,423	1,168	1,071
Sheriff:						
Jail operation						
Average daily jail census	2,238	2,409	2,342	2,366	2,385	2,319
Prisoners booked	41,339	40,349	39,668	40,266	43,671	41,206
Prisoners released	41,009	40,295	39,779	40,271	40,054	41,166
Enforcement						
Number of incidents reported	N/A	N/A	N/A	148,227	158,001	143,291
Number of enforcement actions	N/A	N/A	N/A	33,105	39,069	34,866
Number of civil papers served	127,700	121,618	135,760	132,491	131,618	139,878
Number of runs dispatched	253,890	233,110	221,512	358,245	381,317	478,030
Number of Sheriff's vehicles	176	174	192	180	195	192
Emergency management agency:						
Number of emergency responses	N/A	N/A	N/A	15	24	15
Animal control:						
Number of service requests	16,853	15,772	15,932	15,856	16,322	17,303
Number of dogs impounded	14,223	12,977	12,495	13,095	12,459	13,345
Number of dogs adopted/returned to owner	6,486	5,844	5,719	5,843	6,634	6,244
Human services:						
Veterans service commission:						
Number of veterans entering office	4,065	12,098	11,592	13,679	13,064	15,419
Number of financial claims filed	2,600	2,955	4,450	5,503	4,856	5,109
Number of veterans receiving financial assistance	1,940	3,533	2,275	3,000	2,973	2,986
Office on aging:						
Number of seniors served	6,399	6,257	6,219	6,047	7,132	7,747
Home delivered meals provided	N/A	N/A	N/A	N/A	478,000	518,854
Miles of transportation provided	N/A	N/A	N/A	N/A	923,000	1,121,159
Job and family services:						
Number of clients - child care	12,329	12,769	11,163	10,805	12,093	12,838
Number of clients - food stamps	74,215	89,995	103,109	112,432	121,461	125,532
Number of clients - cash assistance	25,019	26,387	26,470	26,328	25,476	25,606
Number of clients - Medicaid	134,395	151,508	164,427	174,522	186,510	186,353
Number of clients - WIA	10,446	24,000	28,500	23,258	37,758	19,700
Number of clients - job placement	4,929	4,946	4,978	4,948	6,591	5,210

(Continued on next page)

FRANKLIN COUNTY, OHIO
 Operating Indicators and Capital Asset Statistics
 Last Six Years

Table 23

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Children services:						
Number of children helped through direct services	27,601	27,270	27,234	29,251	11,832	10,802
Number of children placed in adoptive homes	325	310	287	238	172	205
Number of child welfare investigations	10,281	10,731	10,002	10,299	10,419	11,507
Number of children in foster home care	3,747	3,703	3,765	3,732	3,617	3,318
Number of children served in paid placement	5,004	4,774	4,815	4,798	4,673	4,265
Child support enforcement agency:						
Number of active support orders	N/A	N/A	N/A	50,343	51,418	47,843
Percentage collected-level of service	N/A	N/A	N/A	83.0%	84.0%	84.0%
Health:						
MR&DD:						
Number of students enrolled						
Early intervention/education program	N/A	2,488	2,540	2,779	3,055	3,215
Sheltered workshop/community employment program	N/A	2,275	2,280	2,354	2,346	2,198
Habilitation	N/A	452	475	575	581	659
Number of facilities	13	13	13	13	13	13
Number of buses	226	209	214	206	197	200
ADAMH board:						
Number of children and adolescents treated						
	N/A	8,167	9,795	10,660	11,457	11,810
Number of adults receiving prevention services						
	N/A	61,730	43,749	47,851	50,680	45,425
Number of children and adolescents receiving prevention services						
	N/A	63,130	79,620	58,365	52,867	56,665
Public works:						
Engineer:						
Miles of road maintained						
	304	300	288	282	276	277
Miles of road resurfaced						
	45	45	39	10	24	13
Number of County maintained bridges						
	369	360	371	371	371	372
Water and sewer operations:						
Miles of water mains						
	61	62	62	62	62	62
Miles of sanitary sewer lines						
	82	82	82	82	90	95
Number of sewer and water treatment facilities						
	5	5	5	6	6	5
Number of pumping stations						
	2	2	2	2	8	11
Number of water customers						
	4,650	4,650	4,650	4,334	3,946	3,946
Number of sewer customers						
	5,850	5,850	5,850	5,990	5,803	5,830
Parking facilities:						
Number of parking facilities managed						
	4	4	4	8	8	8

Source: Various Franklin County agencies.

FRANKLIN COUNTY, OHIO
Securities and Exchange Commission Rule 15c2-12
Compliance Information
As of December 31, 2007

Table 24

On July 24, 2007, the County issued \$126,050,000 in various purpose limited tax general obligation bonds. The proceeds were used for the purposes of (1) paying costs to acquire, construct, install and equip a county courthouse, (2) paying costs to improve certain streets and roads within the County, (3) paying costs to acquire, construct, install and equip an animal shelter and (4) paying costs of issuance with respect to the bonds.

On September 26, 2007, the County issued \$27,500,000 in taxable special obligation bonds and \$15,000,000 in taxable special obligation bond anticipation notes. The proceeds were used for the purpose of providing funds required to pay a portion of the cost of acquiring, constructing, installing and equipping a county park and recreational facility including a baseball stadium and to pay the costs of issuance of the obligations. The notes were issued to bear interest at an auction rate. At the County's option, the notes were subject to redemption at a redemption price equal to 100% of the principal amount. On March 19, 2008, the County issued \$15,000,000 in new taxable special obligation bond anticipation notes at a fixed rate for the purpose of refunding the outstanding notes. The previously issued notes were redeemed in full on March 20, 2008.

No other obligations have been sold from that date through the date of this letter, June 30, 2008.

The following description of significant events is provided in compliance with the Rule for existing obligations outstanding at December 31, 2007.

1. There were no delinquencies of principal and/or interest payments.
2. There were no non-payment related defaults.
3. There have been no modifications to rights of the holders of the County's obligations.
4. There were no calls of the County's obligations outstanding during 2007.
5. The County did not defease any bonds during 2007.
6. There were no rating changes during 2007. The County maintains the highest long-term bond rating given by both Moody's Investors Services (Aaa) and the Standard & Poors Corporation (AAA) for its general obligation debt.
7. There have been no adverse tax opinions or events affecting the tax-exempt status of any of the County's outstanding obligations.
8. There were no unscheduled draws on debt service reserves reflecting financial difficulties.
9. There were no unscheduled draws on credit enhancements reflecting financial difficulties.
10. There was no substitution of credit or liquidity providers, nor was there a failure to perform.
11. The County did not release, substitute or sell any property securing repayment of its obligations.
12. The County will continue to provide all necessary annual information by filing its Comprehensive Annual Financial Report with the Municipal Securities Rulemaking Board and the Central Post Office (DisclosureUSA).



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Mary Taylor, CPA
Auditor of State

FINANCIAL CONDITION

FRANKLIN 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 19, 2008**