

**MARION COUNTY FINANCIAL CONDITION  
MARION COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2006**



**Mary Taylor, CPA**  
Auditor of State



**MARION COUNTY**  
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**MARION COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2006**

<u>FEDERAL GRANTOR/</u> <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>			
<i>Passed Through Ohio Department of Education</i>			
Nutrition Cluster:			
School Breakfast Program	094375-05PU-06/07	10.553	\$15,508
	123745-05PU-06/07	10.553	8,595
	066126-05PU-06	10.553	170
			<u>24,273</u>
National School Lunch Program	094375-LLP4-06/07	10.555	22,940
	123745-LLP4-06/07	10.555	13,306
	066126-LLP4-06	10.555	554
			<u>36,800</u>
<b>Total U.S. Department of Agriculture - Nutrition Cluster</b>			<b><u>61,073</u></b>
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>			
<i>Passed Through Ohio Department of Development</i>			
Community Development Block Grants - State's Program	B-F-05-047-1	14.228	60,536
	B-F-04-047-1	14.228	21,845
<b>Total U.S. Department of Housing and Urban Development</b>			<b><u>82,381</u></b>
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>			
<i>Passed Through Ohio Department of Public Safety - Office of Criminal Justice Services</i>			
Edward Byrne Memorial Formula Grant Program	2004-DG-C04-7010	16.579	4,003
Violence Against Women Formula Grants	2005-WF-VA2-8176	16.588	22,337
Crime Victim Assistance Grant	31-6400076W	16.582	54,301
<b>Total U.S. Department of Justice</b>			<b><u>80,641</u></b>
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>			
<i>Passed Through Ohio Department of Public Safety - Emergency Management Agency</i>			
<u>Homeland Security Grant Cluster:</u>			
State Homeland Security Program	2005-GE-T5-0001	97.073	91,643
Emergency Management Performance Grants	2006EM60042	97.042	19,396
	2005-EM-T5-0001		15,670
			<u>35,066</u>
Total Homeland Security Grant Cluster			126,709
<b>Total U.S. Department of Homeland Security</b>			<b><u>126,709</u></b>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>			
<i>Passed Through Ohio Department of Education</i>			
Special Education Cluster			
Special Education Grants to State	066126-6BSF-2006	84.027	42,468
Special Education Preschool Grant	066126-PGSI-2006	84.173	26,690
Total Special Education Cluster			<u>69,158</u>
State Grants for Innovative Programs	066126-C2S1-2006	84.298	220
<b>Total U.S. Department of Education</b>			<b><u>69,378</u></b>

**MARION COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2006  
(Continued)**

<u>FEDERAL GRANTOR/ Pass Through Grantor Program Title</u>	<u>Pass Through Entity Number</u>	<u>Federal CFDA Number</u>	<u>Disbursements</u>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>			
<i>Passed Through Ohio Department of Jobs and Family Services</i>			
Child Welfare Services State Grant	31-6400076W	93.645	79,959
Promoting Safe and Stable Families	31-6400076W	93.556	63,665
<i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities</i>			
Social Services Block Grant	31-6400076W	93.667	41,347
Medical Assistance Program	31-6400076W	93.778	
CAFS Medicaid			928,948
Targeted Case Management			(16,660)
Day Hab			631,983
Waiver Administration			21,757
			<u>1,566,028</u>
State Children's Insurance Program	31-6400076W	93.767	860
<b>Total U.S. Department of Health and Human Services</b>			<b><u>1,751,859</u></b>
<b><u>U.S. DEPARTMENT OF LABOR</u></b>			
<i>Passed Through Ohio Department of Jobs and Family Services</i>			
Workforce Investment Act Cluster:			
Workforce Investment Act - Adult	31-6400076W	17.258	233,137
Workforce Investment Act - Adult Administrative			2,152
			<u>235,289</u>
Workforce Investment Act - Youth	31-6400076W	17.259	134,857
Workforce Investment Act - Youth Administrative			1,244
			<u>136,101</u>
Workforce Investment Act - Dislocated Worker	31-6400076W	17.260	167,185
Workforce Investment Act - Dislocated Worker Administrative			1,197
			<u>168,382</u>
<b>Total U.S. Department Labor - Workforce Investment Act Cluster</b>			<b><u>539,772</u></b>
<b>Total Federal Awards Expenditures</b>			<b><u>\$2,711,813</u></b>

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

## MARION COUNTY

### NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE FOR THE YEAR ENDED DECEMBER 31, 2006

#### **NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Federal Awards Expenditures Schedule (the Schedule) summarizes activity of the County's federal award programs. The Schedule has been prepared on the cash basis of accounting.

#### **NOTE 2 - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS**

The County has established a revolving loan program to provide low-interest loans to businesses to create jobs for persons from low-moderate income households and to eligible persons and to rehabilitate homes. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the County passed through the Ohio Department of Development. The initial loan of this money was recorded as a disbursement in prior years and does not appear on the accompanying Schedule. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on the Schedule.

These loans are collateralized by mortgages on the property and by a secured interest on equipment and/or other assets. At December 31, 2006, the gross amount of loans outstanding under this program was \$123,161.

#### **NOTE 3 - MATCHING REQUIREMENTS**

Certain Federal programs require that the County contribute non-Federal funds (matching funds) to support the Federally-funded programs. The County has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.

#### **NOTE 4 – TARGETED CASE MANAGEMENT**

Targeted Case Management receipts expended in 2006 totaled \$111,441. However, expenditures related to this program reported on the accompanying Schedule are (\$16,660). This is due to an estimated versus actual cost settlement for calendar years 2001 through 2003 completed in 2006 which resulted in the County refunding \$128,101 back to the state. The (\$16,660) is the net difference between amount of Targeted Case Management receipts expended and amount paid back to the state in 2006.

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# 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*

Marion County  
222 West Center Street  
Marion, Ohio 43302

To the Board of County Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Marion County, Ohio, (the County) as of and for the year ended December 31, 2006, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 23, 2007, wherein we noted the financial statements of Marca Industries, Inc., the County's discretely presented component unit, were audited by 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 the Comptroller General of the United States' *Government Auditing Standards*. Other auditors audited the financial statements of Marca Industries, Inc., the County's discretely presented component unit, in accordance with auditing standards generally accepted in the United States of America and not in accordance with *Government Auditing Standards* and accordingly this report does not extend to that component unit.

### 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.

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.

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

35 N. Fourth St. / Second Floor / Columbus, OH 43215-3612  
Telephone: (614) 466-3402 (800) 443-9275 Fax: (614) 728-7199  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

We noted certain internal control matters that we reported to the County's management in a separate letter dated July 23, 2007.

#### **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 July 23, 2007.

We intend this report solely for the information and use of the Financial Report Review Committee, management, the Board of County Commissioners, and federal awarding agencies and pass-through entities. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

July 23, 2007



# Mary Taylor, CPA

## Auditor of State

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

Marion County  
222 West Center Street  
Marion, Ohio 43302

To the Board of County Commissioners:

#### Compliance

We have audited the compliance of Marion 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 its major federal program for the year ended December 31, 2006. The summary of auditor's results section of the accompanying schedule of findings identifies the County's major federal program. The County's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its major federal program. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States 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 its major federal program for the year ended December 31, 2006.

#### Internal Control Over Compliance

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

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 entity's ability to administer a federal program such that there is more than a remote likelihood that the entity's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results 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.

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

#### **Federal Awards Expenditures Schedule**

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of Marion County, Ohio, (the County) as of and for the year ended December 31, 2006, and have issued our report thereon dated July 23, 2007, wherein we noted the financial statements of Marca Industries, Inc., the County's discretely presented component unit, were audited by other auditors. Our audit was performed to form opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying federal awards expenditures schedule 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.

We intend this report solely for the information and use of the Financial Report Review Committee, management, the Board of County 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

July 23, 2007

**MARION COUNTY**  
**SCHEDULE OF FINDINGS**  
**OMB CIRCULAR A -133 § .505**  
**DECEMBER 31, 2006**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Medical Assistance Program – CFDA # 93.778
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

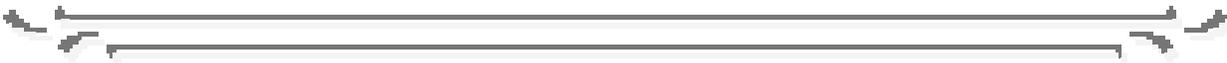




**MARION COUNTY, OHIO**

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2006**

ISSUED BY THE MARION COUNTY AUDITOR'S OFFICE  
JOAN M. KASOTIS  
COUNTY AUDITOR





**MARION COUNTY, OHIO**  
 Comprehensive Annual Financial Report  
 For the Year Ended December 31, 2006  
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# Joan M. Kasotis Marion County Auditor



Marion County Building  
222 W. Center St., Suite 1031  
Marion, Ohio 43302-3646

July 23, 2007

Phone: (740) 223-4020 • Fax: (740) 223-4029  
e-mail: [auditor@co.marion.oh.us](mailto:auditor@co.marion.oh.us)  
web site: [www.co.marion.oh.us/auditor](http://www.co.marion.oh.us/auditor)

Honorable Josh Daniels  
Honorable Kenneth C. Frayer Jr.  
Honorable Paul Andrew Appelfeller

Citizens of Marion County:

It is my pleasure to present Marion County's Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2006. The CAFR conforms to generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB). This report contains basic and supplemental financial statements and other financial and statistical information which provide a complete and full disclosure of all material financial aspects of Marion County. The responsibility for both the accuracy of the presented data and the complete, fair presentation, including all disclosures, rests with the County Auditor. The County has a framework of internal controls established to insure the accuracy of the presented data and the completeness and fairness of the presentation. Because the cost of internal controls should not exceed anticipated benefits, the controls provide reasonable assurance that the financial statements are free of any material misstatements. This report reflects the financial data that will enable the citizens of Marion County to gain a true understanding of Marion County's finances.

Management's Discussion and Analysis (MD&A) immediately follows the independent accountants' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The State of Ohio Auditor's Office has issued an unqualified opinion on Marion County's financial statements for the year ended December 31, 2006. The Independent Accountants' Report is located at the front of the financial section of this report.

## PROFILE OF MARION COUNTY

Formed by an Act of the Ohio General Assembly on May 1, 1824, the County was named for General Francis Marion of Revolutionary War fame. Marion County encompasses fifteen townships, seven villages, and one city; covers 409 square miles; and has an estimated population of 65,583 in 2006.

The County has only those powers conferred upon it by Ohio statutes. The elected three-member Board of County Commissioners functions as both the legislative and executive branch of the County. Each Commissioner serves a term of four years. In addition to the County Auditor, who serves as the chief fiscal officer, there are seven elected administrative officials, each of whom operates independently as set forth by Ohio law. These officials are the Treasurer, Recorder, Engineer, Clerk of Courts, Coroner, Prosecuting Attorney, and Sheriff. All of these officials serve four year terms. The Common Pleas Court Judges, the Family Court Judge, and the Juvenile/Probate Court Judge are elected on a county-wide basis to oversee the County's judicial system. Judges are elected to six year terms.

The County is located in Central Ohio abutting Crawford, Delaware, Hardin, Morrow, Union, and Wyandot counties. The County is well situated in the heart of a diverse region. It is approximately fifty miles north of the City of Columbus, ninety miles southeast of Toledo, and one hundred fifteen miles southwest of Cleveland.

The County's land use is broken down as follows:

	Percent of Assessed Valuation for Real Property
Residential	58.53%
Agricultural	13.98
Commercial/Industrial	15.54
Public Utility	5.86
Governmental	6.09
	<u>100.00%</u>

There are a number of special districts and other governmental entities currently performing particular functions in the County. These include four fire districts, three park districts, and one conservancy district.

Banking and financial services are provided to the County area by offices of several commercial banks and savings and loans associations, two of which have their principal offices in the County.

One daily newspaper serves the County. The County is within the broadcast area of four television stations and three local AM and FM radio stations. Multi-channel cable television services, including educational, governmental, and public access channels, are provided in the County's area by Time Warner Cable.

The Marion Campus of the Ohio State University and Marion Technical College are located within the County and provide a wide range of educational opportunities. There are ten other colleges and universities within a sixty minute drive.

Marion General Hospital is located within the City of Marion and has two hundred nine beds and is the largest medical center within a forty mile radius of the City.

There are numerous parks operated by municipalities and townships as well as a county-wide park district which focuses on providing continuing natural areas to the citizens. The county park district is attempting to develop two abandoned railroad lines into bike paths, one connecting Marion to Kenton and the other stretching from Marion to Prospect.

The County is known as the home of the 29th President of the United States, Warren G. Harding (1921-1923). The Harding Home and Museum and the Harding Memorial, located within the City of Marion, draw visitors from all over the country.

The main branch of the Marion Public Library with its 192,257 volumes and 13,347 audio-visual media is located in the City of Marion. The Library also has four branches located in other villages within the County.

Marion County is the home of several state correction facilities that employ 1,221 including the Marion Correctional Institution, the North Central Correctional Institution, and the Marion Juvenile Correctional Facility all located on Marion Williamsport Road. The Multi-County Corrections Center, jointly operated by Marion and Hardin County, employs fifty-five and is also located on Marion Williamsport Road.

Major railroads serving the County include CSX and Norfolk Southern. U.S. Highway 23 runs through the County, along with twelve State highways which enable trucking companies to provide motor freight carrier service between the County and various points throughout the United States.

The Port Columbus International Airport is within a sixty minute drive from the County. Limited local air service is available nearby at Marion Municipal Airport which is designed for general use.

The County has significant responsibilities in the areas of general government, administration of justice, road and bridge maintenance, health care, sanitation, public welfare, social services, and public assistance. The County also operates an enterprise fund which is the Sewer District fund.

The County maintains a bond rating of Aaa with Moody's Investor Services.

The County negotiates with two bargaining units, the Fraternal Order of Police Association Lodge 24 whose agreement expires on June 30, 2008, for the Sheriff's department and the American Federation of State, County, and Municipal Employees Local 2694 whose agreement expired on February 19, 2007, for the County Engineer's department.

The renegotiated agreement with the American Federation of State, County, and Municipal Employees Local 2694 increased wages by forty cents for each of the next three years and allows the County Engineer to decide whether to pay wage continuation for time lost on work-related injuries based on the severity of the injury. The renegotiated agreement expires on February 19, 2010.

The remaining full-time County employees have not elected to join a bargaining unit.

### LOCAL ECONOMY

Unemployment (not seasonally adjusted) has slowly risen from 4.6 percent in 2001 to 5.4 percent in 2006. In 2006, the unemployment rate dropped slightly from 2005 by .8 percent. The County relies heavily on small industries rather than major corporations which are not a stable source of employment.

There has been relatively no growth from property taxes and sales taxes over the last four years. The population within the County has been decreasing over the same four year period and the per capita personal income has not increased significantly. Per capita personal income for Marion County was \$25,056 in 2006 (based on estimated population and personal income) compared to the State of Ohio and the United States of \$32,478 and \$34,586, respectively.

Median house value for Marion County based on the 2000 Census was \$78,500 compared to State of Ohio and the United States median of \$103,700 and \$119,600, respectively.

## LONG-TERM FINANCIAL PLANNING

Currently, the main objectives of the County are to continue to maintain the General Fund's cash balance and provide funding as needed for capital improvements. The main tool in reaching these goals is to help grow the retail tax base and thus increase the County's sales tax revenue, issue debt as necessary to fund necessary improvements, and protect the County's bond rating of Aaa.

The County has not issued long-term financing since 2001. For 2006, the County has issued notes for the construction of the infrastructure related to the development of Legacy Crossing and Menards. These notes are to be repaid with revenues derived from the tax incremental financing agreements.

On February 8, 2007, the County issued \$9,955,000 in general obligation bonds to partially refund bonds previously issued for constructing, equipping, and furnishing offices for the Job and Family Services Department (\$545,000), the administration building of County Justice Services (\$720,000), the Marion-Hardin Correctional Center (\$3,370,000), and the County Administration Building (\$4,580,000), as well as to pay the costs for improving the QuQua Ditch (\$180,000).

## RELEVANT FINANCIAL POLICIES

The County has a responsibility to its citizens to carefully account for public funds, to manage finances wisely, and to plan for the provision of services desired by the public. Sound financial policies are necessary to carry out that responsibility.

The County has established relevant financial policies for investments, capital assets, and the budget. The purpose of the investment policy is to provide for complete safety of the portfolio's principal value, assure adequate liquidity, and earn a market rate of return. The investment policy is reviewed annually for compliance and to assure the flexibility necessary to effectively manage the investment portfolio.

The goal of the capital assets inventory system and policy is to provide control and accountability over the County's capital assets and to assist departments in gathering and maintaining information needed for the preparation of the annual financial statements. The County recognizes the importance of preserving the community's capital assets and to ensure that future needs are met.

Finally, the budget policy is designed to provide conceptual standards for financial decision making, enhance consistency in financial decisions, and establish parameters for administration to use in directing the day-to-day financial affairs of the County. One-time or special purpose revenues will be used to finance capital projects or for expenditures required by the revenue, and not to subsidize recurring personnel costs or other operating costs.

## MAJOR INITIATIVES

In 2006, the County experienced growth in the commercial property located on State Route 95 with the completion of the public road known as McMahan Boulevard. The Legacy Crossing Central shopping area was constructed upon completion of the boulevard. The shopping area includes retailers such as Kohl's, Hobby Lobby, Starbucks, and MC Sports.

The Northwest Industrial Connector Road project received an additional \$6 million dollar grant from the Ohio Rail Development Commission. The current projected project cost is \$12.6 million. With these additional funds an overpass has been approved for the CSX Railroad located on Hillman Ford Road. This is an important endeavor as the overpass will alleviate traffic congestion and promote industrial growth in Marion County. Ground breaking on this project is projected to be sometime in late 2007.

Whirlpool Corporation's purchase of Maytag in 2006 increased Marion's job market by 1,500 positions. Whirlpool Marion Division is now producing 25,000 dryers per day and running shifts twenty-four hours per day seven days a week.

Marion Industries, supplier of Honda brake assemblies, located in Marion's Dual Rail Industrial Park, is expanding their operations by employing twenty new workers. This improvement also added 87,500 square feet to their already 144,000 square feet plant.

Silver Line Windows, the New Jersey based manufacturer of vinyl windows, was bought by Anderson Windows. Marion's plant manager reports that the Marion plant that employs 800 is the most productive in the Silver Line system.

Nucor Steel has purchased two vacant industrial buildings to the west of their plant for future additions to the Marion facility. Nucor has invested heavily in the former Marion Steel plant in safety and process improvements.

Discovery Channel's "Modern Marvels" program gave national media exposure to Marion's own Robot Worx. Robot Worx has expanded since their move into the former Clark Metal Building occupying an additional 30,000 square feet at the former Marion Power Shovel property.

Owners based out of Canton, Ohio selected Marion to host their indoor football team known as the Marion Mayhem. Marion Mayhem has taken over the concessions area in Marion's Coliseum, totally revamping and updating this area.

Marion's snack food manufacturer Wyandot, Inc. recently picked up production of Proctor and Gamble's newest product, corn-based Pringles.

Marion County did experience some loss in 2006. Associated Hygienic Products, a diaper manufacturer, moved its operation to Delaware County resulting in a loss of two hundred jobs in Marion County, although the operation has intentions on employing many of their Marion employees at their new location.

#### AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded for the eighteenth time a Certificate of Achievement for Excellence in Financial Reporting to Marion County for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2005. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR that satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements and we are submitting it to the GFOA for their review.

The preparation of this report could not have been accomplished without the cooperation of every County department and agency. I am grateful to the County Commissioners for their continued support through adequate funding of the CAFR. Planning, coordinating, compiling and, finally, completing this report has been the responsibility of deputy auditor Gina Beard. I gratefully acknowledge her contributions as well as those of the other members of the Auditor's staff, including Karen Meadows and Angela Smith.

Respectfully submitted,

A handwritten signature in cursive script that reads "Joan M. Kasotis". The signature is written in black ink and is positioned above the printed name and title.

Joan M. Kasotis  
Marion County Auditor

# MARION COUNTY, OHIO

Elected and Appointed Officials

December 31, 2006

## COUNTY COMMISSIONERS

David A. Columber  
(term expired December 31, 2006)

Josh Daniels  
(term started January 1, 2007)

Kenneth C. Frayer Jr.  
Paul Andrew Appelfeller

## COUNTY AUDITOR

Joseph P. Campbell  
(term expired March 9, 2007)

Joan M. Kasotis  
(term started March 12, 2007)

## COUNTY TREASURER

Thomas J. Shesky

## RECORDER

Mary Jo Osmun

## COMMON PLEAS JUDGE/GENERAL DIVISION

William Finnegan

## COMMON PLEAS JUDGE/GENERAL DIVISION

Robert S. Davidson

## COMMON PLEAS JUDGE/FAMILY COURT DIVISION

Deborah A. Alspach

## PROBATE AND JUVENILE JUDGE

Thomas K. Jenkins

## ENGINEER

Bradley K. Irons

## CLERK OF COURTS

Julie M. Kagel

## CORONER

Marc Comianos M.D.

## COUNTY PROSECUTING ATTORNEY

Jim Slagle

## SHERIFF

Tim Bailey

## AGENCY AND DEPARTMENTS HEADS

### COUNTY ADMINISTRATOR

Lenora Mayes

### BOARD OF ELECTIONS

Chris Smith

### DOG WARDEN

Jane Watts

### SANITARY ENGINEER

Roger L. Dietrich

### CHILDREN SERVICES

F. Eric Bush

### DEPARTMENT OF JOB AND FAMILY SERVICES

Roxane Somerlot

### COMMUNITY MENTAL HEALTH

Jodi Demo-Hodgins

### MENTAL DISABILITIES

Lee Wedemeyer

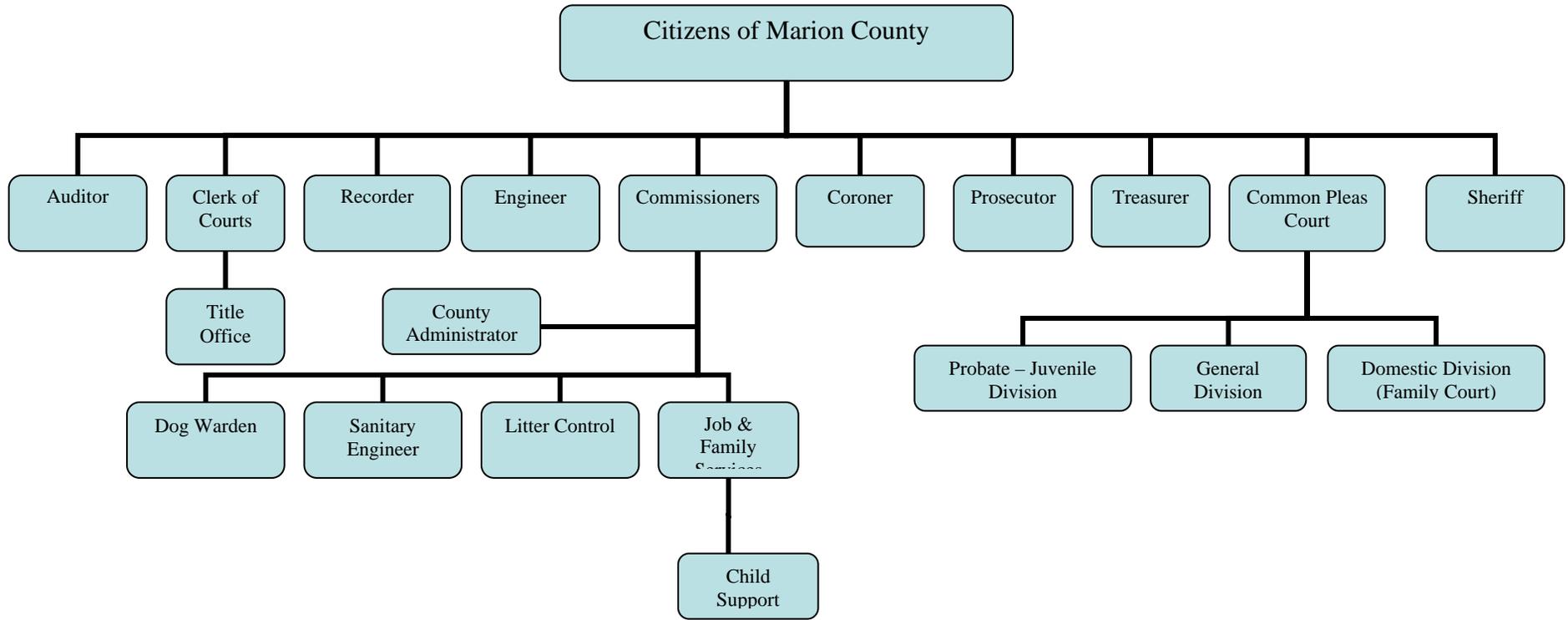
### LITTER CONTROL

Angela Carbetta

### VETERANS SERVICE COMMISSION

Richard Reish

# MARION COUNTY, OHIO ORGANIZATIONAL CHART



ix

## OFFICERS AND APPOINTED BOARD

BUDGET COMMISSION    BOARD OF REVISION    BOARD OF ELECTIONS    VETERANS SERVICE    RECORDS COMMISSION

CHILDREN SERVICES BOARD

BOARD OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

BOARD OF ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES

ELECTED OFFICIALS  
COUNTY AGENCIES

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Marion County  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2005

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.



President

Executive Director

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Marion County  
222 West Center Street  
Marion, Ohio 43302

To the Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Marion County, Ohio, (the County) as of and for the year ended December 31, 2006, 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 Marca Industries, Inc., the County's discretely presented component unit. 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 Marca 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. The other auditors audited the financial statements of Marca Industries, Inc., in accordance with auditing standards generally accepted in the United States of America and not in accordance with *Government Auditing Standards*. 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Marion County, Ohio, as of December 31, 2006, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, and Mental Disabilities funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 23, 2007, 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 subjected the combining nonmajor fund statements and schedules 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. We 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

July 23, 2007

**MARION COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2006  
Unaudited

The discussion and analysis of Marion County's financial performance provides an overview of the County's financial activities for the year ended December 31, 2006. The intent of this discussion and analysis is to look at the County's financial performance as a whole.

**HIGHLIGHTS**

Net assets increased somewhat significantly, in the amount of \$5,896,038, or 8 percent. The increase is mainly the result of a contribution of two bridges that were constructed in 2006 by the Ohio Department of Transportation.

Total revenues increased \$8,566,250, or 19.2 percent. Again, this was largely due to the contribution of bridges.

Total expenses increased \$2,805,105, or 6.3 percent. The majority of the increase was in the Job and Family Services Department within human services expenses.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand Marion County's financial position.

The statement of net assets and the statement of activities provide information about the activities of the County as a whole, presenting both an aggregate and a longer-term view of the County.

Fund financial statements provide a greater level of detail. For governmental funds, these statements tell how services were financed in the short-term and what remains for future spending. Fund financial statements report the County's most significant funds individually and the County's non-major funds in a single column. The County's major funds are the General, Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, Mental Disabilities, and Sewer District funds.

**REPORTING THE COUNTY AS A WHOLE**

The statement of net assets and the statement of activities reflect how the County did financially during 2006. These statements include all assets and liabilities using the accrual basis of accounting similar to the basis used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

These statements report the County's net assets and changes in those assets. This change in net assets is important because it tells the reader whether the financial position of the County as a whole has increased or decreased from the prior year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating. Causes for these changes may be the result of many factors, some financial, some not. Non-financial factors can include changes in the County's property tax base and the condition of the County's capital assets. These factors must be considered when assessing the overall health of the County.

**MARION COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2006  
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In the statement of net assets and the statement of activities, the County is divided into two types of activities:

- **Governmental Activities** - Most of the County's programs and services are reported here, including general government legislative and executive and judicial, public safety, public works, health, human services, conservation and recreation, and intergovernmental. These services are primarily funded by property and sales taxes and from intergovernmental revenues, including federal and state grants and other shared revenues.
- **Business-Type Activity** - These services are provided on a charge for services basis and are intended to recover all or most of the costs of the services provided. The County's sanitary sewer operations are reported here.

**REPORTING THE COUNTY'S MOST SIGNIFICANT FUNDS**

Fund financial statements provide detailed information about the County's major funds, the General, Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, Mental Disabilities, and Sewer District funds. While the County uses many funds to account for its financial transactions, these are the most significant.

**Governmental Funds** - The County's governmental funds are used to account for essentially the same programs reported as governmental activities on the government-wide financial statements. Most of the County's basic services are reported in these funds and focus on how money flows into and out of the funds as well as the balances available for spending at year end. These funds are reported on the modified accrual basis of accounting which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services being provided.

Because the focus of the 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 on the government-wide financial statements. By doing so, readers may better 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 a reconciliation to help make this comparison between governmental funds and governmental activities.

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

**Enterprise Fund** - The County's enterprise fund uses the accrual basis of accounting, the same as that used for the business-type activity on the government-wide financial statements.

**MARION COUNTY, OHIO**  
Management's Discussion and Analysis  
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Unaudited

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the County's programs. These funds also use the accrual basis of accounting.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Table 1 provides a summary of the County's net assets for 2006 and 2005.

Table 1  
Net Assets

	Governmental Activities		Business-Type Activity		Total	
	2006	2005	2006	2005	2006	2005
<u>Assets</u>						
Current and Other Assets	\$40,702,420	\$37,039,190	\$2,562,581	\$2,319,541	\$43,265,001	\$39,358,731
Capital Assets, Net	56,358,647	49,331,167	8,652,769	8,985,844	65,011,416	58,317,011
Total Assets	<u>97,061,067</u>	<u>86,370,357</u>	<u>11,215,350</u>	<u>11,305,385</u>	<u>108,276,417</u>	<u>97,675,742</u>
<u>Liabilities</u>						
Current and Other Liabilities	13,418,815	8,062,826	29,203	29,438	13,448,018	8,092,264
Long-Term Liabilities	10,867,482	11,392,038	2,876,593	3,003,154	13,744,075	14,395,192
Total Liabilities	<u>24,286,297</u>	<u>19,454,864</u>	<u>2,905,796</u>	<u>3,032,592</u>	<u>27,192,093</u>	<u>22,487,456</u>
<u>Net Assets</u>						
Invested in Capital Assets, Net of Related Debt	47,464,227	43,101,269	5,868,440	6,067,334	53,332,667	49,168,603
Restricted	21,436,262	20,154,633	0	0	21,436,262	20,154,633
Unrestricted	3,874,281	3,659,591	2,441,114	2,205,459	6,315,395	5,865,050
Total Net Assets	<u>\$72,774,770</u>	<u>\$66,915,493</u>	<u>\$8,309,554</u>	<u>\$8,272,793</u>	<u>\$81,084,324</u>	<u>\$75,188,286</u>

Total assets increased \$10,600,675. Current and other assets increased from intergovernmental receivables and property taxes receivable. In 2006, the voters passed a .8 mill property tax levy for operating costs of the senior citizens center.

Total liabilities increased \$4,704,637. In 2006, the County issued \$3,336,000 in bond anticipation notes for infrastructure projects relating to Legacy Crossing and Menards. Deferred revenues also increased as a result of the same .8 mill property tax levy for the senior citizens center.

Invested in capital assets, net of related debt, increased almost \$4.2 million. The Ohio Department of Transportation constructed two bridges and donated them to the County during 2006.

**MARION COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2006  
Unaudited

Table 2 reflects the change in net assets for 2006 and 2005.

Table 2  
Change in Net Assets

	Governmental Activities		Business-Type Activity		Total	
	2006	2005	2006	2005	2006	2005
<u>Revenues</u>						
Program Revenues						
Charges for Services	\$5,489,643	\$4,935,630	\$1,072,083	\$1,077,909	\$6,561,726	\$6,013,539
Operating Grants, Contributions, and Interest	21,481,219	20,061,838	0	0	21,481,219	20,061,838
Capital Grants, Contributions, and Interest	5,516,629	195,454	91,878	135,356	5,608,507	330,810
Total Program Revenues	32,487,491	25,192,922	1,163,961	1,213,265	33,651,452	26,406,187
General Revenues						
Property Taxes	7,686,655	8,006,730	0	0	7,686,655	8,006,730
Sales Taxes	6,677,483	6,385,212	0	0	6,677,483	6,385,212
Grants and Entitlements not Restricted to Other Programs	1,566,057	1,629,633	0	0	1,566,057	1,629,633
Interest	1,700,569	1,049,757	46,190	14,272	1,746,759	1,064,029
Other	1,926,596	1,198,088	1,681	554	1,928,277	1,198,642
Total General Revenues	19,557,360	18,269,420	47,871	14,826	19,605,231	18,284,246
Total Revenues	52,044,851	43,462,342	1,211,832	1,228,091	53,256,683	44,690,433
<u>Program Expenses</u>						
General Government						
Legislative and Executive	6,559,522	6,702,826	0	0	6,559,522	6,702,826
Judicial	2,052,712	2,273,672	0	0	2,052,712	2,273,672
Public Safety	9,581,353	9,146,720	0	0	9,581,353	9,146,720
Public Works	5,310,612	4,318,173	0	0	5,310,612	4,318,173
Health	7,700,613	7,607,576	0	0	7,700,613	7,607,576
Human Services	13,166,131	11,575,193	0	0	13,166,131	11,575,193
Conservation and Recreation	226,051	308,836	0	0	226,051	308,836
Intergovernmental	1,016,777	913,032	0	0	1,016,777	913,032
Interest and Fiscal Charges	571,803	492,992	0	0	571,803	492,992
Sewer District	0	0	1,175,071	1,216,520	1,175,071	1,216,520
Total Expenses	46,185,574	43,339,020	1,175,071	1,216,520	47,360,645	44,555,540
Change in Net Assets	5,859,277	123,322	36,761	11,571	5,896,038	134,893
Net Assets at Beginning of Year	66,915,493	66,792,171	8,272,793	8,261,222	75,188,286	75,053,393
Net Assets at End of Year	\$72,774,770	\$66,915,493	\$8,309,554	\$8,272,793	\$81,084,324	\$75,188,286

The increase in operating grants, contributions, and interest program revenues was from increased grant money through the Job and Family Services Department. The department received increased TANF funding to reimburse child care and vocational training costs to the County's citizens.

**MARION COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2006  
Unaudited

The most significant change to program revenues from the prior year was in capital grants, contributions, and interest. This variance is primarily from the contribution of two bridges from the Ohio Department of Transportation to the County.

General revenues increased 7 percent which is partially from increased interest rates on available funds to invest and a large reimbursement that was recorded in other revenues.

The most significant changes in expenses was in public works and human services. The County Engineer constructed infrastructure for the townships within the County which were either paid for by grants or reimbursements from the townships. Job and Family Services expenses increased from providing child care and vocational training to needy families within the County.

Table 3 indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues.

Table 3  
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2006	2005	2006	2005
General Government				
Legislative and Executive	\$6,559,522	\$6,702,826	\$3,871,114	\$4,296,671
Judicial	2,052,712	2,273,672	782,108	1,015,462
Public Safety	9,581,353	9,146,720	6,192,120	5,665,012
Public Works	5,310,612	4,318,173	(4,935,687)	(255,473)
Health	7,700,613	7,607,576	4,196,113	3,973,864
Human Services	13,166,131	11,575,193	1,780,928	1,751,869
Conservation and Recreation	226,051	308,836	222,807	292,669
Intergovernmental	1,016,777	913,032	1,016,777	913,032
Interest and Fiscal Charges	571,803	492,992	571,803	492,992
Total Expenses	<u>\$46,185,574</u>	<u>\$43,339,020</u>	<u>\$13,698,083</u>	<u>\$18,146,098</u>

A significant portion of expenses for legislative and executive, public safety, and health are funded by property taxes, sales taxes, and intergovernmental revenues. Legislative and executive activities include costs associated with the general administration of County government. Administration consists of the County Commissioners, Auditor, Treasurer, Recorder, and Prosecutor. The majority of public safety activities pertain to the expenses of the Sheriff's department. Health activities pertain to mental health and mental disabilities expenses.

Judicial activities relates to the court systems operated by the County which are significantly supported by the fines and court costs.

The majority of the expenses for public works is for the operation of the Engineer and is funded by gasoline tax and motor vehicle license fees. The Engineer also receives reimbursements from the townships for infrastructure work performed on their behalf.

**MARION COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2006  
Unaudited

Human service activities include the expenses for Job and Family Services and Children Services and are largely funded by grants; however, children services activities are also funded by property taxes.

Although the total cost of services maintained relatively the same, the amount received from program revenues increased from capital contributions.

**GOVERNMENTAL FUNDS FINANCIAL ANALYSIS**

The County's major governmental funds are the General, Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, and Mental Disabilities funds. The fund balance in the General Fund did not change significantly.

Fund balance in the Job and Family Services fund increased 27 percent. While both revenues and expenditures increased from the prior year, revenues increased over 28 percent and expenditures increased 22 percent. Fund balance in the Motor Vehicle Gasoline Tax fund decreased slightly and fund balance in the Children Services fund increased slightly.

Fund balance in the Mental Disabilities fund increased \$641,231, or 15 percent. The County received significant reimbursements during 2006.

**BUSINESS-TYPE ACTIVITY FINANCIAL ANALYSIS**

The County's enterprise fund is the Sewer District fund. Both revenues and expenses remained very comparable to the prior year resulting in an increase in net assets of less than 1 percent.

**BUDGETARY HIGHLIGHTS**

The County prepares an annual budget of revenues and expenditures/expenses for all funds of the County for use by County officials and department heads and such other budgetary documents as are required by State statute, including the annual appropriations resolution which is effective the first day of January. The County's most significant budgeted fund is the General Fund. While changes from the original to final budget for revenues were not significant, actual revenues were almost 10 percent higher than final estimates. Charges for services increased from property transfers and family court fees. Interest revenues increased from the rise in interest rates. Changes in appropriations from the original to final budget, as well as comparisons to the actual amounts for expenditures, were not significant.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

Capital Assets - The County's investment in capital assets for governmental and business-type activities as of December 31, 2006, was \$47,464,227 and \$5,868,440, respectively (net of accumulated depreciation and related debt). This investment in capital assets includes land; land improvements; buildings; improvements other than buildings; roads, bridges, culverts, and traffic signals; machinery and equipment; vehicles; and sewer lines. Governmental activities capital assets increased significantly from donated capital assets. There was an insignificant change to business-type activity capital assets for 2006. Note 10 to the basic financial statements provides further details on the capital assets activity.

**MARION COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2006  
Unaudited

At December 31, 2006, the County had a number of debt obligations outstanding. These obligations included \$3,336,000 in general obligation notes, \$11,689,711 in general obligation bonds, \$110,289 in special assessment bonds, and \$507,010 in Issue II loans. Of this amount, \$2,846,102 will be repaid from the business-type activity.

In addition to the debt outlined above, the County's long-term obligations also include compensated absences. Additional information on the County's long-term obligations can be found in Note 18 to the basic financial statements.

**CURRENT ISSUES**

On February 8, 2007, the County issued \$9,955,000 in general obligation bonds to refund bonds previously issued for constructing, equipping, and furnishing offices for Job and Family Services, the Marion-Hardin Correctional Center, and the County Administration Building, renovations of the court and Sheriff buildings, as well as to pay the costs for improving the QuQua Ditch. The net proceeds of \$9,851,498 (after payments of \$103,502 in underwriter fees, insurance, and other issuance costs) were used to purchase U. S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded general obligation bonds.

The County Commissioners have entered into three enterprise zone agreements in 2007. Two of the agreements are for ten years and abate 50 percent of the real estate property taxes. The companies will make improvements within the County having an estimated value of \$14,300,000. The third agreement is for twelve years and abates 80 percent of the real estate property taxes. This company will construct and improve real property having an estimated value of \$74,231,892.

**REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the County's finances for all those interested in our County's financial well being. Questions concerning any of the information provided in this report or requests for additional information should be directed to Joan M. Kasotis, Marion County Auditor, 222 West Center Street, Marion, Ohio 43302.

**BASIC  
FINANCIAL  
STATEMENTS**

**Marion County, Ohio**  
Statement of Net Assets  
Primary Government as of December 31, 2006  
Component Unit as of June 30, 2006

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activity	Total	Marca Industries
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$23,698,334	\$2,247,753	\$25,946,087	\$0
Cash and Cash Equivalents in Segregated Accounts	26,732	0	26,732	48,124
Cash and Cash Equivalents with Fiscal Agent	437,199	0	437,199	0
Investments in Segregated Accounts	0	0	0	44,595
Accounts Receivable	40,368	252,175	292,543	82,721
Due from Primary Government	0	0	0	1,227
Sales Taxes Receivable	1,172,234	0	1,172,234	0
Accrued Interest Receivable	187,455	0	187,455	0
Due from Other Governments	6,189,382	0	6,189,382	0
Internal Balances	(880)	880	0	0
Prepaid Items	0	0	0	2,949
Materials and Supplies Inventory	0	0	0	32,681
Property Taxes Receivable	8,585,788	0	8,585,788	0
Due from External Party	20,000	0	20,000	0
Loans Receivable	108,768	0	108,768	0
Special Assessments Receivable	237,040	0	237,040	0
Workers' Compensation Deposit	0	0	0	1,000
Unamortized Issuance Costs	0	61,773	61,773	0
Nondepreciable Capital Assets	10,662,610	177,568	10,840,178	0
Depreciable Capital Assets, Net	45,696,037	8,475,201	54,171,238	127,142
<b>Total Assets</b>	<b>97,061,067</b>	<b>11,215,350</b>	<b>108,276,417</b>	<b>340,439</b>
<b>Liabilities</b>				
Accrued Wages Payable	324,292	6,584	330,876	17,573
Accounts Payable	811,189	9,085	820,274	10,605
Contracts Payable	156,010	0	156,010	0
Retainage Payable	94,858	0	94,858	0
Matured Compensated Absences Payable	10,261	0	10,261	0
Due to Other Governments	624,078	5,499	629,577	0
Due to Component Unit	1,227	0	1,227	0
Due to External Party	730	0	730	0
Accrued Interest Payable	129,974	8,035	138,009	0
Notes Payable	3,336,000	0	3,336,000	0
Deferred Revenue	7,930,196	0	7,930,196	0
Long-Term Liabilities				
Due Within One Year	1,126,808	150,347	1,277,155	14,983
Due in More Than One Year	9,740,674	2,726,246	12,466,920	57,638
<b>Total Liabilities</b>	<b>24,286,297</b>	<b>2,905,796</b>	<b>27,192,093</b>	<b>100,799</b>
<b>Net Assets</b>				
Invested in Capital Assets, Net of Related Debt	47,464,227	5,868,440	53,332,667	54,521
Restricted for:				
Debt Service	740,175	0	740,175	0
Capital Projects	2,567,937	0	2,567,937	0
Public Safety	1,990,515	0	1,990,515	0
Public Works	2,579,476	0	2,579,476	0
Health	5,606,482	0	5,606,482	0
Human Services	6,928,377	0	6,928,377	0
Other Purposes	1,023,300	0	1,023,300	0
Unrestricted	3,874,281	2,441,114	6,315,395	185,119
<b>Total Net Assets</b>	<b>\$72,774,770</b>	<b>\$8,309,554</b>	<b>\$81,084,324</b>	<b>\$239,640</b>

See accompanying notes to the basic financial statements

**Marion County, Ohio**

Statement of Activities

Primary Government For the Year Ended December 31, 2006

Component Unit For the Year Ended June 30, 2006

	Program Revenues			
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest
<b><u>Governmental Activities</u></b>				
General Government				
Legislative and Executive	\$6,559,522	\$2,579,723	\$108,685	\$0
Judicial	2,052,712	1,150,303	120,301	0
Public Safety	9,581,353	1,062,452	2,326,781	0
Public Works	5,310,612	186,303	4,546,611	5,513,385
Health	7,700,613	177,436	3,327,064	0
Human Services	13,166,131	333,426	11,051,777	0
Conservation and Recreation	226,051	0	0	3,244
Intergovernmental	1,016,777	0	0	0
Interest and Fiscal Charges	571,803	0	0	0
Total Governmental Activities	46,185,574	5,489,643	21,481,219	5,516,629
<b><u>Business-Type Activity</u></b>				
Sewer District	1,175,071	1,072,083	0	91,878
Total Primary Government	<u>\$47,360,645</u>	<u>\$6,561,726</u>	<u>\$21,481,219</u>	<u>\$5,608,507</u>
<b><u>Component Unit</u></b>				
Marca Industries	<u>\$928,763</u>	<u>\$749,493</u>	<u>\$200,098</u>	<u>\$0</u>

**General Revenues**

Property Taxes Levied for  
    General Operating  
    Health-Mental Health  
    Health-Mental Retardation and Developmental Disabilities  
    Human Services-Children Services  
    Senior Service  
    Marca  
    Coliseum  
Sales Taxes  
Grants and Entitlements not Restricted to Other Programs  
Interest  
Net Realized and Unrealized Loss on Investments  
Other  
Total General Revenues  
Change in Net Assets  
Net Assets at Beginning of Year - Restated (Note 3)  
Net Assets at End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Change in Net Assets			
Primary Government			Component Unit
Governmental Activities	Business-Type Activity	Total	Marca Industries
(\$3,871,114)	\$0	(\$3,871,114)	\$0
(782,108)	0	(782,108)	0
(6,192,120)	0	(6,192,120)	0
4,935,687	0	4,935,687	0
(4,196,113)	0	(4,196,113)	0
(1,780,928)	0	(1,780,928)	0
(222,807)	0	(222,807)	0
(1,016,777)	0	(1,016,777)	0
(571,803)	0	(571,803)	0
(13,698,083)	0	(13,698,083)	0
0	(11,110)	(11,110)	0
(13,698,083)	(11,110)	(13,709,193)	0
0	0	0	20,828
2,167,903	0	2,167,903	0
654,433	0	654,433	0
2,961,609	0	2,961,609	0
1,514,642	0	1,514,642	0
63,710	0	63,710	0
312,797	0	312,797	0
11,561	0	11,561	0
6,677,483	0	6,677,483	0
1,566,057	0	1,566,057	0
1,700,569	46,190	1,746,759	1,049
0	0	0	(275)
1,926,596	1,681	1,928,277	2,537
19,557,360	47,871	19,605,231	3,311
5,859,277	36,761	5,896,038	24,139
66,915,493	8,272,793	75,188,286	215,501
<u>\$72,774,770</u>	<u>\$8,309,554</u>	<u>\$81,084,324</u>	<u>\$239,640</u>

**Marion County, Ohio**

Balance Sheet

**Governmental Funds**

December 31, 2006

	<u>General</u>	<u>Job and Family Services</u>	<u>Motor Vehicle Gasoline Tax</u>
<b><u>Assets</u></b>			
Equity in Pooled Cash and Cash Equivalents	\$5,586,578	\$926,323	\$421,024
Cash and Cash Equivalents in Segregated Accounts	0	0	0
Cash and Cash Equivalents with Fiscal Agent	0	0	0
Accounts Receivable	7,942	0	1,617
Sales Taxes Receivable	1,172,234	0	0
Accrued Interest Receivable	187,455	0	0
Due from Other Governments	949,359	455,532	2,120,191
Interfund Receivable	734,312	22	124
Property Taxes Receivable	2,257,676	0	0
Due from External Party	20,000	0	0
Loans Receivable	0	0	0
Special Assessments Receivable	0	0	0
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$10,915,556</u>	<u>\$1,381,877</u>	<u>\$2,542,956</u>
<b><u>Liabilities and Fund Balances</u></b>			
<b><u>Liabilities</u></b>			
Accrued Wages Payable	\$125,420	\$43,779	\$28,347
Accounts Payable	127,565	435,845	16,559
Contracts Payable	0	0	0
Retainage Payable	0	0	0
Matured Compensated Absences Payable	0	0	0
Due to Other Governments	275,084	41,169	174,897
Interfund Payable	455	508	0
Due to Component Unit	0	0	0
Due to External Party	730	0	0
Accrued Interest Payable	0	0	0
Notes Payable	0	0	0
Deferred Revenue	3,717,919	455,532	1,784,498
	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>4,247,173</u>	<u>976,833</u>	<u>2,004,301</u>
<b><u>Fund Balances</u></b>			
Reserved for Encumbrances	245,830	197,572	1,591
Reserved for Interfund Receivable	462,433	0	0
Reserved for Loans Receivable	0	0	0
Unreserved, Reported in			
General Fund	5,960,120	0	0
Special Revenue Funds	0	207,472	537,064
Debt Service Fund	0	0	0
Capital Projects Funds	0	0	0
	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>6,668,383</u>	<u>405,044</u>	<u>538,655</u>
	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$10,915,556</u>	<u>\$1,381,877</u>	<u>\$2,542,956</u>

See accompanying notes to the basic financial statements

Children Services	Mental Disabilities	Other Governmental	Total Governmental Funds
\$5,038,646	\$4,082,467	\$7,643,296	\$23,698,334
25,911	0	821	26,732
0	437,199	0	437,199
522	29,551	736	40,368
0	0	0	1,172,234
0	0	0	187,455
601,490	1,111,770	951,040	6,189,382
4,575	0	273,834	1,012,867
1,458,049	2,874,538	1,995,525	8,585,788
0	0	0	20,000
0	0	108,768	108,768
0	0	237,040	237,040
<u>\$7,129,193</u>	<u>\$8,535,525</u>	<u>\$11,211,060</u>	<u>\$41,716,167</u>

\$31,644	\$51,959	\$43,143	\$324,292
26,568	66,075	138,577	811,189
0	0	156,010	156,010
0	0	94,858	94,858
10,261	0	0	10,261
31,018	64,145	37,765	624,078
0	0	1,012,784	1,013,747
0	1,227	0	1,227
0	0	0	730
0	0	14,809	14,809
0	0	751,000	751,000
1,907,737	3,425,484	2,854,747	14,145,917
<u>2,007,228</u>	<u>3,608,890</u>	<u>5,103,693</u>	<u>17,948,118</u>

0	600,655	258,754	1,304,402
0	0	273,626	736,059
0	0	98,062	98,062
0	0	0	5,960,120
5,121,965	4,325,980	3,371,437	13,563,918
0	0	777,115	777,115
0	0	1,328,373	1,328,373
<u>5,121,965</u>	<u>4,926,635</u>	<u>6,107,367</u>	<u>23,768,049</u>
<u>\$7,129,193</u>	<u>\$8,535,525</u>	<u>\$11,211,060</u>	<u>\$41,716,167</u>

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**Marion County, Ohio**  
 Reconciliation of Total Governmental Fund Balances  
 to Net Assets of Governmental Activities  
 December 31, 2006

Total Governmental Fund Balances	\$23,768,049
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**Amounts reported for governmental activities on the statement of net assets are different because of the following:**

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	56,358,647
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Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:	
Sales Taxes Receivable	679,894
Accrued Interest Receivable	63,032
Due from Other Governments	4,580,163
Property Taxes Receivable	655,592
Special Assessments Receivable	237,040
	6,215,721

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Accrued Interest Payable	(115,165)
Notes Payable	(2,585,000)
General Obligation Bonds Payable	(9,284,711)
Special Assessment Bonds Payable	(110,289)
Issue II Loans Payable	(65,908)
Compensated Absences Payable	(1,406,574)
	(13,567,647)

Net Assets of Governmental Activities	\$72,774,770
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See accompanying notes to the basic financial statements

**Marion County, Ohio**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
**Governmental Funds**  
For the Year Ended December 31, 2006

	General	Job and Family Services	Motor Vehicle Gasoline Tax
<b><u>Revenues</u></b>			
Property Taxes	\$2,166,458	\$0	\$0
Sales Taxes	6,499,806	0	0
Special Assessments	0	0	0
Charges for Services	3,333,019	267,671	73,801
Licenses and Permits	4,888	0	0
Fines and Forfeitures	171,580	0	23,330
Intergovernmental	1,862,438	7,555,715	4,245,988
Interest	1,720,340	0	14,068
Other	349,379	10,480	53,301
<b>Total Revenues</b>	<b>16,107,908</b>	<b>7,833,866</b>	<b>4,410,488</b>
<b><u>Expenditures</u></b>			
Current			
General Government			
Legislative and Executive	4,972,796	0	0
Judicial	1,732,429	0	0
Public Safety	6,952,242	0	0
Public Works	11,585	0	4,048,988
Health	219,526	0	0
Human Services	325,056	7,917,003	0
Conservation and Recreation	73,000	0	0
Capital Outlay	0	0	0
Intergovernmental	286,661	0	0
Debt Service			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
<b>Total Expenditures</b>	<b>14,573,295</b>	<b>7,917,003</b>	<b>4,048,988</b>
Excess of Revenues Over (Under) Expenditures	1,534,613	(83,137)	361,500
<b><u>Other Financing Sources (Uses)</u></b>			
Notes Issued	0	0	0
Sale of Capital Assets	0	0	0
Transfers - In	45,659	285,135	25,000
Transfers - Out	(1,447,057)	(114,875)	(415,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,401,398)</b>	<b>170,260</b>	<b>(390,000)</b>
Changes in Fund Balances	133,215	87,123	(28,500)
Fund Balances at Beginning of Year - Restated (Note 3)	6,535,168	317,921	567,155
<b>Fund Balances at End of Year</b>	<b>\$6,668,383</b>	<b>\$405,044</b>	<b>\$538,655</b>

See accompanying notes to the basic financial statements

Children Services	Mental Disabilities	Other Governmental	Total Governmental Funds
\$1,564,096	\$2,961,170	\$944,293	\$7,636,017
0	0	0	6,499,806
0	0	61,564	61,564
40,555	0	1,294,187	5,009,233
0	0	152,193	157,081
0	0	77,710	272,620
1,931,738	3,422,869	4,471,201	23,489,949
0	0	25,350	1,759,758
62,441	1,051,456	399,539	1,926,596
<u>3,598,830</u>	<u>7,435,495</u>	<u>7,426,037</u>	<u>46,812,624</u>
0	0	776,352	5,749,148
0	0	270,980	2,003,409
0	0	2,675,136	9,627,378
0	0	239,922	4,300,495
0	6,794,264	152,812	7,166,602
3,537,127	0	1,262,027	13,041,213
0	0	0	73,000
0	0	4,981,439	4,981,439
0	0	730,116	1,016,777
0	0	478,990	478,990
0	0	495,641	495,641
<u>3,537,127</u>	<u>6,794,264</u>	<u>12,063,415</u>	<u>48,934,092</u>
<u>61,703</u>	<u>641,231</u>	<u>(4,637,378)</u>	<u>(2,121,468)</u>
0	0	2,585,000	2,585,000
0	0	92,350	92,350
0	0	1,885,218	2,241,012
(9,646)	0	(254,434)	(2,241,012)
<u>(9,646)</u>	<u>0</u>	<u>4,308,134</u>	<u>2,677,350</u>
52,057	641,231	(329,244)	555,882
<u>5,069,908</u>	<u>4,285,404</u>	<u>6,436,611</u>	<u>23,212,167</u>
<u>\$5,121,965</u>	<u>\$4,926,635</u>	<u>\$6,107,367</u>	<u>\$23,768,049</u>

**Marion County, Ohio**  
 Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances  
 of Governmental Funds to Statement of Activities  
 For the Year Ended December 31, 2006

Changes in Fund Balances - Total Governmental Funds \$555,882

**Amounts reported for governmental activities on the statement of activities are different because of the following:**

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

Capital Outlay - Nondepreciable Capital Assets	3,291,484	
Capital Outlay - Depreciable Capital Assets	1,499,745	
Capital Contributions - Depreciable Capital Assets	4,819,706	
Depreciation	<u>(2,215,012)</u>	
		7,395,923

The book value of capital assets is removed from the capital asset account on the statement of net assets when sold or disposed of resulting in a gain or loss on disposal of capital assets on the statement of activities.

Sale of Capital Assets	(92,350)	
Loss on Disposal of Capital Assets	<u>(276,093)</u>	
		(368,443)

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

Property Taxes	50,638	
Sales Taxes	177,677	
Special Assessments	(10,855)	
Intergovernmental	214,832	
Interest	<u>(19,771)</u>	
		412,521

Note proceeds are other financing sources in the governmental funds, but the issuance increases long-term liabilities on the statement of net assets. (2,585,000)

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

General Obligation Bonds Payable	401,301	
Special Assessment Bonds Payable	33,699	
Issue II Loans Payable	16,477	
Vehicle Loans Payable	<u>27,513</u>	
		478,990

Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding obligations on the statement of net assets. (76,162)

Compensated absences reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. 45,566

Change in Net Assets of Governmental Activities \$5,859,277

See accompanying notes to the basic financial statements

**Marion County, Ohio**  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**General Fund**  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Property Taxes	\$2,181,000	\$2,181,000	\$2,228,482	\$47,482
Sales Taxes	6,500,000	6,500,000	6,486,011	(13,989)
Charges for Services	2,852,213	2,760,041	3,356,176	596,135
Licenses and Permits	5,425	5,425	4,862	(563)
Fines and Forfeitures	127,000	127,000	172,548	45,548
Intergovernmental	1,869,666	1,874,865	1,857,966	(16,899)
Interest	1,002,500	1,002,500	1,557,467	554,967
Other	123,079	164,525	344,043	179,518
<b>Total Revenues</b>	<b>14,660,883</b>	<b>14,615,356</b>	<b>16,007,555</b>	<b>1,392,199</b>
<b><u>Expenditures</u></b>				
Current				
General Government				
Legislative and Executive	4,855,507	4,865,278	4,588,760	276,518
Judicial	1,819,240	1,878,896	1,805,937	72,959
Public Safety	6,830,394	6,984,490	6,931,844	52,646
Public Works	12,330	12,330	11,527	803
Health	300,129	305,429	249,130	56,299
Human Services	310,826	328,292	324,016	4,276
Conservation and Recreation	60,000	74,500	73,000	1,500
Other	785,783	630,816	511,773	119,043
Capital Outlay	1,996	0	0	0
Intergovernmental	310,661	306,661	306,661	0
<b>Total Expenditures</b>	<b>15,286,866</b>	<b>15,386,692</b>	<b>14,802,648</b>	<b>584,044</b>
Excess of Revenues Over (Under) Expenditures	(625,983)	(771,336)	1,204,907	1,976,243
<b><u>Other Financing Sources (Uses)</u></b>				
Advances - In	35,000	35,000	299,525	264,525
Advances - Out	(257,000)	(594,005)	(460,826)	133,179
Transfers - In	196,575	199,169	45,659	(153,510)
Transfers - Out	(1,206,414)	(1,492,433)	(1,447,057)	45,376
<b>Total Other Financing Sources (Uses)</b>	<b>(1,231,839)</b>	<b>(1,852,269)</b>	<b>(1,562,699)</b>	<b>289,570</b>
Changes in Fund Balance	(1,857,822)	(2,623,605)	(357,792)	2,265,813
Fund Balance at Beginning of Year	4,899,875	4,899,875	4,899,875	0
Prior Year Encumbrances Appropriated	321,303	321,303	321,303	0
<b>Fund Balance at End of Year</b>	<b>\$3,363,356</b>	<b>\$2,597,573</b>	<b>\$4,863,386</b>	<b>\$2,265,813</b>

See accompanying notes to the basic financial statements

**Marion County, Ohio**  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Job and Family Services Fund**  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Charges for Services	\$276,000	\$276,000	\$267,571	(\$8,429)
Intergovernmental	7,847,122	7,942,122	7,294,589	(647,533)
Other	15,000	15,000	9,394	(5,606)
<b>Total Revenues</b>	<b>8,138,122</b>	<b>8,233,122</b>	<b>7,571,554</b>	<b>(661,568)</b>
<b><u>Expenditures</u></b>				
Current				
Human Services	8,310,845	8,563,776	8,089,957	473,819
Excess of Revenues Under Expenditures	(172,723)	(330,654)	(518,403)	(187,749)
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers - In	287,598	287,598	285,135	(2,463)
Transfers - Out	(114,875)	(114,875)	(114,875)	0
<b>Total Other Financing Sources (Uses)</b>	<b>172,723</b>	<b>172,723</b>	<b>170,260</b>	<b>(2,463)</b>
Changes in Fund Balance	0	(157,931)	(348,143)	(190,212)
Fund Balance at Beginning of Year	284,039	284,039	284,039	0
Prior Year Encumbrances Appropriated	240,189	240,189	240,189	0
<b>Fund Balance at End of Year</b>	<b>\$524,228</b>	<b>\$366,297</b>	<b>\$176,085</b>	<b>(\$190,212)</b>

See accompanying notes to the basic financial statements

**Marion County, Ohio**  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Motor Vehicle Gasoline Tax Fund**  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Charges for Services	\$60,000	\$60,000	\$72,060	\$12,060
Fines and Forfeitures	20,000	20,000	23,120	3,120
Intergovernmental	4,130,000	4,130,000	4,240,381	110,381
Interest	4,000	4,000	11,700	7,700
Other	80,000	80,000	53,301	(26,699)
<b>Total Revenues</b>	<b>4,294,000</b>	<b>4,294,000</b>	<b>4,400,562</b>	<b>106,562</b>
<b><u>Expenditures</u></b>				
Current				
Public Works	4,452,901	4,255,955	4,077,943	178,012
Excess of Revenues Over (Under) Expenditures	(158,901)	38,045	322,619	284,574
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers - In	0	0	25,000	25,000
Transfers - Out	(136,000)	(415,000)	(415,000)	0
<b>Total Other Financing Sources (Uses)</b>	<b>(136,000)</b>	<b>(415,000)</b>	<b>(390,000)</b>	<b>25,000</b>
Changes in Fund Balance	(294,901)	(376,955)	(67,381)	309,574
Fund Balance at Beginning of Year	365,020	365,020	365,020	0
Prior Year Encumbrances Appropriated	101,320	101,320	101,320	0
<b>Fund Balance at End of Year</b>	<b>\$171,439</b>	<b>\$89,385</b>	<b>\$398,959</b>	<b>\$309,574</b>

See accompanying notes to the basic financial statements

**Marion County, Ohio**  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Children Services Fund**  
For the Year Ended December 31, 2006

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
<b><u>Revenues</u></b>				
Property Taxes	\$1,540,000	\$1,540,000	\$1,613,794	\$73,794
Charges for Services	17,700	17,700	40,033	22,333
Intergovernmental	1,931,800	1,931,800	2,145,008	213,208
Other	46,500	46,500	50,903	4,403
<b>Total Revenues</b>	<b>3,536,000</b>	<b>3,536,000</b>	<b>3,849,738</b>	<b>313,738</b>
<b><u>Expenditures</u></b>				
Current				
Human Services	3,819,066	3,809,420	3,497,438	311,982
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(283,066)</b>	<b>(273,420)</b>	<b>352,300</b>	<b>625,720</b>
<b><u>Other Financing Uses</u></b>				
Transfers - Out	(10,000)	(19,646)	(9,646)	10,000
<b>Changes in Fund Balance</b>	<b>(293,066)</b>	<b>(293,066)</b>	<b>342,654</b>	<b>635,720</b>
Fund Balance at Beginning of Year	4,646,079	4,646,079	4,646,079	0
Prior Year Encumbrances Appropriated	4,580	4,580	4,580	0
<b>Fund Balance at End of Year</b>	<b>\$4,357,593</b>	<b>\$4,357,593</b>	<b>\$4,993,313</b>	<b>\$635,720</b>

See accompanying notes to the basic financial statements

**Marion County, Ohio**  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Mental Disabilities Fund**  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Property Taxes	\$2,857,000	\$2,857,000	\$3,052,782	\$195,782
Intergovernmental	3,338,000	3,338,000	3,488,073	150,073
Other	511,000	511,786	800,243	288,457
<b>Total Revenues</b>	<b>6,706,000</b>	<b>6,706,786</b>	<b>7,341,098</b>	<b>634,312</b>
<b><u>Expenditures</u></b>				
Current				
Health	7,784,354	8,547,677	7,116,819	1,430,858
Excess of Revenues Over (Under) Expenditures	(1,078,354)	(1,840,891)	224,279	2,065,170
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers - In	112,000	50,000	0	(50,000)
Transfers - Out	(112,000)	(62,000)	0	62,000
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>(12,000)</b>	<b>0</b>	<b>12,000</b>
<b>Changes in Fund Balance</b>	<b>(1,078,354)</b>	<b>(1,852,891)</b>	<b>224,279</b>	<b>2,077,170</b>
Fund Balance at Beginning of Year	1,918,495	1,918,495	1,918,495	0
Prior Year Encumbrances Appropriated	1,146,094	1,146,094	1,146,094	0
<b>Fund Balance at End of Year</b>	<b>\$1,986,235</b>	<b>\$1,211,698</b>	<b>\$3,288,868</b>	<b>\$2,077,170</b>

See accompanying notes to the basic financial statements

**Marion County, Ohio**  
Statement of Fund Net Assets  
**Enterprise Fund**  
December 31, 2006

	Sewer District
<b><u>Assets</u></b>	
<b><u>Current Assets</u></b>	
Equity in Pooled Cash and Cash Equivalents	\$2,247,753
Accounts Receivable	252,175
Interfund Receivable	880
	2,500,808
Total Current Assets	2,500,808
<b><u>Noncurrent Assets</u></b>	
Unamortized Issuance Costs	61,773
Nondepreciable Capital Assets	177,568
Depreciable Capital Assets, Net	8,475,201
	8,714,542
Total Noncurrent Assets	8,714,542
Total Assets	11,215,350
<b><u>Liabilities</u></b>	
<b><u>Current Liabilities</u></b>	
Accrued Wages Payable	6,584
Accounts Payable	9,085
Due to Other Governments	5,499
Accrued Interest Payable	8,035
General Obligation Bonds Payable	95,000
Issue II Loans Payable	41,621
Compensated Absences Payable	13,726
	179,550
Total Current Liabilities	179,550
<b><u>Noncurrent Liabilities</u></b>	
General Obligation Bonds Payable	2,310,000
Issue II Loans Payable	399,481
Compensated Absences Payable	16,765
	2,726,246
Total Long-Term Liabilities	2,726,246
Total Liabilities	2,905,796
<b><u>Net Assets</u></b>	
Invested in Capital Assets, Net of Related Debt	5,868,440
Unrestricted	2,441,114
	8,309,554
Total Net Assets	\$8,309,554

See accompanying notes to the basic financial statements

**Marion County, Ohio**  
Statement of Revenues, Expenses, and Change in Fund Net Assets  
**Enterprise Fund**  
For the Year Ended December 31, 2006

	<u>Sewer District</u>
<b><u>Operating Revenues</u></b>	
Charges for Services	\$1,072,083
Other	<u>1,681</u>
Total Operating Revenues	<u>1,073,764</u>
<b><u>Operating Expenses</u></b>	
Personal Services	365,153
Fringe Benefits	53,088
Materials and Supplies	41,576
Contractual Services	207,012
Depreciation	333,075
Other	<u>73,699</u>
Total Operating Expenses	<u>1,073,603</u>
Operating Income	<u>161</u>
<b><u>Non-Operating Revenues (Expenses)</u></b>	
Interest Revenue	46,190
Interest Expense	<u>(101,468)</u>
Total Non-Operating Revenues (Expenses)	<u>(55,278)</u>
Loss Before Contributions	(55,117)
Capital Contributions	<u>91,878</u>
Change in Net Assets	36,761
Net Assets at Beginning of Year	<u>8,272,793</u>
Net Assets at End of Year	<u><u>\$8,309,554</u></u>

See accompanying notes to the basic financial statements

**Marion County, Ohio**  
Statement of Cash Flows  
**Enterprise Fund**  
For the Year Ended December 31, 2006

	Sewer District
<b><u>Increase (Decrease) in Cash and Cash Equivalents</u></b>	
<b><u>Cash Flows from Operating Activities</u></b>	
Cash Received from Customers	\$1,092,558
Cash Received from Other Revenues	1,681
Cash Payments for Personal Services	(361,854)
Cash Payments for Fringe Benefits	(53,752)
Cash Payments for Materials and Supplies	(34,149)
Cash Payments for Contractual Services	(207,012)
Cash Payments for Other Expenses	(73,699)
	363,773
Net Cash Provided by Operating Activities	363,773
<b><u>Cash Flows from Capital and Related</u></b>	
<b><u>Financing Activities</u></b>	
Cash Received from Capital Contributions	91,878
Cash Payments for Principal on General Obligation Bonds	(95,000)
Cash Payments for Interest on General Obligation Bonds	(99,265)
Cash Payments for Principal on Issue II Loans	(41,621)
	(144,008)
Net Cash Used for Capital and Related Financing Activities	(144,008)
<b><u>Cash Flows from Investing Activities</u></b>	
Interest Revenue	46,190
	46,190
Net Increase in Cash and Cash Equivalents	265,955
Cash and Cash Equivalents at Beginning of Year	1,981,798
Cash and Cash Equivalents at End of Year	\$2,247,753
<b><u>Reconciliation of Operating Income</u></b>	
<b><u>to Net Cash Provided by Operating Activities</u></b>	
Operating Income	\$161
<b><u>Adjustments to Reconcile Operating Income</u></b>	
<b><u>to Net Cash Provided by Operating Activities</u></b>	
Depreciation	333,075
Changes in Assets and Liabilities	
Decrease in Accounts Receivable	20,282
Decrease in Interfund Receivable	193
Decrease in Accrued Wages Payable	(301)
Increase in Accounts Payable	7,427
Decrease in Matured Compensated Absences Payable	(6,418)
Decrease in Due to Other Governments	(706)
Increase in Compensated Absences Payable	10,060
	363,773
Net Cash Provided by Operating Activities	\$363,773

See accompanying notes to the basic financial statements

**Marion County, Ohio**  
Statement of Fiduciary Assets and Liabilities  
**Agency Funds**  
December 31, 2006

**Assets**

Equity in Pooled Cash and Cash Equivalents	\$8,226,507
Cash and Cash Equivalents in Segregated Accounts	1,591,337
Due from Other Governments	2,930,126
Due from External Party	730
Property Taxes Receivable	35,144,307
Special Assessments Receivable	1,494,160
	<hr/>
Total Assets	\$49,387,167
	<hr/> <hr/>

**Liabilities**

Due to Employees	\$4,847
Due to Other Governments	41,952,920
Due to External Party	20,000
Undistributed Assets	5,395,396
Deposits Held and Due to Others	1,591,337
Payroll Withholdings	422,667
	<hr/>
Total Liabilities	\$49,387,167
	<hr/> <hr/>

See accompanying notes to the basic financial statements

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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**NOTE 1 - DESCRIPTION OF MARION COUNTY AND THE REPORTING ENTITY**

**A. The County**

Marion County, Ohio (County) was created in 1824. The County is governed by a board of three Commissioners elected by the voters of the County. Other officials elected by the voters of the County that manage various segments of the County's operations are the Auditor, Treasurer, Recorder, two Common Pleas Court Judges, a Family Court Judge, a Juvenile/Probate Court Judge, Engineer, Clerk of Courts, Coroner, Prosecuting Attorney, and Sheriff. Although the elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures as well as serve as the budget and taxing authority, contracting body, and the chief administrators of public services for the entire County.

**B. Reporting Entity**

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

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

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; 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 unit column on the financial statements reflects the financial data of the County's discretely presented component unit. It is reported separately to emphasize that it is legally separate from the County.

Marion Area Retarded Children and Adults (MARCA) Industries - MARCA Industries is a legally separate not-for-profit corporation served by a board of trustees whose appointment is approved by the board of trustees and confirmed by the Marion County Board of Mental Retardation and Developmental Disabilities (MRDD). MARCA is under a contractual agreement with the Marion County Board of MRDD and provides sheltered employment for mentally retarded or handicapped adults in Marion County. The Marion County Board of MRDD provides MARCA with staff salaries, transportation, equipment (except that used directly in the production of goods or rendering of services), staff to administer and supervise training programs, and other funds as necessary for the operation of MARCA. Based on the significant relationship between the County and MARCA due to the services and resources provided by the County to MARCA and MARCA's sole purpose of providing assistance to the retarded and handicapped adults of Marion County, MARCA is presented as a component unit of Marion County. Its exclusion from the County's financial statements would cause the financial statements to be misleading. MARCA operates on a fiscal year ending June 30. Separately issued financial statements can be obtained from MARCA Industries, 2387 Harding Highway East, Marion, Ohio 43302.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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Joint Ventures - The County participates in three joint ventures; the Marion-Crawford Mental Health Board, Marion-Hardin Corrections Commission, and Northland Homes and Properties Inc. (See Note 21)

Jointly Governed Organizations - The County participates in four jointly governed organizations; the Marion County Regional Planning Commission, Marion County Family and Children First Council, the Delaware-Knox-Marion-Morrow Joint Solid Waste Management District, and the Clearwater Council of Governments. (See Note 22)

Insurance Pool - The County participates in the County Risk Sharing Authority, Inc. (CORSA). (See Note 23)

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Marion County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its enterprise fund provided they do not conflict with or contradict GASB pronouncements. The County has elected not to apply FASB Statements and Interpretations issued after November 30, 1989. Following are the more significant of the County's accounting policies.

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities.

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

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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Fund Financial Statements

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

B. Fund Accounting

The County uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the County are reported in three categories; governmental, proprietary, and fiduciary.

Governmental Funds

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

General Fund - The General Fund accounts for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Ohio.

Job and Family Services Fund - This fund accounts for various state and federal grants as well as transfers from the General Fund used to provide public assistance to general relief recipients, to pay their providers of medical assistance, and for certain public social services.

Motor Vehicle Gasoline Tax Fund - This fund accounts for state gasoline tax and motor vehicle registration fees used for maintenance and improvement of County roads.

Children Services Fund - This fund accounts for monies received from a tax levy, state and federal grants, support collection, and VA and Social Security. Major expenditures are for foster homes, emergency shelters, medical treatment, school supplies, counseling, and parental training.

Mental Disabilities Fund - This fund accounts for the operation of a school and the costs of administering a workshop for the developmentally disabled. Revenue sources are a county-wide property tax levy and state and federal grants.

The other governmental funds of the County account for grants and other resources whose use is restricted for a particular purpose.

Proprietary Fund

Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position, and cash flows.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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Enterprise Fund - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following is the County's major enterprise fund:

Sewer District Fund - This fund accounts for the provision of wastewater treatment services to residential and commercial users within the County.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held by the County under a trust agreement for individuals, private organizations, or other governments and are not available to support the County's own programs. The County did not have any trust funds in 2006. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The County's agency funds account for assets held by the County for political subdivisions in which the County acts as fiscal agent and for taxes, state-levied shared revenues, and fines and forfeitures collected and distributed to other political subdivisions.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net assets. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net assets.

Fund Financial Statements

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

Like the government-wide financial statements, the enterprise fund is accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of fund net assets. The statement of revenues, expenses, and changes in fund net assets presents increases (e.g., revenues) and decreases (e.g., expenses) in total net assets. The statement of cash flows reflects how the County finances and meets the cash flow needs of its enterprise activity.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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D. Basis of Accounting

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

Revenues - Exchange and Nonexchange Transactions

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

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, sales taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the year in which the sales are made. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end: sales taxes, charges for services, fines and forfeitures, state-levied locally shared taxes (including gasoline tax and motor vehicle license tax), grants, and interest.

Deferred Revenues

Deferred revenues arise when assets are recognized before the revenue recognition criteria have been satisfied.

Property taxes for which there was an enforceable legal claim at December 31, 2006, but were levied to finance 2007 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements were met have also been recorded as deferred revenue.

On governmental fund financial statements, receivables that were not collected within the available period are recorded as deferred revenue.

Expenses/Expenditures

On the accrual basis, expenses are recognized at the time they are incurred.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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

E. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the County Commissioners may appropriate. The appropriations resolution is the County Commissioners authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by the County Commissioners at the fund, program, department, and object level for all funds. A budget was not required to be prepared for the Senior Service Levy special revenue fund since actual cash activity did not begin until 2007.

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

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

F. Cash and Investments

To improve cash management, cash received by the County is pooled and invested. Individual fund integrity is maintained through County records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

Cash and cash equivalents that are held separately within departments of the County or with Clearwater Council of Governments are recorded as "Cash and Cash Equivalents in Segregated Accounts" and "Cash and Cash Equivalents with Fiscal Agent", respectively.

During 2006, the County invested in nonnegotiable certificates of deposit, federal agency securities, mutual funds, and STAR Ohio. Investments are reported at fair value, except for nonnegotiable certificates of deposit, which are reported at cost. Fair value is based on quoted market price or current share price. STAR Ohio is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2006.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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Interest earnings are allocated to County funds according to State statutes, grant requirements, or debt related restrictions. Interest revenue credited to the General Fund during 2006 was \$1,720,340, which includes \$1,606,296, assigned from other County funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

G. Loans Receivable

Loans receivable represent the right to receive repayment for certain loans made by the County. These loans are based upon written agreements between the County and the various loan recipients. Reported loans receivable is offset by a fund balance reserve in the governmental funds for the long-term portion which indicates that it does not constitute available expendable resources even though it is a component of net current assets.

H. Unamortized Bond Issuance Costs

Issuance costs are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Issuance costs are recorded as deferred charges.

I. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column on the government-wide statement of net assets but are not reported on the fund financial statements. Capital assets used by the enterprise fund are reported in both the business-type activity column on the government-wide statement of net assets and in the fund.

All capital assets are capitalized at cost and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The County maintains a capitalization threshold of ten thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of enterprise fund capital assets is also capitalized.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

All capital assets are depreciated, except for land, land improvements, and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. The County reports all infrastructure, including that acquired prior to 1980. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activity Estimated Lives
Buildings	40-150 years	40 years
Improvements Other than Buildings	40-100 years	40 years
Roads, Bridges, Culverts, and Traffic Signals	50 years	N/A
Machinery and Equipment	7-10 years	7-10 years
Vehicles	7-10 years	7-10 years
Sewer Lines	N/A	50 years

**J. Interfund Receivables/Payables**

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services provided are reported as "Interfund Receivables/Payables". Interfund balances are eliminated on the statement of net assets, except for any net residual amounts due between governmental and business-type activities. These amounts are presented as "Internal Balances".

**K. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the County will compensate the employees for the benefits through paid time off or some other means. The County records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the County has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year end taking into consideration any limits specified in the County's union contracts or departmental personnel policies.

The entire compensated absences liability is reported on the government-wide financial statements.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees who have accumulated unpaid leave are paid.

L. Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. General obligation bonds, special assessment bonds, and long-term loans are recognized as liabilities on the fund financial statements when due.

M. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include activities of the County Auditor, County Treasurer, County Recorder, Board of Elections, and Courts. The County's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. The County did not have any net assets restricted by enabling legislation at December 31, 2006.

N. Fund Balance Reserves

The County reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Fund balance reserves have been established for encumbrances, interfund receivable, and loans receivable.

O. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the County, these revenues are charges for services for sanitary sewer and storm water runoff. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

P. Capital Contributions

Capital contributions arise from the contributions from other governments and tap in fees.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

**Q. Internal Activity**

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general revenues.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities.

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 nonoperating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**R. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence.

**S. 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 3 - CORRECTION OF AN ERROR AND RESTATEMENT OF FUND BALANCE/NET ASSETS**

In prior years, the County failed to report moneys held by a third party on behalf of the County. The restatement due to this correction had the following effect on fund balance/net assets as they were previously reported.

	General	Job and Family Services	Motor Vehicle Gasoline Tax	Children Services
Fund Balance December 31, 2005	\$6,535,168	\$317,921	\$567,155	\$5,069,908
Cash and Cash Equivalents	0	0	0	0
Adjusted Fund Balance	<u>\$6,535,168</u>	<u>\$317,921</u>	<u>\$567,155</u>	<u>\$5,069,908</u>

	Mental Disabilities	Other Governmental Funds	Total Governmental Funds
Fund Balance December 31, 2005	\$3,536,768	\$6,436,611	\$22,463,531
Cash and Cash Equivalents	748,636	0	748,636
Adjusted Fund Balance	<u>\$4,285,404</u>	<u>\$6,436,611</u>	<u>\$23,212,167</u>

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

	Total Governmental Activities
Net Assets, December 31, 2005	\$66,166,857
Cash and Cash Equivalents	748,636
Adjusted Net Assets	\$66,915,493

**NOTE 4 - ACCOUNTABILITY AND COMPLIANCE**

**A. Accountability**

At December 31, 2006, the Capital Improvement, Dog and Kennel, and TIF Project capital projects funds had deficit fund balances, in the amount of \$298,356, \$83,906, and \$43,943, respectively. The deficits resulted from adjustments for accrued liabilities. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

**B. Compliance**

For the year ended December 31, 2006, the General Fund had expenditures plus encumbrances in excess of appropriations in the following accounts:

<u>Program/Department/Object</u>	<u>Appropriations</u>	<u>Expenditures and Encumbrances</u>	<u>Excess</u>
Human Services			
Veteran Services			
Materials and Supplies	\$2,000	\$3,587	\$1,587
Other	0	426	426

The Prepayment Interest special revenue fund have final appropriations in excess of estimated resources and available balances, in the amount of \$232.

The County will monitor budgetary transactions to avoid this situation in the future.

**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statements of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual - for the General Fund, and the Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, and Mental Disabilities special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

The major differences between the budget basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

Adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis are as follows:

Changes in Fund Balance

	General	Job and Family Services	Motor Vehicle Gasoline Tax
GAAP Basis	\$133,215	\$87,123	(\$28,500)
<u>Increase (Decrease) Due To</u>			
Revenue Accruals:			
Accrued 2005, Received in Cash 2006	791,545	685	331,887
Accrued 2006, Not Yet Received in Cash	(906,343)	(22)	(337,434)
Expenditure Accruals:			
Accrued 2005, Paid in Cash 2006	(373,668)	(209,929)	(231,072)
Accrued 2006, Not Yet Paid in Cash	529,254	521,301	219,803
Cash Adjustments:			
Unrecorded Activity 2005	352,698	2,937	0
Unrecorded Activity 2006	(358,253)	(265,912)	(4,379)
Advances - In	299,525	0	0
Advances - Out	(460,826)	0	0
Encumbrances Outstanding at Year End (Budget Basis)	(364,939)	(484,326)	(17,686)
Budget Basis	(\$357,792)	(\$348,143)	(\$67,381)

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

Changes in Fund Balance  
(continued)

	Children Services	Mental Disabilities
GAAP Basis	\$52,057	\$641,231
<u>Increase (Decrease) Due To</u>		
Revenue Accruals:		
Accrued 2005, Received in Cash 2006	369,647	519,876
Accrued 2006, Not Yet Received in Cash	(156,899)	(590,375)
Expenditure Accruals:		
Accrued 2005, Paid in Cash 2006	(66,857)	(228,588)
Accrued 2006, Not Yet Paid in Cash	99,491	183,406
Cash Adjustments:		
Unrecorded Activity 2005	95,031	179,946
Unrecorded Activity 2006	(45,333)	(155,178)
Nonbudgeted Activity	(4,483)	312,382
Encumbrances Outstanding at Year End (Budget Basis)	0	(638,421)
Budget Basis	\$342,654	\$224,279

**NOTE 6 - 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 demands upon the County treasury. Active moneys must be maintained either as cash in the County treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Moneys held by the County, which are not considered active, are classified as inactive. Inactive moneys may be deposited or invested in the following securities provided a written investment policy has been filed with the Ohio Auditor of State:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States, or any book entry zero-coupon United States treasury security that is a direct obligation of the United States;

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or its political subdivisions, provided that such political subdivisions are located wholly or partly within the County;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio);
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to exchange similar securities, or cash, equal value for equal value;
9. Up to twenty-five percent of the County's average portfolio in either of the following:
  - a. commercial paper notes in entities incorporated under the laws of Ohio or any other State that have assets exceeding five hundred million dollars rated at the time of purchase, which are rated in the highest qualification established by two nationally recognized standard rating services, which do not exceed 10 percent of the value of the outstanding commercial paper of the issuing corporation, and which mature within two hundred seventy days after purchase;
  - b. bankers acceptances eligible for purchase by the federal reserve system and which mature within one hundred eighty days after purchase;
10. Up to 15 percent of the County's average portfolio in notes issued by United States corporations or by depository institutions that are doing business under authority granted by the United States provided that the notes are rated in the second highest or higher category by at least two nationally recognized standard rating services at the time of purchase and the notes mature within two years from the date of purchase;
11. No-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service consisting exclusively of obligations guaranteed by the United States, securities issued by a federal government agency or instrumentality, and/or highly rated commercial paper; and
12. Up to 1 percent of the County's average portfolio in debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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

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

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the County will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$10,771,414 of the County's bank balance of \$36,173,555 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although all State statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the County to a successful claim by the FDIC.

The County has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the County or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least 105 percent of the deposits being secured.

Investments

As of December 31, 2006, the County had the following investments:

	Total	Maturity
Federal Home Loan Mortgage Corporation Notes	\$489,812	4/19/2007
Mutual Funds	59,094	45 Days
STAR Ohio	504,767	35 Days
Total Investments	\$1,053,673	

Interest rate risk arises because potential purchases of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The investment policy restricts the Treasurer from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless matched to a specific obligation or debt of the County.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

The Federal Home Loan Mortgage Corporation Notes and the mutual funds carry a rating of Aaa by Moodys. STAR Ohio carries a rating of AAA by Standard and Poor's. The County has no policy dealing with credit risk beyond the requirements of State statute. Ohio law requires that no-load money market mutual funds be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service and that STAR Ohio maintains the highest rating provided by at least one nationally recognized standard rating service.

The County places no limit on the amount of its inactive monies it may invest in a particular security. The Federal Home Loan Mortgage Corporation Notes represent 46.49 percent of total investments.

**NOTE 7 - RECEIVABLES**

Receivables at December 31, 2006, consisted of accounts (billings for user charged services); sales taxes; accrued interest; intergovernmental receivables arising from grants, entitlements, and shared revenues; interfund; property taxes; amounts due from an external party; loans; and special assessments. All receivables are considered collectible in full and within one year, except for interfund, loans, and special assessments. Special assessments, in the amount of \$101,096, will not be received within one year. As of December 31, 2006, delinquent special assessments were \$23,768.

Loans receivable represent low interest loans for development projects granted to eligible County businesses under the Federal Community Block Grant program. The loans have an annual interest rate of 3 to 5 percent and are to be repaid over periods ranging from five to ten years. New loans, in the amount of \$70,600, were issued in 2006. Principal, in the amount of \$11,299, was repaid during the year. There was \$14,023 in loans that were considered uncollectible and written off during 2006. Loans outstanding at December 31, 2006, were \$108,768. Loans receivable, in the amount of \$98,062, will not be received within one year.

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
Major Funds	
General Fund	
Fines and Forfeitures	\$10,089
Local Government	664,919
Homestead and Rollback	110,284
Tangible Personal Reimbursement	13,212
Grants	36,683
Charges for Services	102,278
Other	11,894
Total General Fund	949,359
Job and Family Services	
Grants	455,532
	(continued)

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

	Amount
Governmental Activities (continued)	
Major Funds (continued)	
Motor Vehicle Gasoline Tax	
Permissive Motor Vehicle License Tax	\$78,584
Motor Vehicle License Tax	880,384
Gasoline Tax	1,161,223
Total Motor Vehicle Gasoline Tax	2,120,191
Children Services	
Homestead and Rollback	61,828
Tangible Personal Reimbursement	13,763
Grants	525,899
Total Children Services	601,490
Mental Disabilities	
Homestead and Rollback	124,761
Tangible Personal Reimbursement	23,947
Reimbursements	221,818
Grants	741,244
Total Mental Disabilities	1,111,770
Total Major Funds	5,238,342
Nonmajor Funds	
Child Support Enforcement - Charges for Services	14,888
Mental Health - Homestead and Rollback	45,604
Mental Health - Tangible Personal Reimbursement	5,505
North Central Ohio Rehabilitation Center - Grants	257,059
Drug Law Enforcement - Fines and Forfeitures	17,000
Prison Reduction - Grants	147,782
Felony Delinquent Care and Custody - Grants	336,322
Enhanced 911 - Cell Phone Fees	13,992
DWI Education - Fines	107
Jail Reduction - Grants	24,753
Community Development Block Grant - Grants	13,000
Litter Control and Recycling - Grants	225
Senior Service Levy - Homestead and Rollback	36,361
Marca - Homestead and Rollback	12,366

(continued)

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

	Amount
Governmental Activities (continued)	
Nonmajor Funds (continued)	
Marca - Tangible Personal Reimbursement	\$2,752
Coliseum Levy - Tangible Personal Reimbursement	1,651
Northwest Intercept - Grant	21,673
Total Nonmajor Funds	951,040
Total Governmental Activities	\$6,189,382
Agency Funds	
Motor Vehicle License and Gasoline Tax	\$710,569
Library Local Government	1,223,154
Local Government	899,596
Municipal Permissive License Tax	87,375
Homestead and Rollback	9,432
Total Agency Funds	\$2,930,126

**NOTE 8 - PERMISSIVE SALES AND USE TAX**

The County Commissioners, by resolution, imposed a 1 percent tax on all retail sales made in the County, except sales of motor vehicles, and on the storage, use, or consumption of tangible personal property in the County, including motor vehicles not subject to the sales tax. Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies, to the State Auditor, the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of each month. The State Auditor then has five days in which to draw the warrant payable to the County.

**NOTE 9 - PROPERTY TAXES**

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the County. Real property tax revenues received in 2006 represent the collection of 2005 taxes. Real property taxes received in 2006 were levied after October 1, 2005, on the assessed values as of January 1, 2005, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in 2006 represent the collection of 2005 taxes. Public utility real and tangible personal property taxes received in 2006 became a lien on December 31, 2004, were levied after October 1, 2005, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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Tangible personal property tax revenues received in 2006 (other than public utility property) represent the collection of 2006 taxes. Tangible personal property taxes received in 2006 were levied after October 1, 2005, on the true value as of December 31, 2005. In prior years, tangible personal property was assessed at 25 percent of true value for capital assets and 23 percent for inventory. The tangible personal property tax is being phased out. The assessment percentage for all property, including inventory, for 2006 is 18.75 percent. This will be reduced to 12.5 percent for 2007, 6.25 percent for 2008, and zero for 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The County Treasurer collects property taxes on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portion of the taxes collected. The collection and distribution of taxes for all subdivisions within the County, excluding the County itself, is accounted for through agency funds. The amount of the County's tax collections is accounted for within the applicable funds.

Accrued property taxes receivable represents real property, public utility property, and tangible personal property taxes which were measurable as of December 31, 2006, and for which there was an enforceable legal claim. In governmental funds, the entire receivable has been deferred since current taxes were not levied to finance 2006 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On the accrual basis, delinquent real property taxes have been recorded as a receivable and revenue while the remainder has been deferred.

The full tax rate for all County operations for the year ended December 31, 2006, was \$10.75 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2006 property tax receipts were based are as follows:

Category	Amount
Real Property	\$852,071,770
Public Utility Personal Property	61,813,940
Tangible Personal Property	141,050,605
Total Assessed Value	<u>\$1,054,936,315</u>

During 2006, the voters approved a .8 mill property tax levy for operating costs at the Senior Citizens Center.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

**NOTE 10 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2006, was as follows:

	Balance 12/31/2005	Additions	Reductions	Balance 12/31/2006
Governmental Activities				
Nondepreciable Capital Assets				
Land	\$606,059	\$0	\$0	\$606,059
Land Improvements	6,728,367	0	0	6,728,367
Construction in Progress	36,700	3,291,484	0	3,328,184
Total Nondepreciable Capital Assets	<u>7,371,126</u>	<u>3,291,484</u>	<u>0</u>	<u>10,662,610</u>
Depreciable Capital Assets				
Buildings	26,993,698	65,955	0	27,059,653
Improvements Other than Buildings	2,094,723	116,143	0	2,210,866
Roads, Bridges, Culverts, and Traffic Signals	30,243,199	5,530,129	(412,447)	35,360,881
Machinery and Equipment	3,085,658	55,008	(141,556)	2,999,110
Vehicles	2,946,679	552,216	(205,075)	3,293,820
Total Depreciable Capital Assets	<u>65,363,957</u>	<u>6,319,451</u>	<u>(759,078)</u>	<u>70,924,330</u>
Less Accumulated Depreciation for				
Buildings	(8,322,818)	(757,320)	0	(9,080,138)
Improvements Other than Buildings	(1,349,085)	(131,053)	0	(1,480,138)
Roads, Bridges, Culverts, and Traffic Signals	(9,893,048)	(849,683)	92,485	(10,650,246)
Machinery and Equipment	(2,003,391)	(177,606)	135,119	(2,045,878)
Vehicles	(1,835,574)	(299,350)	163,031	(1,971,893)
Total Accumulated Depreciation	<u>(23,403,916)</u>	<u>(2,215,012)</u>	<u>390,635</u>	<u>(25,228,293)</u>
Total Depreciable Capital Assets, Net	<u>41,960,041</u>	<u>4,104,439</u>	<u>(368,443)</u>	<u>45,696,037</u>
Governmental Activities Capital Assets, Net	<u>\$49,331,167</u>	<u>\$7,395,923</u>	<u>(\$368,443)</u>	<u>\$56,358,647</u>

During 2006, the County accepted contributions of depreciable capital assets for governmental activities with a fair value of \$4,819,706.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
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	Balance 12/31/2005	Additions	Reductions	Balance 12/31/2006
Business-Type Activity				
Nondepreciable Capital Assets				
Land	\$177,568	\$0	\$0	\$177,568
Depreciable Capital Assets				
Buildings	11,111,885	0	0	11,111,885
Machinery and Equipment	262,508	0	0	262,508
Vehicles	178,692	0	0	178,692
Sewer Lines	2,924,633	0	0	2,924,633
Total Depreciable Capital Assets	14,477,718	0	0	14,477,718
Less Accumulated Depreciation for				
Buildings	(5,079,100)	(250,805)	0	(5,329,905)
Machinery and Equipment	(116,436)	(12,563)	0	(128,999)
Vehicles	(143,252)	(11,215)	0	(154,467)
Sewer Lines	(330,654)	(58,492)	0	(389,146)
Total Accumulated Depreciation	(5,669,442)	(333,075)	0	(6,002,517)
Total Depreciable Capital Assets, Net	8,808,276	(333,075)	0	8,475,201
Business-Type Activity Capital Assets, Net	<u>\$8,985,844</u>	<u>(\$333,075)</u>	<u>\$0</u>	<u>\$8,652,769</u>

Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
General Government	
Legislative and Executive	\$553,248
Judicial	48,085
Public Safety	229,193
Public Works	1,006,983
Health	266,007
Human Services	111,496
Depreciation Expense - Governmental Activities	<u>\$2,215,012</u>

**NOTE 11 - INTERFUND RECEIVABLES/PAYABLES**

At December 31, 2006, the General Fund had an interfund receivable, in the amount of \$734,312; \$300 from the Job and Family Services Fund and \$734,012 from other governmental funds. These amounts are for services provided and from providing cash flow resources until the receipt of grant moneys.

The Job and Family Services fund had an interfund receivable, in the amount of \$22, from other governmental funds for services provided.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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The Motor Vehicle and Gasoline Tax fund had an interfund receivable, in the amount of \$124, from other governmental funds for services provided.

The Children Services fund had an interfund receivable, in the amount of \$4,575, from other governmental funds for services provided.

Other governmental funds had an interfund receivable, in the amount of \$273,834; \$208 from the Job and Family Services fund and \$273,626 from other governmental funds. These amounts are from providing cash flow resources until the receipt of grant moneys.

The Sewer District fund had an interfund receivable, in the amount of \$880; \$455 from the General Fund and \$425 from other governmental funds for services provided.

Interfund receivables in the General Fund and other governmental funds, in the amount of \$462,433 and \$273,626, respectively, will not be received within one year.

**NOTE 12 - RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has contracted with the County Risk Sharing Authority (CORSA) and the Archer Meek Weiler Agency, Inc. for the following coverage.

<u>CORSA</u>	
Property	\$86,663,697
General Liability	1,000,000
Commercial Crime	1,000,000
Boiler and Machinery	100,000,000
Excess Liability	5,000,000
Automobile Liability	1,000,000
Police Professional Liability	1,000,000
 <u>Archer Meek Weiler Agency, Inc.</u>	
Helicopter Aviation and Liability	1,000,000

Settled claims have not exceeded this commercial coverage in any of the last three years.

The County pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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**NOTE 13 - SIGNIFICANT CONTRACTUAL COMMITMENTS**

The County had the following contractual commitments outstanding as of December 31, 2006:

<u>Contractor</u>	<u>Purpose</u>	<u>Commitment</u>
Elite Excavating	Legacy Crossing	\$112,781
Quality Control Inspection	Legacy Crossing	36,621
Kokosing Construction	Menards	250,141
Quality Control Inspection	Menards	30,570

**NOTE 14 - DEFINED BENEFIT PENSION PLANS**

**A. Ohio Public Employees Retirement System**

The County participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by OPERS to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

For the year ended December 31, 2006, members of all three plans, except those in law enforcement participating in the traditional plan, were required to contribute 9 percent of their annual covered salary to fund pension obligations. Members participating in the traditional plan, who were in law enforcement, contributed 10.1 percent of their annual covered salary. The County's contribution rate for pension benefits for 2006 was 9.2 percent, except for those plan members in law enforcement or public safety. For those classifications, the County's pension contributions were 12.43 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The County's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2006, 2005, and 2004 was \$1,844,277, \$1,834,663, and \$1,680,708, respectively; 92 percent has been contributed for 2006 and 100 percent has been contributed for 2005 and 2004. The unpaid contribution for 2006 is recorded as a liability. Contributions to the member-directed plan for 2006 were \$26,155 by the County and \$17,182 by plan members.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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**B. State Teachers Retirement System**

For certified teachers employed by the school for mental retardation and developmental disabilities, the County contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

New members have a choice of three retirement plans, a Defined Benefit Plan (DBP), a Defined Contribution Plan (DCP), and a Combined Plan (CP). The DBP offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service or on an allowance based on member contributions and earned interest matched by STRS funds multiplied by an actuarially determined annuity factor. The DCP allows members to place all of their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age fifty and termination of employment. The CP offers features of both the DBP and DCP. In the CP, member contributions are invested by the member and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DBP. DCP and CP members will transfer to the DBP during their fifth year of membership unless they permanently select the DCP or CP. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balance from the existing DBP into the DCP or CP. This option expired on December 31, 2001.

A DBP or CP member with five or more years of credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DCP who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

For the fiscal year ended June 30, 2006, plan members were required to contribute 10 percent of their annual covered salary and the County was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers.

The County's required contribution for pension obligations for the DBP for the years ended December 31, 2006, 2005, and 2004 was \$19,745, \$24,764 and \$29,516, respectively; 94 percent has been contributed for 2006 and 100 percent has been contributed for 2005 and 2004. There were no contributions for the DCP and CP for the fiscal year ended June 30, 2006.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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**NOTE 15 - POSTEMPLOYMENT BENEFITS**

**A. Ohio Public Employees Retirement System**

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers". A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2006 employer contribution rate was 13.7 percent of covered payroll (16.93 percent for law enforcement and public safety); 4.5 percent was the portion used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2005, include a rate of return on investments of 6.5 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees), and an additional increase in total payroll of between .5 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase .5 to 6 percent annually for the next nine years and 4 percent annually after nine years.

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

The number of active contributing participants in the traditional and combined plans was 369,214. Actual employer contributions for 2006 which were used to fund postemployment benefits was \$878,850. The actual contribution and the actuarial required contribution amounts are the same. OPERS's net assets available for the payment of benefits at December 31, 2005 (the latest information available), was \$11.1 billion. The actuarial accrued liability and the unfunded actuarial accrued liability were \$31.3 billion and \$20.2 billion, respectively.

In September 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs. As an additional component of the HCPP, member and employer contribution rates increased as of January 1, 2006, and January 1, 2007, which will allow additional funds to be allocated to the health care plan.

**B. State Teachers Retirement System**

The County provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS). Benefits include hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare premiums. Benefit provisions and the obligation to contribute are established by STRS based on authority granted by State statute. STRS is funded on a pay-as-you-go basis.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. All benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. For fiscal year 2006, the Board allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. For the County, this amount was \$1,164.

STRS pays health care benefits from the Health Care Stabilization Fund. The balance in the Fund was \$3.5 billion at June 30, 2006. For the fiscal year ended June 30, 2006, net health care costs paid by STRS were \$282,743,000, and STRS had 119,184 eligible benefit recipients.

**NOTE 16 - OTHER BENEFITS**

**A. Compensated Absences**

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws.

County employees earn and accumulate vacation at varying rates depending on length of service. Current policy credits vacation leave on the employee's anniversary date. Accumulated vacation cannot exceed three times the annual accumulation rate for an employee. Employees are paid for 100 percent of earned unused vacation leave upon termination.

Sick leave is earned at various rates as defined by County policy and union contracts and accumulates without limit. Sick leave benefits are paid upon retirement based on various rates and maximums depending on the contract.

**B. Health Care Benefits**

The County provides medical/surgical benefits through United Health Care, a health maintenance organization. The employees share the cost of the monthly premium with the County. The premium varies with employee depending on marital and family status and on the union contract, where applicable.

**NOTE 17 - NOTES PAYABLE**

A summary of the note transactions for the year ended December 31, 2006, is as follows:

	Balance 12/31/2005	Additions	Reductions	Balance 12/31/2006	Due Within One Year
Capital Projects Funds					
Legacy Crossing 4.5%	\$0	\$2,585,000	\$0	\$2,585,000	\$0
Menards 4.15%	0	751,000	0	751,000	751,000
<b>Total Notes Payable</b>	<b>\$0</b>	<b>\$3,336,000</b>	<b>\$0</b>	<b>\$3,336,000</b>	<b>\$751,000</b>

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

On May 4, 2006, the County issued bond anticipation notes, in the amount of \$2,585,000, to construct infrastructure for Legacy Crossing. The notes are to be repaid from moneys received from tax incremental financing agreements with property owners benefiting from the improvements. The notes had an interest rate of 4.5 percent and matured on May 3, 2007. The County had unexpended note proceeds related to these notes of \$37,011 at December 31, 2006.

On October 24, 2006, the County issued bond anticipation notes, in the amount of \$751,000, to construct infrastructure for the new Menards store. The notes are to be repaid from moneys received from tax incremental financing agreements with the property owners benefiting from the improvements. The notes had an interest rate of 4.15 percent and mature on October 23, 2007. The County had unexpended note proceeds related to these notes of \$315,477 at December 31, 2006.

**NOTE 18 - LONG-TERM OBLIGATIONS**

The original issue date, interest rate, and issue amount for the County's long-term obligations are as follows:

	<u>Original Issue Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>
<b>General Obligation Bonds</b>			
Various Purpose	2001	3 - 5.05%	\$11,130,409
Sewer Improvements	2005	3 - 4.375	2,625,000
<b>Special Assessment Bonds</b>			
Qu Qua Ditch	2001	3 - 5.05	269,591
<b>Issue II Loans</b>			
Sewer South	2000	0%	165,964
Bridges	1996	0	247,155
Sewer Improvements	1996	0	666,453

The County's long-term obligations activity for the year ended December 31, 2006, was as follows:

	<u>Balance 12/31/2005</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2006</u>	<u>Due Within One Year</u>
<b><u>Governmental Activities</u></b>					
<b>General Obligation Bonds</b>					
Various Purpose	\$9,686,012	\$0	\$401,301	\$9,284,711	\$383,238
<b>Special Assessment Bonds</b>					
Qu Qua Ditch	143,988	0	33,699	110,289	36,762
Issue II Loans	82,385	0	16,477	65,908	16,477

(continued)

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

	Balance 12/31/2005	Additions	Reductions	Balance 12/31/2006	Due Within One Year
Other Long-Term Obligations					
Vehicle Loans	\$27,513	\$0	\$27,513	\$0	\$0
Compensated Absences	1,452,140	36,766	82,332	1,406,574	690,331
Total Governmental Activities	<u>\$11,392,038</u>	<u>\$36,766</u>	<u>\$561,322</u>	<u>\$10,867,482</u>	<u>\$1,126,808</u>

Business-Type Activity

General Obligation Bonds					
Sewer Improvements	\$2,500,000	\$0	\$95,000	\$2,405,000	\$95,000
Issue II Loans	482,723	0	41,621	441,102	41,621
Compensated Absences	20,431	10,060	0	30,491	13,726
Total Business-Type Activity	<u>\$3,003,154</u>	<u>\$10,060</u>	<u>\$136,621</u>	<u>\$2,876,593</u>	<u>\$150,347</u>

Governmental Activities General Obligation Bonds and Special Assessment Bonds

In 2001, the County issued \$11,130,409 in various purpose general obligation and \$269,591 in special assessment bonds for constructing, equipping, and furnishing offices for the Job and Family Services Department, the administration building of County Justice Services, Marion-Hardin Correctional Center, the County Administration Building, and the County Animal Shelter, as well as to pay the costs for improving the QuQua Ditch. The bond issue included both serial and term bonds, in the amount of \$4,250,000 and \$7,150,000, respectively.

The repayment of the bonds will be from transfers from the General Fund for all construction and improvements, except for the Job and Family Services Department, the animal shelter, and a portion of the QuQua Ditch improvements. The portion of the bonds pertaining to the Job and Family Services Department will be paid from rental income from the Job and Family Services Department. A portion of the bonds pertaining to the QuQua Ditch improvements will be paid from special assessments which were levied against specific property owners who primarily benefited from the project. In the event that an assessed property owner fails to make payments or insufficient amounts are assessed to fund the debt, the County will be required to pay the related debt. The portion of the bonds related to the assessments collected for the QuQua Ditch improvements are being retired from the Ditch Drainage capital projects fund, the bonds related to the county animal shelter are being retired from the Dog and Kennel Construction capital projects fund, and the remaining bonds are being retired from the Bond Retirement debt service fund.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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The term bonds maturing on December 1, 2021, are subject to mandatory sinking fund redemption, in part by lot, pursuant to the terms of the mandatory sinking fund redemption requirements of the County. The mandatory redemption is to occur on December 1, in each of the years 2013 through 2020 (with the balance of \$435,000 to be paid at stated maturity on December 1, 2021), at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date, according to the following schedule:

<u>Year</u>	<u>Amount</u>
2013	\$295,000
2014	310,000
2015	320,000
2016	345,000
2017	355,000
2018	375,000
2019	390,000
2020	410,000
	<u>\$2,800,000</u>

The term bonds maturing on December 1, 2031, are subject to mandatory sinking fund redemption, in part by lot, pursuant to the terms of the mandatory sinking fund redemption requirements of the County. The mandatory redemption is to occur on December 1 in each of the years 2022 through 2030 (with the balance of \$310,000 to be paid at stated maturity on December 1, 2031), at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date, according to the following schedule:

<u>Year</u>	<u>Amount</u>
2022	\$455,000
2023	475,000
2024	505,000
2025	525,000
2026	550,000
2027	255,000
2028	265,000
2029	280,000
2030	295,000
	<u>\$3,605,000</u>

**Issue II Loans**

The Issue II loans are for improvements to a bridge and the wastewater facility. The bridge improvement loan will be paid from transfers from the Motor Vehicle Gasoline Tax special revenue fund. The loans issued for wastewater facility improvements will be paid from the Sewer District enterprise fund.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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Vehicle Loans

The vehicle loans were for the purchase of cruisers and were fully retired during 2006 from the Capital Improvements capital projects fund.

Business-Type Activity General Obligation Bonds

On March 30, 2005, the County issued \$2,625,000 in general obligation refunding bonds, consisting of \$1,395,000 in serial bonds and \$1,230,000 in term bonds, with interest rates of 3 percent to 4.375 percent, to refund \$1,301,100 of sewer improvement USDA revenue bonds and \$1,437,000 of sewer improvement general obligation bonds. The net proceeds and County's contribution, in the amount of \$2,554,170 and \$239,699, respectively, (after payment of \$70,830 in underwriter fees, insurance, and other issuance costs, of which \$1,768 was refunded back to the County) were delivered to the USDA/Rural Development office in Findlay, Ohio, to refund the bonds. As a result, \$1,301,100 of sewer improvement USDA revenue bonds and \$1,437,000 of sewer improvement general obligation bonds was paid off in 2005 and the liability for those bonds was removed from the County's long-term obligations.

The bonds maturing on or after December 1, 2016 are subject to prior redemption, by and at the sole option of the County, in whole or in part, on any date on or after December 1, 2015, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

The term bonds maturing on December 1, 2017, are subject to mandatory sinking fund redemption, in part by lot, pursuant to the terms of the mandatory sinking fund redemption requirements of the County. The mandatory redemption is to occur on December 1, in each of the years 2016 and 2017, in the amount of \$135,000 and \$140,000, respectively, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

The term bonds maturing on December 1, 2019, are subject to mandatory sinking fund redemption, in part by lot, pursuant to the terms of the mandatory sinking fund redemption requirements of the County. The mandatory redemption is to occur on December 1, in each of the years 2018 and 2019, in the amount of \$145,000 and \$150,000, respectively, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

The term bonds maturing on December 1, 2021, are subject to mandatory sinking fund redemption, in part by lot, pursuant to the terms of the mandatory sinking fund redemption requirements of the County. The mandatory redemption is to occur on December 1, in each of the years 2020 and 2021, in the amount of \$155,000 and \$160,000, respectively, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

The term bonds maturing on December 1, 2023, are subject to mandatory sinking fund redemption, in part by lot, pursuant to the terms of the mandatory sinking fund redemption requirements of the County. The mandatory redemption is to occur on December 1, in each of the years 2022 and 2023, in the amount of \$170,000 and \$175,000, respectively, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
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Compensated Absences

The compensated absences liability will be paid from the fund from which the employees' salaries are paid. These funds include the General Fund; the Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, Mental Disabilities, Child Support Enforcement, Real Estate Assessment, North Central Ohio Rehabilitation Center, Prison Reduction, Felony Delinquent Care and Custody, Jail Reduction, Disaster Services, Dog and Kennel, Litter Control and Recycling, Delinquent Real Estate Tax Assessment Prosecutor, Delinquent Real Estate Tax Assessment Treasurer, Computerization, and Certificate of Title special revenue funds; and the Sewer District enterprise fund.

The Ohio Revised Code 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 1 percent of the total assessed valuation of the County. The Revised Code 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 3 percent of the first \$100,000,000, plus 1.5 percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus 2.5 percent of such valuation in excess of \$300,000,000.

The effect of the debt limitations described above is an overall debt margin of \$15,432,432 at December 31, 2006.

The following is a summary of the County's future annual debt service requirements for governmental long-term obligations:

Year	General Obligation Bonds		Special Assessment Bonds		Issue II
	Principal	Interest	Principal	Interest	Loans
2007	\$383,236	\$443,280	\$36,763	\$4,228	\$16,477
2008	398,237	429,866	36,764	2,941	16,477
2009	408,238	413,937	36,762	1,471	16,477
2010	400,000	397,608	0	0	16,477
2011	265,000	381,607	0	0	0
2012-2016	1,550,000	1,717,588	0	0	0
2017-2021	1,965,000	1,293,037	0	0	0
2022-2026	2,510,000	747,148	0	0	0
2027-2031	1,405,000	219,928	0	0	0
	<u>\$9,284,711</u>	<u>\$6,043,999</u>	<u>\$110,289</u>	<u>\$8,640</u>	<u>\$65,908</u>

**Marion County, Ohio**  
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The County's future annual debt service requirements, including mandatory sinking fund requirements, payable from the enterprise fund are as follows:

Year	General Obligation Bonds		Issue II
	Principal	Interest	Loans
2007	95,000	96,415	41,621
2008	100,000	93,565	41,620
2009	100,000	90,315	41,621
2010	105,000	86,815	41,620
2011	110,000	83,140	41,621
2012-2016	615,000	348,512	208,104
2017-2021	750,000	212,644	24,895
2022-2025	530,000	47,170	0
	<u>\$2,405,000</u>	<u>\$1,058,576</u>	<u>\$441,102</u>

Conduit Debt

Issue	Original Amount	Outstanding Balance 12/31/2006
Hospital Revenue Bonds		
Issued Prior to 1996	\$257,140,000	Not Known
1996 Hospital Revenue Bonds	29,715,000	\$13,045,000
Industrial Development Bonds		
Issued Prior to 1996	4,255,000	Not Known
Mortgage Revenue Bonds		
Hearthside Apartments	2,200,000	2,150,000
Revenue Bonds		
Cardinal One Portfolio	21,447,000	21,447,000
Avalon Lakes Project	8,950,000	8,950,000

The proceeds were used to acquire, construct, improve, and equip facilities. The bonds do not constitute a general obligation debt or bonded indebtedness of the County. Neither is the full faith and credit or taxing authority of the County pledged to make repayment.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

**NOTE 19 - INTERFUND TRANSFERS**

During 2006, the following transfers were made:

		Transfers Out					Total
		General	Job and Family Services	Motor Vehicle Gasoline Tax	Children Services	Other Governmental	
Transfers In	General	\$0	\$0	\$8,159	\$0	\$37,500	\$45,659
	Job and Family Services	285,135	0	0	0	0	285,135
	Motor Vehicle Gasoline Tax	0	0	0	0	25,000	25,000
	Other Governmental	1,161,922	114,875	406,841	9,646	191,934	1,885,218
	<b>Total</b>	<b>\$1,447,057</b>	<b>\$114,875</b>	<b>\$415,000</b>	<b>\$9,646</b>	<b>\$254,434</b>	<b>\$2,241,012</b>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**NOTE 20 - MARCA INDUSTRIES**

The following disclosures are made on behalf of MARCA Industries.

The financial statements are prepared on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded at the time they are earned and expenses are recorded at the time the liabilities are incurred. The measurement focus is on the flow of economic resources basis. With this measurement focus, all assets and all liabilities associated with operations are included on the statement of net assets.

**Budgetary Data**

MARCA is not legally required to be budgeted and appropriated. Budgetary information for MARCA is not reported because it is not included in the entity for which the “appropriated budget” is adopted nor is separate budgetary information maintained.

**Cash and Investments**

MARCA’s money is held in segregated accounts. MARCA considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents. MARCA’s investments as of June 30, 2006, included mutual funds and federal agency securities. The mutual funds and federal agency securities have been presented as investments in segregated accounts on the statement of net assets.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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MARCA had investments consisting of the following at June 30, 2006:

	Fair Value
Growth and Income Funds	\$34,301
Money Market Asset Funds	6,731
Federal Home Loan Mortgage Corporation Notes	3,563
Total	<u>\$44,595</u>

Accounts Receivable

A significant portion of MARCA's annual revenues are generated from a limited number of customers located in the Marion area. Accounts receivable subject MARCA to a concentration of credit risk because approximately 79 percent of the accounts receivable at June 30, 2006, were represented by five Marion area business customers.

Contributions

MARCA has adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made". In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted depending on the existence or nature of any donor imposed restrictions.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2006, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense is reported in the year in which services are consumed.

Inventory

Inventory consists of janitorial supplies and is valued at cost using the first-in, first-out method of valuation.

Capital Assets

Additions and improvements to property and equipment are recorded at the original purchase cost or at the fair market value for donated assets. Depreciation is computed using the straight-line method at rates expected to amortize the cost of the assets over their useful lives, which range from ten to twenty-five years for leasehold improvements; from three to five years for used furniture and equipment; three to ten years for new furniture and equipment, and five years for vehicles, computer equipment, and software.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

A summary of MARCA's capital assets at June 30, 2006, follows:

	Balance July 1, 2005	Additions	Reductions	Balance June 30, 2006
Depreciable Capital Assets				
Property, Plant, and Equipment	\$425,043	\$56,368	(\$62,693)	\$418,718
Improvements	187,915	0	0	187,915
Computer Equipment	14,024	0	(3,000)	11,024
Total Depreciable Capital Assets	<u>626,982</u>	<u>56,368</u>	<u>(65,693)</u>	<u>617,657</u>
Less Accumulated Depreciation for				
Property, Plant, and Equipment	(366,418)	(25,993)	62,620	(329,791)
Improvements	(141,796)	(7,904)	0	(149,700)
Computer Equipment	(13,025)	0	2,001	(11,024)
Total Accumulated Depreciation	<u>(521,239)</u>	<u>(33,897)</u>	<u>64,621</u>	<u>(490,515)</u>
Capital Assets, Net	<u>\$105,743</u>	<u>\$22,471</u>	<u>(\$1,072)</u>	<u>\$127,142</u>

Long-Term Obligations

MARCA had long-term obligations at June 30, 2006, as follows:

	Interest Rate	Balance July 1, 2005	Additions	Reductions	Balance June 30, 2006	Due Within One Year
Notes Payable						
February 28, 1985	3%	\$32,434	\$0	\$5,645	\$26,789	\$5,695
January 4, 2006	4.5	0	49,550	3,718	45,832	9,288
Total Notes Payable		<u>\$32,434</u>	<u>\$49,550</u>	<u>\$9,363</u>	<u>\$72,621</u>	<u>\$14,983</u>

The note issued on February 28, 1985, is collateralized by MARCA's leasehold improvements, equipment, furniture, inventory, and accounts receivable. The note matures in 2010.

The note issued on January 4, 2006, is collateralized by a 2006 International Model 4300 Truck and all business assets including, but not limited, to all inventory, equipment, and accounts receivable. The note matures in 2011.

Principal requirements to retire these notes are as follows:

Year	Notes Payable
2007	\$14,983
2008	15,583
2009	16,206
2010	16,856
2011	8,993
Total	<u>\$72,621</u>

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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**NOTE 21 - JOINT VENTURES**

**A. Marion-Crawford Mental Health Board**

The Marion-Crawford Mental Health Board (ADAMH) is a two county political subdivision whose general purpose is to provide leadership in planning for and supporting community-based alcohol, drug addiction, and mental health services. This is in cooperation with public and private resources with emphasis on the development of prevention and early intervention programming while respecting, protecting, and advocating for the rights of persons as consumers of alcohol, drug addiction, and mental health services. The Board of Trustees of ADAMH consists of sixteen members. Eight members are appointed by the Marion County Commissioners and eight members are appointed by the Crawford County Commissioners. Marion County serves as the fiscal agent for the ADAMH Board. The Board receives tax revenues from the two counties and receives federal and state funding through grant moneys which are applied for and received by the Board of Trustees. The continued existence of the ADAMH is dependent on the continued participation of Marion County.

The ADAMH has not accumulated significant financial resources nor is the ADAMH experiencing fiscal stress that may cause additional financial benefit to or burden on the County in the future.

The County cannot significantly influence the operations of the ADAMH Board. The Board has sole budgetary authority and controls surpluses and deficits, and the County is not legally obligated for the Board's debt. In 2006, the County contributed tax revenues of \$730,679 which represents 9 percent of total revenues. Financial information can be obtained from the Marion County Auditor, 222 West Center Street, Marion, Ohio 43302.

**B. Marion-Hardin Corrections Commission**

The Marion-Hardin Corrections Commission (Commission) is a joint venture between Marion and Hardin Counties. The purpose of the Commission is to provide additional jail space and to provide a correctional center for the inmates. The Commission was created in 1996 with construction beginning in 1997. The Commission is governed by a Board made up of six members; each county's President of the Board of County Commissioners, the Common Pleas Court Judge, and the Sheriff.

The Commission had no outstanding debt as of December 31, 2006. The Commission has not accumulated significant financial resources nor is the Commission experiencing fiscal stress that may cause an additional financial benefit to or burden on the County in the future. Financial information can be obtained from the Marion County Auditor, 222 West Center Street, Marion, Ohio 43302.

**C. Northland Homes and Properties, Inc.**

The Marion County Board of Mental Retardation and Developmental Disabilities (MRDD) entered into a contract with three other local MRDD Boards to establish Northland Homes and Properties, Inc. This Corporation is a not-for-profit corporation which is responsible for developing dwellings, providing affordable housing, and managing a range of residential housing alternatives and support services to persons with disabilities. Each County appoints two trustees to a board of eight members.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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The housing purchases are financed by State grants that are distributed to each MRDD Board and then to the Corporation. The MRDD Boards also fund the operational costs of the Corporation. The Corporation is not accumulating significant financial resources or experiencing fiscal stress which would cause an additional benefit to or burden on the County. During 2006, \$37,500 in contributions was made by the Marion County Board of MRDD to Northland Homes and Properties, Inc. for operational costs.

The Corporation is a joint venture between the counties because of the potential liability of the housing loans upon the Corporation's default on the loans or dissolution. Upon dissolution of the Corporation, the Board of Trustees shall distribute all remaining assets of the operation to the participating County Boards of MRDD. Information can be obtained from Northland Homes and Properties, Inc., 602 South Corporate Drive West, Fostoria, Ohio 44830-9447.

**NOTE 22 - JOINTLY GOVERNED ORGANIZATIONS**

**A. Marion County Regional Planning Commission**

The County participates in the Marion County Regional Planning Commission (Commission) which is a statutorily created political subdivision of the State. The Commission is jointly governed among the County and the municipalities and townships within the County. The Commission makes studies, maps, plans, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services within the County. In 2006, the County paid membership dues of \$57,000 toward the operation of the Commission. Information can be obtained from the Marion County Regional Planning Commission, 222 West Center Street, Marion, Ohio 43302.

**B. Marion County Family and Children First Council**

The Marion County Family and Children First Council (Council) provides services to multi-need youth in Marion County. There are fifteen organizations which are members of the Council, including the County. The operation of the Council is controlled by a board consisting of representatives of the member organizations. Members refer cases to the Council who determines how the case is to be handled. In 2006, the County did not make any contributions to the Council.

**C. Delaware-Knox-Marion-Morrow Joint Solid Waste Management District**

The Delaware-Knox-Marion-Morrow Joint Solid Waste Management District (District) makes the disposal of waste in the four county area more comprehensive in terms of recycling, incinerating, and land filling. The Board of Directors consists of twelve members; the three county commissioners of each of the four counties. The Board exercises total control over the operation of the District including budgeting, appropriating, contracting, and designating management; however, the County has no ongoing financial interest or responsibility for the District. Most of the District's revenue was received from private haulers. Information can be obtained from the Delaware-Knox-Marion-Morrow Joint Solid Waste Management District, 222 West Center Street, Marion, Ohio 43302.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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D. Clearwater Council of Governments

The Clearwater Council of Governments (Clearwater) is a regional council of governments comprised of the boards of Mental Retardation and Developmental Disabilities (MRDD) of Crawford, Erie, Huron, Marion, Morrow, Ottawa, Sandusky, and Seneca Counties. The Board of Directors is made up of the superintendents from each of these MRDD Boards. Clearwater is the administrator of various grant moneys for each of these Boards of MRDD. The degree of control exercised by any participating government is limited to its representation on the Board. Financial information can be obtained from the Clearwater Council of Governments, 8200 West State Route 163, Oak Harbor, Ohio 43449.

**NOTE 23 - INSURANCE POOL**

The County Risk Sharing Authority, Inc., (CORSA) is an Ohio not-for-profit corporation established by forty-six counties for establishing the CORSA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORSA.

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of CORSA are managed by an elected board of not more than nine trustees. Only county commissioners of member counties are eligible to serve on the Board. No county may have more than one representative on the Board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the Board of Trustees.

**NOTE 24 - RELATED PARTY TRANSACTIONS**

During 2006, Marion County provided facilities, certain equipment, transportation, and salaries for the administration, implementation, and supervision of programs for MARCA Industries. MARCA, a discretely presented component unit of Marion County, reported, at fair value, \$200,098 for such contributions as unrestricted revenues and expenses relating to the vocational purposes of MARCA. Additional habilitative services provided directly to MARCA's clients by the County were \$3,097,016.

**NOTE 25 - CONTINGENT LIABILITIES**

A. Litigation

A lawsuit has been filed by the Columbia Gas Transmission Corporation arguing that the Corporation's public utility property tax assessment rate should be 25 percent of true value rather than the 88 percent used by the Tax Commissioner. The Board of Tax Appeals has agreed with the Corporation and the case has been appealed by the Tax Commissioner to the Ohio Supreme Court. The County receives property tax from the Corporation. Should the Corporation prevail in the Supreme Court, the Corporation may be entitled to a refund from the County based on the lower assessment rate beginning from tax year 2001. The total amount of the refund is estimated to be approximately \$104,720.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2006**

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**B. Federal and State Grants**

For the period January 1, 2006, to December 31, 2006, the County received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the County believes such disallowances, if any, would be immaterial.

**NOTE 26 - SUBSEQUENT EVENTS**

On February 8, 2007, the County issued \$9,955,000 in general obligation bonds to refund bonds previously issued for constructing, equipping, and furnishing offices for the Job and Family Services Department, the administration building of County Justice Services, the Marion-Hardin Correctional Center, and the County Administration Building, as well as to pay the costs for improving the QuQua Ditch.

The refunding bonds have interest rates from 4 to 4.75 percent and refunded \$9,395,000 of the governmental activities general obligation bonds and special assessment bonds. The refunding bond issue includes serial and term bonds, in the amount of \$8,785,000 and \$1,170,000, respectively. The net proceeds of \$9,851,498 (after payments of \$103,502 in underwriter fees, insurance, and other issuance costs) were used to purchase U. S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded general obligation bonds.

On May 3, 2007, the County issued bond anticipation notes, in the amount of \$2,585,000, to retire notes previously issued to construct infrastructure for Legacy Crossing. The notes have an interest rate of 4.1 percent and will mature on May 1, 2008.

**Marion County, Ohio**  
**Combining Statements - Nonmajor Governmental Funds**

**Nonmajor Special Revenue Funds**

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

**Child Support Enforcement Fund** - To account for State, Federal, and local revenues used to administer the County Bureau of Support.

**Mental Health Fund** - To account for a county-wide property tax levy that is paid to the Marion-Crawford Mental Health Board.

**Real Estate Assessment Fund** - To account for State mandated county-wide real estate reappraisals that are funded by charges to the political subdivisions located within the County.

**North Central Ohio Rehabilitation Center Fund** - To account for grants used for the operation of the rehabilitation center.

**Other Public Safety Fund** - To account for State, Federal, and local revenues, along with other miscellaneous revenues used for public safety.

Drug Law Enforcement Fund	DWI Education Fund
Prison Reduction Fund	Jail Reduction Fund
Indigent Guardianship Fund	Electronic Monitoring Fund
County Probation Services Fund	Law Enforcement Fund
Felony Delinquent Care and Custody Fund	PEACE Program Fund
Enhanced 911 Fund	Disaster Services Fund

**Other Fund** - To account for State, Federal, and local revenues used for other governmental expenditures.

Dog and Kennel Fund	GFM Recorder Equipment Fund
Ditch Maintenance Fund	Certificate of Title Fund
Community Development Block Grant Fund	Paternity Mediation Fund
Litter Control and Recycling Fund	Underground Storage Tank Fund
Delinquent Real Estate Tax Assessment Prosecutor Fund	Ohio Children's Trust Fund
Delinquent Real Estate Tax Assessment Treasurer Fund	Juvenile Drug Testing Fund
Prepayment Interest Fund	Family Services Fund
Computerization Fund	Senior Service Levy Fund

A budgetary schedule is not included for the Senior Service Levy Fund since it was not required to be budgeted in 2006.

(continued)

**Marion County, Ohio**  
**Combining Statements - Nonmajor Governmental Funds (continued)**

**Nonmajor Debt Service Fund**

The debt service fund is used to account for the accumulation of financial resources for, and the payment of, general and special assessment long-term obligation principal, interest, and related costs.

**Nonmajor Capital Projects Funds**

Capital projects funds are used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by enterprise funds).

**Capital Improvement Fund** - To account for transfers and other resources set aside for building capital improvements and for the acquisition of equipment.

**Ditch Drainage Fund** - To account for special assessment revenues which are used for capital improvements of existing ditches.

**Children Home Fund** - To account for money that was collected from a levy for capital improvements to the children's home. The levy is no longer in existence.

**Marca Fund** - To account for a property tax levy for capital improvements to the property of the Board of Mental Retardation and Developmental Disabilities.

**Job and Family Fund** - To account for the remaining debt proceeds that had not been used for building construction.

**Issue II Fund** - To account for moneys received from the Ohio Public Works Commission and payments from townships for infrastructure projects.

**Justice Center Fund** - To account for the bond proceeds used to renovate the courthouse annex.

**Dog and Kennel Fund** - To account for transfers from the General Fund and debt proceeds used to construct a new animal shelter facility.

**Coliseum Levy Fund** - To account for a .3 mill five-year fairgrounds improvement levy to repair and improve the coliseum.

**Administration Building Fund** - To account for debt proceeds and transfers from the Capital Improvement capital projects fund to renovate a building to house the County's administrative offices.

**Road Capital Fund** - To account for transfers from the Motor Vehicle Gasoline Tax special revenue fund to fund major road construction.

**Northwest Intercept Fund** - To account for grants and transfers to construct a road to alleviate the downtown truck traffic.

**TIF Project Fund** - To account for the construction of infrastructure to be financed through tax increment financing from the property owners affected.

**Marion County, Ohio**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
December 31, 2006

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b><u>Assets</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$3,695,933	\$777,115	\$3,170,248	\$7,643,296
Cash and Cash Equivalents in Segregated Accounts	821	0	0	821
Accounts Receivable	736	0	0	736
Due from Other Governments	912,598	0	38,442	951,040
Interfund Receivable	208	0	273,626	273,834
Property Taxes Receivable	1,694,057	0	301,468	1,995,525
Loans Receivable	108,768	0	0	108,768
Special Assessments Receivable	68,687	0	168,353	237,040
<b>Total Assets</b>	<b><u>\$6,481,808</u></b>	<b><u>\$777,115</u></b>	<b><u>\$3,952,137</u></b>	<b><u>\$11,211,060</u></b>
<b><u>Liabilities</u></b>				
Accrued Wages Payable	\$43,143	\$0	\$0	\$43,143
Accounts Payable	66,766	0	71,811	138,577
Contracts Payable	0	0	156,010	156,010
Retainage Payable	0	0	94,858	94,858
Due to Other Governments	37,149	0	616	37,765
Interfund Payable	281,725	0	731,059	1,012,784
Accrued Interest Payable	0	0	14,809	14,809
Notes Payable	0	0	751,000	751,000
Deferred Revenue	2,368,157	0	486,590	2,854,747
<b>Total Liabilities</b>	<b><u>2,796,940</u></b>	<b><u>0</u></b>	<b><u>2,306,753</u></b>	<b><u>5,103,693</u></b>
<b><u>Fund Balance</u></b>				
Reserved for Encumbrances	215,369	0	43,385	258,754
Reserved for Interfund Receivable	0	0	273,626	273,626
Reserved for Loans Receivable	98,062	0	0	98,062
Unreserved, Reported in				
Special Revenue Funds	3,371,437	0	0	3,371,437
Debt Service Fund	0	777,115	0	777,115
Capital Projects Funds	0	0	1,328,373	1,328,373
<b>Total Fund Balances</b>	<b><u>3,684,868</u></b>	<b><u>777,115</u></b>	<b><u>1,645,384</u></b>	<b><u>6,107,367</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$6,481,808</u></b>	<b><u>\$777,115</u></b>	<b><u>\$3,952,137</u></b>	<b><u>\$11,211,060</u></b>

**Marion County, Ohio**  
Combining Balance Sheet  
**Nonmajor Special Revenue Funds**  
December 31, 2006

	Child Support Enforcement	Mental Health	Real Estate Assessment	North Central Ohio Rehabilitation Center
<b><u>Assets</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$837,986	\$30,283	\$172,867	\$162,077
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Accounts Receivable	0	0	0	31
Due from Other Governments	14,888	51,109	0	257,059
Interfund Receivable				
Property Taxes Receivable	0	931,202	0	0
Loans Receivable	0	0	0	0
Special Assessments Receivable	0	0	0	0
<b>Total Assets</b>	<b>\$852,874</b>	<b>\$1,012,594</b>	<b>\$172,867</b>	<b>\$419,167</b>
<b><u>Liabilities</u></b>				
Accrued Wages Payable	\$9,221	\$0	\$3,199	\$13,693
Accounts Payable	302	0	246	8,333
Due to Other Governments	7,485	0	2,451	11,724
Interfund Payable	29,296	0	100,000	372
Deferred Revenue	0	982,311	0	253,540
<b>Total Liabilities</b>	<b>46,304</b>	<b>982,311</b>	<b>105,896</b>	<b>287,662</b>
<b><u>Fund Balance</u></b>				
Reserved for Encumbrances	109,357	0	43,052	4,300
Reserved for Loans Receivable	0	0	0	0
Unreserved	697,213	30,283	23,919	127,205
<b>Total Fund Balances</b>	<b>806,570</b>	<b>30,283</b>	<b>66,971</b>	<b>131,505</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$852,874</b>	<b>\$1,012,594</b>	<b>\$172,867</b>	<b>\$419,167</b>

Other Public Safety	Other	Total
\$1,318,776	\$1,173,944	\$3,695,933
821	0	821
705	0	736
539,956	49,586	912,598
0	208	208
0	762,855	1,694,057
0	108,768	108,768
0	68,687	68,687
<u>\$1,860,258</u>	<u>\$2,164,048</u>	<u>\$6,481,808</u>
\$9,288	\$7,742	\$43,143
15,945	41,940	66,766
9,402	6,087	37,149
146,880	5,177	281,725
264,403	867,903	2,368,157
<u>445,918</u>	<u>928,849</u>	<u>2,796,940</u>
36,820	21,840	215,369
0	98,062	98,062
<u>1,377,520</u>	<u>1,115,297</u>	<u>3,371,437</u>
<u>1,414,340</u>	<u>1,235,199</u>	<u>3,684,868</u>
<u>\$1,860,258</u>	<u>\$2,164,048</u>	<u>\$6,481,808</u>

**Marion County, Ohio**  
Combining Balance Sheet  
**Nonmajor Capital Projects Funds**  
December 31, 2006

	Capital Improvement	Ditch Drainage	Marca	Job and Family
<b><u>Assets</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$313,075	\$202,636	\$270,920	\$93,595
Due from Other Governments	0	0	15,118	0
Interfund Receivable	0	0	0	0
Property Taxes Receivable	0	0	301,468	0
Special Assessments Receivable	0	168,353	0	0
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$313,075</u>	<u>\$370,989</u>	<u>\$587,506</u>	<u>\$93,595</u>
<b><u>Liabilities</u></b>				
Accounts Payable	\$30,356	\$0	\$19,193	\$0
Contracts Payable	0	0	0	0
Retainage Payable	0	0	0	0
Due to Other Governments	0	0	616	0
Interfund Payable	572,153	75,000	0	0
Accrued Interest Payable	8,922	0	0	0
Notes Payable	0	0	0	0
Deferred Revenue	0	168,353	316,586	0
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>611,431</u>	<u>243,353</u>	<u>336,395</u>	<u>0</u>
<b><u>Fund Balance</u></b>				
Reserved for Encumbrances	20,774	0	610	0
Reserved for Interfund Receivable	0	0	0	0
Unreserved (Deficit)	(319,130)	127,636	250,501	93,595
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances (Deficit)	<u>(298,356)</u>	<u>127,636</u>	<u>251,111</u>	<u>93,595</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$313,075</u>	<u>\$370,989</u>	<u>\$587,506</u>	<u>\$93,595</u>

Issue II	Justice Center	Dog and Kennel	Coliseum Levy	Road Capital	Northwest Intercept	TIF Project	Total
\$548,251	\$872	\$0	\$40,727	\$373,130	\$439,929	\$887,113	\$3,170,248
0	0	0	1,651	0	21,673	0	38,442
0	273,626	0	0	0	0	0	273,626
0	0	0	0	0	0	0	301,468
0	0	0	0	0	0	0	168,353
<u>\$548,251</u>	<u>\$274,498</u>	<u>\$0</u>	<u>\$42,378</u>	<u>\$373,130</u>	<u>\$461,602</u>	<u>\$887,113</u>	<u>\$3,952,137</u>
\$22,061	\$85	\$0	\$116	\$0	\$0	\$0	\$71,811
0	0	0	0	0	65,020	90,990	156,010
0	0	0	11,679	0	0	83,179	94,858
0	0	0	0	0	0	0	616
0	0	83,906	0	0	0	0	731,059
0	0	0	0	0	0	5,887	14,809
0	0	0	0	0	0	751,000	751,000
0	0	0	1,651	0	0	0	486,590
<u>22,061</u>	<u>85</u>	<u>83,906</u>	<u>13,446</u>	<u>0</u>	<u>65,020</u>	<u>931,056</u>	<u>2,306,753</u>
20,144	0	0	0	0	1,857	0	43,385
0	273,626	0	0	0	0	0	273,626
<u>506,046</u>	<u>787</u>	<u>(83,906)</u>	<u>28,932</u>	<u>373,130</u>	<u>394,725</u>	<u>(43,943)</u>	<u>1,328,373</u>
<u>526,190</u>	<u>274,413</u>	<u>(83,906)</u>	<u>28,932</u>	<u>373,130</u>	<u>396,582</u>	<u>(43,943)</u>	<u>1,645,384</u>
<u>\$548,251</u>	<u>\$274,498</u>	<u>\$0</u>	<u>\$42,378</u>	<u>\$373,130</u>	<u>\$461,602</u>	<u>\$887,113</u>	<u>\$3,952,137</u>

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**Marion County, Ohio**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
**Nonmajor Governmental Funds**  
For the Year Ended December 31, 2006

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b><u>Revenues</u></b>				
Property Taxes	\$620,035	\$0	\$324,258	\$944,293
Special Assessments	26,923	0	34,641	61,564
Charges for Services	1,242,479	0	51,708	1,294,187
Licenses and Permits	152,193	0	0	152,193
Fines and Forfeitures	77,710	0	0	77,710
Intergovernmental	3,755,872	0	715,329	4,471,201
Interest	12,104	0	13,246	25,350
Other	187,228	0	212,311	399,539
<b>Total Revenues</b>	<b>6,074,544</b>	<b>0</b>	<b>1,351,493</b>	<b>7,426,037</b>
<b><u>Expenditures</u></b>				
Current				
General Government				
Legislative and Executive	776,352	0	0	776,352
Judicial	270,980	0	0	270,980
Public Safety	2,675,136	0	0	2,675,136
Public Works	239,922	0	0	239,922
Health	152,812	0	0	152,812
Human Services	1,262,027	0	0	1,262,027
Capital Outlay	0	0	4,981,439	4,981,439
Intergovernmental	730,116	0	0	730,116
Debt Service				
Principal Retirement	0	361,477	117,513	478,990
Interest and Fiscal Charges	0	452,682	42,959	495,641
<b>Total Expenditures</b>	<b>6,107,345</b>	<b>814,159</b>	<b>5,141,911</b>	<b>12,063,415</b>
Excess of Revenues Under Expenditures	(32,801)	(814,159)	(3,790,418)	(4,637,378)
<b><u>Other Financing Sources (Uses)</u></b>				
Notes Issued	0	0	2,585,000	2,585,000
Sale of Capital Assets	0	0	92,350	92,350
Transfers - In	64,239	939,334	881,645	1,885,218
Transfers - Out	(112,079)	0	(142,355)	(254,434)
<b>Total Other Financing Sources (Uses)</b>	<b>(47,840)</b>	<b>939,334</b>	<b>3,416,640</b>	<b>4,308,134</b>
Changes in Fund Balances	(80,641)	125,175	(373,778)	(329,244)
Fund Balances at Beginning of Year	3,765,509	651,940	2,019,162	6,436,611
Fund Balances at End of Year	<b>\$3,684,868</b>	<b>\$777,115</b>	<b>\$1,645,384</b>	<b>\$6,107,367</b>

**Marion County, Ohio**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
**Nonmajor Special Revenue Funds**  
For the Year Ended December 31, 2006

	Child Support Enforcement	Mental Health	Real Estate Assessment
<b><u>Revenues</u></b>			
Property Taxes	\$0	\$620,035	\$0
Special Assessments	0	0	0
Charges for Services	0	0	499,955
Licenses and Permits	0	0	0
Fines and Forfeitures	0	0	200
Intergovernmental	1,223,613	103,006	0
Interest	0	0	0
Other	0	0	9,941
<b>Total Revenues</b>	<b>1,223,613</b>	<b>723,041</b>	<b>510,096</b>
<b><u>Expenditures</u></b>			
Current			
General Government			
Legislative and Executive	0	0	616,093
Judicial	0	0	0
Public Safety	0	0	0
Public Works	0	0	0
Health	0	0	0
Human Services	1,235,899	0	0
Intergovernmental	0	730,116	0
<b>Total Expenditures</b>	<b>1,235,899</b>	<b>730,116</b>	<b>616,093</b>
Excess of Revenues Over (Under) Expenditures	(12,286)	(7,075)	(105,997)
<b><u>Other Financing Sources (Uses)</u></b>			
Transfers - In	0	0	50,000
Transfers - Out	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>50,000</b>
<b>Changes in Fund Balances</b>	<b>(12,286)</b>	<b>(7,075)</b>	<b>(55,997)</b>
Fund Balances at Beginning of Year	818,856	37,358	122,968
Fund Balances at End of Year	<u>\$806,570</u>	<u>\$30,283</u>	<u>\$66,971</u>

North Central Ohio Rehabilitation Center	Other Public Safety	Other	Total
\$0	\$0	\$0	\$620,035
0	0	26,923	26,923
0	84,173	658,351	1,242,479
0	0	152,193	152,193
0	55,204	22,306	77,710
926,031	1,322,054	181,168	3,755,872
0	869	11,235	12,104
24,955	135,586	16,746	187,228
<u>950,986</u>	<u>1,597,886</u>	<u>1,068,922</u>	<u>6,074,544</u>
0	0	160,259	776,352
0	0	270,980	270,980
1,183,622	1,491,514	0	2,675,136
0	0	239,922	239,922
0	0	152,812	152,812
0	0	26,128	1,262,027
0	0	0	730,116
<u>1,183,622</u>	<u>1,491,514</u>	<u>850,101</u>	<u>6,107,345</u>
<u>(232,636)</u>	<u>106,372</u>	<u>218,821</u>	<u>(32,801)</u>
13,439	0	800	64,239
<u>0</u>	<u>0</u>	<u>(112,079)</u>	<u>(112,079)</u>
<u>13,439</u>	<u>0</u>	<u>(111,279)</u>	<u>(47,840)</u>
(219,197)	106,372	107,542	(80,641)
<u>350,702</u>	<u>1,307,968</u>	<u>1,127,657</u>	<u>3,765,509</u>
<u>\$131,505</u>	<u>\$1,414,340</u>	<u>\$1,235,199</u>	<u>\$3,684,868</u>

**Marion County, Ohio**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
**Nonmajor Capital Projects Funds**  
For the Year Ended December 31, 2006

	Capital Improvement	Ditch Drainage	Children Home	Marca
<b><u>Revenues</u></b>				
Property Taxes	\$0	\$0	\$0	\$312,697
Special Assessments	0	34,641	0	0
Charges for Services	25,200	0	0	0
Intergovernmental	0	0	0	32,238
Interest	0	13,246	0	0
Other	38,238	0	0	96,898
<b>Total Revenues</b>	<b>63,438</b>	<b>47,887</b>	<b>0</b>	<b>441,833</b>
<b><u>Expenditures</u></b>				
Capital Outlay	389,745	5,191	21,583	648,606
Debt Service				
Principal Retirement	27,513	55,000	0	0
Interest and Fiscal Charges	13,360	8,825	0	0
<b>Total Expenditures</b>	<b>430,618</b>	<b>69,016</b>	<b>21,583</b>	<b>648,606</b>
Excess of Revenues Under Expenditures	(367,180)	(21,129)	(21,583)	(206,773)
<b><u>Other Financing Sources (Uses)</u></b>				
Notes Issued	0	0	0	0
Sale of Capital Assets	0	0	0	92,350
Transfers - In	240,109	0	9,646	0
Transfers - Out	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>240,109</b>	<b>0</b>	<b>9,646</b>	<b>92,350</b>
Changes in Fund Balances	(127,071)	(21,129)	(11,937)	(114,423)
Fund Balances (Deficit) at Beginning of Year	(171,285)	148,765	11,937	365,534
Fund Balances (Deficit) at End of Year	(\$298,356)	\$127,636	\$0	\$251,111

Job and Family	Issue II	Justice Center	Dog and Kennel	Coliseum Levy	Administration Building	Road Capital
\$0	\$0	\$0	\$0	\$11,561	\$0	\$0
0	0	0	0	0	0	0
0	26,508	0	0	0	0	0
0	165,613	0	0	2,658	0	0
0	0	0	0	0	0	0
0	10,300	0	0	0	0	0
0	202,421	0	0	14,219	0	0
12,240	338,584	15,301	0	335,149	0	0
0	0	0	35,000	0	0	0
0	0	0	1,225	0	0	0
12,240	338,584	15,301	36,225	335,149	0	0
(12,240)	(136,163)	(15,301)	(36,225)	(320,930)	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	465,789	0	0	0	73,101	0
0	(25,000)	0	0	0	0	(117,355)
0	440,789	0	0	0	73,101	(117,355)
(12,240)	304,626	(15,301)	(36,225)	(320,930)	73,101	(117,355)
105,835	221,564	289,714	(47,681)	349,862	(73,101)	490,485
\$93,595	\$526,190	\$274,413	(\$83,906)	\$28,932	\$0	\$373,130

(continued)

**Marion County, Ohio**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
**Nonmajor Capital Projects Funds (continued)**  
For the Year Ended December 31, 2006

	Northwest Intercept	TIF Project	Total
<b><u>Revenues</u></b>			
Property Taxes	\$0	\$0	\$324,258
Special Assessments	0	0	34,641
Charges for Services	0	0	51,708
Intergovernmental	514,820	0	715,329
Interest	0	0	13,246
Other	0	66,875	212,311
<b>Total Revenues</b>	<b>514,820</b>	<b>66,875</b>	<b>1,351,493</b>
<b><u>Expenditures</u></b>			
Capital Outlay	538,771	2,676,269	4,981,439
Debt Service			
Principal Retirement	0	0	117,513
Interest and Fiscal Charges	0	19,549	42,959
<b>Total Expenditures</b>	<b>538,771</b>	<b>2,695,818</b>	<b>5,141,911</b>
Excess of Revenues Under Expenditures	(23,951)	(2,628,943)	(3,790,418)
<b><u>Other Financing Sources (Uses)</u></b>			
Notes Issued	0	2,585,000	2,585,000
Sale of Capital Assets	0	0	92,350
Transfers - In	93,000	0	881,645
Transfers - Out	0	0	(142,355)
<b>Total Other Financing Sources (Uses)</b>	<b>93,000</b>	<b>2,585,000</b>	<b>3,416,640</b>
Changes in Fund Balances	69,049	(43,943)	(373,778)
Fund Balances (Deficit) at Beginning of Year	327,533	0	2,019,162
Fund Balances (Deficit) at End of Year	<u>\$396,582</u>	<u>(\$43,943)</u>	<u>\$1,645,384</u>

**Marion County, Ohio**  
**Combining Statements - Fiduciary Funds**

Fiduciary funds are used to account for assets held by the County in a trustee capacity, or as an agent for individuals, private organizations, and/or other governments

**Agency Funds**

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**County Agency Fund** - To account for the activity of the County Sheriff's civil account.

**County Court Agency Fund** - To account for the collection and distribution of court fees and fines.

**Undivided Tax Fund** - To account for the collection and distribution of various taxes.

**Other Agency Funds**

Marion County Rotary Fund  
Marriage License Special Fund  
Sewer District Rotary Fund  
Payroll Fund  
Real Estate Escrow Prepayment Fund  
Regional Planning Fund  
Green Camp Sewer Fund  
Soil and Water Fund  
Board of Health Fund  
Emergency Planning Fund  
Family and Children First Fund

County Park District Fund  
DKMM Solid Waste District Fund  
Employee Reimbursement Fund  
RPC Enterprise Zone Fund  
Marion-Crawford Mental Health Board Fund  
Marion-Hardin Corrections Commission Fund  
Caledonia Sewer Billing Fund  
Ohio Elections Commission Fee Fund  
Port Authority Fund  
Housing Trust Fund

**Marion County, Ohio**  
Combining Statement of Changes in Assets and Liabilities  
**Agency Funds**  
For the Year Ended December 31, 2006

	Balance 12/31/2005	Additions	Reductions	Balance 12/31/2006
<b>County Agency</b>				
<b>Assets</b>				
Cash and Cash Equivalents in Segregated Accounts	\$85,310	\$2,800,390	\$2,813,908	\$71,792
<b>Liabilities</b>				
Deposits Held and Due to Others	\$85,310	\$2,800,390	\$2,813,908	\$71,792
<b>County Court Agency</b>				
<b>Assets</b>				
Cash and Cash Equivalents in Segregated Accounts	\$1,454,304	\$7,158,093	\$7,092,852	\$1,519,545
<b>Liabilities</b>				
Deposits Held and Due to Others	\$1,454,304	\$7,158,093	\$7,092,852	\$1,519,545
<b>Undivided Tax</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,875,603	\$54,892,204	\$55,389,411	\$2,378,396
Due from Other Governments	3,208,249	2,930,126	3,208,249	2,930,126
Property Taxes Receivable	35,108,007	35,144,307	35,108,007	35,144,307
Special Assessments Receivable	1,450,395	1,494,160	1,450,395	1,494,160
Total Assets	\$42,642,254	\$94,460,797	\$95,156,062	\$41,946,989
<b>Liabilities</b>				
Due to Other Governments	\$42,642,254	\$94,460,797	\$95,156,062	\$41,946,989
<b>Marion County Rotary</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$9,290	\$1,991,963	\$1,999,439	\$1,814
Due from Other Governments	248,391	0	248,391	0
Total Assets	\$257,681	\$1,991,963	\$2,247,830	\$1,814
<b>Liabilities</b>				
Due to Other Governments	\$257,681	\$1,991,963	\$2,247,830	\$1,814
<b>Marriage License Special</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$10,163	\$19,414	\$19,161	\$10,416
<b>Liabilities</b>				
Undistributed Assets	\$10,163	\$19,414	\$19,161	\$10,416
<b>Sewer District Rotary</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$64,814	\$0	\$64,814
<b>Liabilities</b>				
Undistributed Assets	\$0	\$64,814	\$0	\$64,814

(continued)

**Marion County, Ohio**  
Combining Statement of Changes in Assets and Liabilities  
**Agency Funds (continued)**  
For the Year Ended December 31, 2006

	Balance 12/31/2005	Additions	Reductions	Balance 12/31/2006
<b>Payroll</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$404,444	\$26,009,130	\$25,990,907	\$422,667
<b>Liabilities</b>				
Payroll Withholdings	\$404,444	\$26,009,130	\$25,990,907	\$422,667
<b>Real Estate Escrow Prepayment</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$398,528	\$915,417	\$883,410	\$430,535
<b>Liabilities</b>				
Undistributed Assets	\$398,528	\$915,417	\$883,410	\$430,535
<b>Regional Planning</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$40,954	\$331,585	\$316,752	\$55,787
<b>Liabilities</b>				
Undistributed Assets	\$40,954	\$331,585	\$316,752	\$55,787
<b>Green Camp Sewer</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$74	\$59,869	\$58,288	\$1,655
<b>Liabilities</b>				
Due to Other Governments	\$74	\$59,869	\$58,288	\$1,655
<b>Soil and Water</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$23,796	\$164,723	\$141,357	\$47,162
<b>Liabilities</b>				
Undistributed Assets	\$23,796	\$164,723	\$141,357	\$47,162
<b>Board of Health</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$415,177	\$1,097,543	\$1,133,499	\$379,221
Due from External Party	7,875	0	7,875	0
Total Assets	\$423,052	\$1,097,543	\$1,141,374	\$379,221
<b>Liabilities</b>				
Undistributed Assets	\$423,052	\$1,097,543	\$1,141,374	\$379,221

(continued)

**Marion County, Ohio**  
Combining Statement of Changes in Assets and Liabilities  
**Agency Funds (continued)**  
For the Year Ended December 31, 2006

	Balance 12/31/2005	Additions	Reductions	Balance 12/31/2006
<b>Emergency Planning</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$21,133	\$31,270	\$40,254	\$12,149
<b>Liabilities</b>				
Undistributed Assets	\$21,133	\$31,270	\$40,254	\$12,149
<b>Family and Children First</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$98,583	\$619,033	\$613,871	\$103,745
<b>Liabilities</b>				
Undistributed Assets	\$98,583	\$619,033	\$613,871	\$103,745
<b>County Park District</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$109,708	\$120,161	\$120,093	\$109,776
<b>Liabilities</b>				
Due to External Party	\$0	\$20,000	\$0	\$20,000
Undistributed Assets	109,708	100,161	120,093	89,776
Total Liabilities	\$109,708	\$120,161	\$120,093	\$109,776
<b>DKMM Solid Waste District</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$479,802	\$1,328,106	\$1,449,937	\$357,971
<b>Liabilities</b>				
Due to External Party	\$7,911	\$0	\$7,911	\$0
Undistributed Assets	471,891	1,328,106	1,442,026	357,971
Total Liabilities	\$479,802	\$1,328,106	\$1,449,937	\$357,971
<b>Employee Reimbursement</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$619	\$52,870	\$48,642	\$4,847
<b>Liabilities</b>				
Due to Employees	\$619	\$52,870	\$48,642	\$4,847
<b>RPC Enterprise Zone</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$28,401	\$15,900	\$14,798	\$29,503
<b>Liabilities</b>				
Undistributed Assets	\$28,401	\$15,900	\$14,798	\$29,503

(continued)

**Marion County, Ohio**  
Combining Statement of Changes in Assets and Liabilities  
**Agency Funds (continued)**  
For the Year Ended December 31, 2006

	Balance 12/31/2005	Additions	Reductions	Balance 12/31/2006
<b>Marion-Crawford Mental Health Board</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$3,245,674	\$7,874,963	\$7,843,279	\$3,277,358
<b>Liabilities</b>				
Undistributed Assets	\$3,245,674	\$7,874,963	\$7,843,279	\$3,277,358
<b>Marion-Hardin Corrections Commission</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$307,147	\$3,460,248	\$3,319,794	\$447,601
Due from External Party	274	730	274	730
Total Assets	\$307,421	\$3,460,978	\$3,320,068	\$448,331
<b>Liabilities</b>				
Undistributed Assets	\$307,421	\$3,460,978	\$3,320,068	\$448,331
<b>Caledonia Sewer Billing</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,366	\$116,719	\$117,023	\$2,062
<b>Liabilities</b>				
Due to Other Governments	\$2,366	\$116,719	\$117,023	\$2,062
<b>Ohio Elections Commission Fee</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$70	\$330	\$0	\$400
<b>Liabilities</b>				
Due to Other Governments	\$70	\$330	\$0	\$400
<b>Port Authority</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$7,400	\$0	\$300	\$7,100
<b>Liabilities</b>				
Undistributed Assets	\$7,400	\$0	\$300	\$7,100
<b>Housing Trust</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$84,930	\$331,569	\$334,971	\$81,528
<b>Liabilities</b>				
Undistributed Assets	\$84,930	\$331,569	\$334,971	\$81,528

(continued)

**Marion County, Ohio**  
Combining Statement of Changes in Assets and Liabilities  
**Agency Funds (continued)**  
For the Year Ended December 31, 2006

	Balance 12/31/2005	Additions	Reductions	Balance 12/31/2006
<b>Total - All Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$8,563,862	\$99,497,831	\$99,835,186	\$8,226,507
Cash and Cash Equivalents in Segregated Accounts	1,539,614	9,958,483	9,906,760	1,591,337
Due from Other Governments	3,456,640	2,930,126	3,456,640	2,930,126
Due from External Party	8,149	730	8,149	730
Property Taxes Receivable	35,108,007	35,144,307	35,108,007	35,144,307
Special Assessments Receivable	1,450,395	1,494,160	1,450,395	1,494,160
<b>Total Assets</b>	<b>\$50,126,667</b>	<b>\$149,025,637</b>	<b>\$149,765,137</b>	<b>\$49,387,167</b>
<b>Liabilities</b>				
Due to Employees	\$619	\$52,870	\$48,642	\$4,847
Due to Other Governments	42,902,445	96,629,678	97,579,203	41,952,920
Due to External Party	7,911	20,000	7,911	20,000
Undistributed Assets	5,271,634	16,355,476	16,231,714	5,395,396
Deposits Held and Due to Others	1,539,614	9,958,483	9,906,760	1,591,337
Payroll Withholdings	404,444	26,009,130	25,990,907	422,667
<b>Total Liabilities</b>	<b>\$50,126,667</b>	<b>\$149,025,637</b>	<b>\$149,765,137</b>	<b>\$49,387,167</b>

**Individual Fund Schedules of Revenues, Expenditures/Expenses,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual**

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**General Fund**  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Property Taxes	\$2,181,000	\$2,181,000	\$2,228,482	\$47,482
Sales Taxes	6,500,000	6,500,000	6,486,011	(13,989)
Charges for Services	2,852,213	2,760,041	3,356,176	596,135
Licenses and Permits	5,425	5,425	4,862	(563)
Fines and Forfeitures	127,000	127,000	172,548	45,548
Intergovernmental	1,869,666	1,874,865	1,857,966	(16,899)
Interest	1,002,500	1,002,500	1,557,467	554,967
Other	123,079	164,525	344,043	179,518
<b>Total Revenues</b>	<b>14,660,883</b>	<b>14,615,356</b>	<b>16,007,555</b>	<b>1,392,199</b>
<b><u>Expenditures</u></b>				
Current				
General Government - Legislative and Executive				
County Commissioners				
Personal Services	289,748	289,748	289,738	10
Fringe Benefits	43,897	45,076	44,821	255
Materials and Supplies	2,064	2,038	1,336	702
Contractual Services	17,840	20,721	16,722	3,999
Other	10,890	10,819	10,322	497
<b>Total County Commissioners</b>	<b>364,439</b>	<b>368,402</b>	<b>362,939</b>	<b>5,463</b>
Auditor				
Personal Services	299,877	305,604	305,604	0
Fringe Benefits	45,431	46,668	46,318	350
Materials and Supplies	21,102	12,102	11,009	1,093
Contractual Services	73,542	73,142	66,282	6,860
Capital Outlay	1,200	7,700	6,500	1,200
Other	5,000	7,500	6,676	824
<b>Total Auditor</b>	<b>446,152</b>	<b>452,716</b>	<b>442,389</b>	<b>10,327</b>
Treasurer				
Personal Services	127,636	127,656	127,653	3
Fringe Benefits	19,336	21,405	18,856	2,549
Materials and Supplies	12,000	10,000	10,000	0
Contractual Services	400	961	961	0
Other	3,036	2,821	2,821	0
<b>Total Treasurer</b>	<b>162,408</b>	<b>162,843</b>	<b>160,291</b>	<b>2,552</b>

(continued)

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**General Fund (continued)**  
For the Year Ended December 31, 2006

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Prosecuting Attorney				
Personal Services	\$556,691	\$557,711	\$548,863	\$8,848
Fringe Benefits	112,787	120,465	109,008	11,457
Materials and Supplies	10,000	10,500	10,393	107
Contractual Services	140,498	140,498	136,390	4,108
Capital Outlay	1,628	1,490	1,230	260
Other	31,720	32,345	32,066	279
<b>Total Prosecuting Attorney</b>	<b>853,324</b>	<b>863,009</b>	<b>837,950</b>	<b>25,059</b>
Personnel Department				
Other	2,944	2,944	1,000	1,944
Data Processing Board				
Personal Services	25,000	13,400	0	13,400
Fringe Benefits	3,788	3,863	75	3,788
Materials and Supplies	16,794	16,794	12,955	3,839
Contractual Services	134,210	134,068	134,064	4
Capital Outlay	0	11,600	11,506	94
Other	300	300	56	244
<b>Total Data Processing Board</b>	<b>180,092</b>	<b>180,025</b>	<b>158,656</b>	<b>21,369</b>
Board of Elections				
Personal Services	287,819	279,157	273,564	5,593
Fringe Benefits	28,971	29,696	29,263	433
Materials and Supplies	36,669	40,778	40,775	3
Contractual Services	39,046	62,034	35,577	26,457
Capital Outlay	0	13,891	13,891	0
Other	4,482	6,607	5,003	1,604
<b>Total Board of Elections</b>	<b>396,987</b>	<b>432,163</b>	<b>398,073</b>	<b>34,090</b>
Maintenance and Operation				
Personal Services	82,632	82,662	82,659	3
Fringe Benefits	12,519	12,788	12,426	362
Materials and Supplies	28,499	28,489	27,171	1,318
Contractual Services	513,491	499,882	496,949	2,933
<b>Total Maintenance and Operation</b>	<b>637,141</b>	<b>623,821</b>	<b>619,205</b>	<b>4,616</b>

(continued)

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**General Fund (continued)**  
For the Year Ended December 31, 2006

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Recorder				
Personal Services	\$168,354	\$170,024	\$169,557	\$467
Fringe Benefits	25,506	26,131	24,703	1,428
Materials and Supplies	4,000	3,960	3,755	205
Contractual Services	15,900	17,580	17,435	145
Other	1,000	1,040	1,040	0
<b>Total Recorder</b>	<b>214,760</b>	<b>218,735</b>	<b>216,490</b>	<b>2,245</b>
Postage				
Materials and Supplies	120,094	122,500	94,300	28,200
Insurance, Pensions, and Taxes				
Fringe Benefits	1,176,300	1,132,583	1,025,620	106,963
Contractual Services	290,700	295,371	261,681	33,690
Other	10,166	10,166	10,166	0
<b>Total Insurance, Pensions, and Taxes</b>	<b>1,477,166</b>	<b>1,438,120</b>	<b>1,297,467</b>	<b>140,653</b>
<b>Total General Government - Legislative and Executive</b>	<b>4,855,507</b>	<b>4,865,278</b>	<b>4,588,760</b>	<b>276,518</b>
General Government - Judicial				
Court of Appeals				
Other	20,750	20,750	20,208	542
Common Pleas Court				
Personal Services	282,987	290,769	290,311	458
Fringe Benefits	42,873	49,260	48,085	1,175
Materials and Supplies	7,550	5,953	5,660	293
Contractual Services	46,991	40,638	37,885	2,753
Capital Outlay	4,401	4,111	4,111	0
Other	4,000	4,000	3,833	167
<b>Total Common Pleas Court</b>	<b>388,802</b>	<b>394,731</b>	<b>389,885</b>	<b>4,846</b>
Jury Commission				
Personal Services	2,535	2,535	2,535	0
Fringe Benefits	384	394	380	14
Materials and Supplies	7,774	5,245	5,185	60
Capital Outlay	0	2,520	2,518	2
Other	2,500	0	0	0
<b>Total Jury Commission</b>	<b>13,193</b>	<b>10,694</b>	<b>10,618</b>	<b>76</b>

(continued)

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**General Fund (continued)**  
For the Year Ended December 31, 2006

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Family Court				
Personal Services	\$407,043	\$434,740	\$431,119	\$3,621
Fringe Benefits	61,667	63,420	61,858	1,562
Materials and Supplies	18,724	15,724	15,724	0
Contractual Services	46,685	52,517	47,734	4,783
Capital Outlay	0	1,992	1,992	0
Other	17,700	17,398	13,867	3,531
<b>Total Family Court</b>	<b>551,819</b>	<b>585,791</b>	<b>572,294</b>	<b>13,497</b>
Probate Court				
Personal Services	115,619	115,619	115,619	0
Fringe Benefits	16,696	17,115	17,028	87
Materials and Supplies	8,000	5,807	5,641	166
Contractual Services	25,739	39,852	39,360	492
Other	600	680	677	3
<b>Total Probate Court</b>	<b>166,654</b>	<b>179,073</b>	<b>178,325</b>	<b>748</b>
Clerk of Courts				
Personal Services	371,350	371,350	330,096	41,254
Fringe Benefits	61,500	69,786	65,602	4,184
Materials and Supplies	66,500	66,500	66,500	0
Contractual Services	81,559	80,465	80,033	432
Capital Outlay	3,000	3,639	1,332	2,307
Other	950	1,873	1,196	677
<b>Total Clerk of Courts</b>	<b>584,859</b>	<b>593,613</b>	<b>544,759</b>	<b>48,854</b>
Municipal Court				
Personal Services	74,393	75,150	74,017	1,133
Fringe Benefits	11,270	10,815	10,741	74
Contractual Services	7,500	7,500	4,311	3,189
Other	0	779	779	0
<b>Total Municipal Court</b>	<b>93,163</b>	<b>94,244</b>	<b>89,848</b>	<b>4,396</b>
<b>Total General Government - Judicial</b>	<b>1,819,240</b>	<b>1,878,896</b>	<b>1,805,937</b>	<b>72,959</b>
<b>Total General Government</b>	<b>6,674,747</b>	<b>6,744,174</b>	<b>6,394,697</b>	<b>349,477</b>

(continued)

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**General Fund (continued)**  
For the Year Ended December 31, 2006

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Public Safety				
Adult Probation				
Personal Services	\$122,767	\$124,121	\$124,121	\$0
Fringe Benefits	18,599	19,177	19,121	56
Materials and Supplies	4,000	5,888	5,888	0
Contractual Services	5,000	5,000	5,000	0
Other	6,000	1,817	1,817	0
Total Adult Probation	156,366	156,003	155,947	56
Juvenile Probation				
Personal Services	107,816	107,816	107,535	281
Fringe Benefits	16,334	16,738	16,127	611
Other	2,700	2,700	1,697	1,003
Total Juvenile Probation	126,850	127,254	125,359	1,895
Detention Home				
Personal Services	737,361	748,388	740,673	7,715
Fringe Benefits	111,711	119,681	115,975	3,706
Materials and Supplies	86,157	84,675	84,373	302
Contractual Services	84,612	74,473	72,651	1,822
Capital Outlay	700	7,377	7,377	0
Other	9,287	12,976	12,754	222
Total Detention Home	1,029,828	1,047,570	1,033,803	13,767
Coroner				
Personal Services	58,783	58,783	58,783	0
Fringe Benefits	8,906	9,129	8,834	295
Materials and Supplies	240	199	199	0
Contractual Services	36,434	52,634	51,393	1,241
Other	1,592	1,592	1,589	3
Total Coroner	105,955	122,337	120,798	1,539

(continued)

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**General Fund (continued)**  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Sheriff				
Personal Services	\$1,895,431	\$1,933,496	\$1,929,191	\$4,305
Fringe Benefits	328,303	364,409	363,753	656
Materials and Supplies	176,804	221,085	214,917	6,168
Contractual Services	284,806	344,780	332,092	12,688
Capital Outlay	51,733	65,038	65,038	0
Other	2,674,318	2,602,518	2,590,946	11,572
<b>Total Sheriff</b>	<b>5,411,395</b>	<b>5,531,326</b>	<b>5,495,937</b>	<b>35,389</b>
<b>Total Public Safety</b>	<b>6,830,394</b>	<b>6,984,490</b>	<b>6,931,844</b>	<b>52,646</b>
Public Works				
Engineer				
Materials and Supplies	6,145	3,700	3,690	10
Contractual Services	2,600	2,600	2,400	200
Capital Outlay	0	2,572	2,043	529
Other	3,585	3,458	3,394	64
<b>Total Public Works</b>	<b>12,330</b>	<b>12,330</b>	<b>11,527</b>	<b>803</b>
Health				
Agriculture				
Contractual Services	149,190	154,490	152,770	1,720
Tuberculosis				
Contractual Services	3,805	3,805	805	3,000
Vital Statistics				
Contractual Services	146,634	146,634	95,480	51,154
Ditch Cleaning and Repair				
Other	500	500	75	425
<b>Total Health</b>	<b>300,129</b>	<b>305,429</b>	<b>249,130</b>	<b>56,299</b>
Human Services				
Soldiers Relief				
Personal Services	26,207	26,226	26,226	0
Fringe Benefits	3,970	4,576	4,465	111
Materials and Supplies	10,434	9,833	7,874	1,959
Contractual Services	3,900	3,274	3,249	25
Capital Outlay	19,914	19,894	19,653	241
Other	75,800	91,174	90,470	704
<b>Total Soldiers Relief</b>	<b>140,225</b>	<b>154,977</b>	<b>151,937</b>	<b>3,040</b>

(continued)

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**General Fund (continued)**  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Veteran Services				
Personal Services	\$140,665	\$142,665	\$141,039	\$1,626
Fringe Benefits	20,436	21,150	20,502	648
Materials and Supplies	2,000	2,000	3,587	(1,587)
Contractual Services	7,500	7,500	6,525	975
Other	0	0	426	(426)
<b>Total Veteran Services</b>	<b>170,601</b>	<b>173,315</b>	<b>172,079</b>	<b>1,236</b>
<b>Total Human Services</b>	<b>310,826</b>	<b>328,292</b>	<b>324,016</b>	<b>4,276</b>
Conservation and Recreation				
Historical Society				
Contractual Services	13,000	13,000	13,000	0
Other Conservation and Recreation				
Other	47,000	61,500	60,000	1,500
<b>Total Conservation and Recreation</b>	<b>60,000</b>	<b>74,500</b>	<b>73,000</b>	<b>1,500</b>
Other				
Miscellaneous				
Personal Services	100,000	1,321	0	1,321
Contractual Services	590,335	576,015	498,596	77,419
Capital Outlay	0	1,996	1,996	0
Other	95,448	51,484	11,181	40,303
<b>Total Other</b>	<b>785,783</b>	<b>630,816</b>	<b>511,773</b>	<b>119,043</b>
Capital Outlay	1,996	0	0	0
Intergovernmental	310,661	306,661	306,661	0
<b>Total Expenditures</b>	<b>15,286,866</b>	<b>15,386,692</b>	<b>14,802,648</b>	<b>584,044</b>
Excess of Revenues Over (Under) Expenditures	(625,983)	(771,336)	1,204,907	1,976,243

(continued)

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**General Fund (continued)**  
For the Year Ended December 31, 2006

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
<b><u>Other Financing Sources (Uses)</u></b>				
Advances - In	\$35,000	\$35,000	\$299,525	\$264,525
Advances - Out	(257,000)	(594,005)	(460,826)	133,179
Transfers - In	196,575	199,169	45,659	(153,510)
Transfers - Out	(1,206,414)	(1,492,433)	(1,447,057)	45,376
<b>Total Other Financing Sources (Uses)</b>	<b>(1,231,839)</b>	<b>(1,852,269)</b>	<b>(1,562,699)</b>	<b>289,570</b>
Changes in Fund Balance	(1,857,822)	(2,623,605)	(357,792)	2,265,813
Fund Balance at Beginning of Year	4,899,875	4,899,875	4,899,875	0
Prior Year Encumbrances Appropriated	321,303	321,303	321,303	0
Fund Balance at End of Year	<u>\$3,363,356</u>	<u>\$2,597,573</u>	<u>\$4,863,386</u>	<u>\$2,265,813</u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Job and Family Services Special Revenue Fund**  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Charges for Services	\$276,000	\$276,000	\$267,571	(\$8,429)
Intergovernmental	7,847,122	7,942,122	7,294,589	(647,533)
Other	15,000	15,000	9,394	(5,606)
<b>Total Revenues</b>	<b>8,138,122</b>	<b>8,233,122</b>	<b>7,571,554</b>	<b>(661,568)</b>
<b><u>Expenditures</u></b>				
Current				
Human Services				
Administrative				
Personal Services	2,250,000	2,150,000	2,074,299	75,701
Fringe Benefits	889,000	775,500	709,225	66,275
Materials and Supplies	90,000	90,346	71,057	19,289
Contractual Services	2,260,825	2,297,463	2,221,503	75,960
Capital Outlay	150,000	163,000	157,026	5,974
Other	95,200	96,838	89,151	7,687
<b>Total Administrative</b>	<b>5,735,025</b>	<b>5,573,147</b>	<b>5,322,261</b>	<b>250,886</b>
Public Assistance				
Personal Services	250,000	205,000	192,538	12,462
Fringe Benefits	93,200	73,200	65,545	7,655
Materials and Supplies	30,000	30,000	21,691	8,309
Contractual Services	2,184,000	2,663,761	2,472,019	191,742
Other	18,620	18,668	15,903	2,765
<b>Total Public Assistance</b>	<b>2,575,820</b>	<b>2,990,629</b>	<b>2,767,696</b>	<b>222,933</b>
<b>Total Expenditures</b>	<b>8,310,845</b>	<b>8,563,776</b>	<b>8,089,957</b>	<b>473,819</b>
Excess of Revenues				
Under Expenditures	(172,723)	(330,654)	(518,403)	(187,749)
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers - In	287,598	287,598	285,135	(2,463)
Transfers - Out	(114,875)	(114,875)	(114,875)	0
<b>Total Other Financing Sources (Uses)</b>	<b>172,723</b>	<b>172,723</b>	<b>170,260</b>	<b>(2,463)</b>

(continued)

**Marion County, Ohio**  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Basis) and Actual  
**Job and Family Services Special Revenue Fund (continued)**  
 For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
Changes in Fund Balance	\$0	(\$157,931)	(\$348,143)	(\$190,212)
Fund Balance at Beginning of Year	284,039	284,039	284,039	0
Prior Year Encumbrances Appropriated	240,189	240,189	240,189	0
Fund Balance at End of Year	<u>\$524,228</u>	<u>\$366,297</u>	<u>\$176,085</u>	<u>(\$190,212)</u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Motor Vehicle Gasoline Tax Special Revenue Fund**  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Charges for Services	\$60,000	\$60,000	\$72,060	\$12,060
Fines and Forfeitures	20,000	20,000	23,120	3,120
Intergovernmental	4,130,000	4,130,000	4,240,381	110,381
Interest	4,000	4,000	11,700	7,700
Other	80,000	80,000	53,301	(26,699)
<b>Total Revenues</b>	<b>4,294,000</b>	<b>4,294,000</b>	<b>4,400,562</b>	<b>106,562</b>
<b><u>Expenditures</u></b>				
Current				
Public Works				
Personal Services	1,616,944	1,446,944	1,387,100	59,844
Fringe Benefits	715,000	665,000	627,874	37,126
Materials and Supplies	684,457	805,697	758,889	46,808
Contractual Services	1,111,500	1,074,029	1,049,917	24,112
Capital Outlay	235,000	171,000	168,105	2,895
Other	90,000	93,285	86,058	7,227
<b>Total Expenditures</b>	<b>4,452,901</b>	<b>4,255,955</b>	<b>4,077,943</b>	<b>178,012</b>
Excess of Revenues Over (Under) Expenditures	(158,901)	38,045	322,619	284,574
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers - In	0	0	25,000	25,000
Transfers - Out	(136,000)	(415,000)	(415,000)	0
<b>Total Other Financing Sources (Uses)</b>	<b>(136,000)</b>	<b>(415,000)</b>	<b>(390,000)</b>	<b>25,000</b>
Changes in Fund Balance	(294,901)	(376,955)	(67,381)	309,574
Fund Balance at Beginning of Year	365,020	365,020	365,020	0
Prior Year Encumbrances Appropriated	101,320	101,320	101,320	0
<b>Fund Balance at End of Year</b>	<b>\$171,439</b>	<b>\$89,385</b>	<b>\$398,959</b>	<b>\$309,574</b>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Children Services Special Revenue Fund**  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Property Taxes	\$1,540,000	\$1,540,000	\$1,613,794	\$73,794
Charges for Services	17,700	17,700	40,033	22,333
Intergovernmental	1,931,800	1,931,800	2,145,008	213,208
Other	46,500	46,500	50,903	4,403
<b>Total Revenues</b>	<b>3,536,000</b>	<b>3,536,000</b>	<b>3,849,738</b>	<b>313,738</b>
<b><u>Expenditures</u></b>				
Current				
Human Services				
Personal Services	1,689,793	1,689,793	1,624,278	65,515
Fringe Benefits	582,173	610,173	529,353	80,820
Materials and Supplies	90,800	90,800	76,659	14,141
Contractual Services	1,413,250	1,375,604	1,231,654	143,950
Capital Outlay	18,250	18,250	15,616	2,634
Other	24,800	24,800	19,878	4,922
<b>Total Expenditures</b>	<b>3,819,066</b>	<b>3,809,420</b>	<b>3,497,438</b>	<b>311,982</b>
Excess of Revenues Over (Under) Expenditures	(283,066)	(273,420)	352,300	625,720
<b><u>Other Financing Uses</u></b>				
Transfers - Out	(10,000)	(19,646)	(9,646)	10,000
Changes in Fund Balance	(293,066)	(293,066)	342,654	635,720
Fund Balance at Beginning of Year	4,646,079	4,646,079	4,646,079	0
Prior Year Encumbrances Appropriated	4,580	4,580	4,580	0
<b>Fund Balance at End of Year</b>	<b>\$4,357,593</b>	<b>\$4,357,593</b>	<b>\$4,993,313</b>	<b>\$635,720</b>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Mental Disabilities Special Revenue Fund**  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Property Taxes	\$2,857,000	\$2,857,000	\$3,052,782	\$195,782
Intergovernmental	3,338,000	3,338,000	3,488,073	150,073
Other	511,000	511,786	800,243	288,457
<b>Total Revenues</b>	<b>6,706,000</b>	<b>6,706,786</b>	<b>7,341,098</b>	<b>634,312</b>
<b><u>Expenditures</u></b>				
Current				
Health				
Personal Services	2,700,000	2,750,000	2,725,355	24,645
Fringe Benefits	1,067,500	1,367,500	1,289,283	78,217
Materials and Supplies	313,000	387,055	349,123	37,932
Contractual Services	3,448,854	3,816,501	2,612,503	1,203,998
Capital Outlay	24,000	25,000	5,790	19,210
Other	231,000	201,621	134,765	66,856
<b>Total Expenditures</b>	<b>7,784,354</b>	<b>8,547,677</b>	<b>7,116,819</b>	<b>1,430,858</b>
Excess of Revenues Over (Under) Expenditures	(1,078,354)	(1,840,891)	224,279	2,065,170
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers - In	112,000	50,000	0	(50,000)
Transfers - Out	(112,000)	(62,000)	0	62,000
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>(12,000)</b>	<b>0</b>	<b>12,000</b>
Changes in Fund Balance	(1,078,354)	(1,852,891)	224,279	2,077,170
Fund Balance at Beginning of Year	1,918,495	1,918,495	1,918,495	0
Prior Year Encumbrances Appropriated	1,146,094	1,146,094	1,146,094	0
<b>Fund Balance at End of Year</b>	<b>\$1,986,235</b>	<b>\$1,211,698</b>	<b>\$3,288,868</b>	<b>\$2,077,170</b>

**Marion County, Ohio**  
Schedule of Revenues, Expenses, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Sewer District Enterprise Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Charges for Services	\$1,072,000	\$1,092,558	\$20,558
Tap In Fees	75,000	91,878	16,878
Interest	4,400	34,725	30,325
Other	500	1,681	1,181
Total Revenues	<u>1,151,900</u>	<u>1,220,842</u>	<u>68,942</u>
<b><u>Expenses</u></b>			
Personal Services	370,000	361,854	8,146
Fringe Benefits	77,500	53,752	23,748
Materials and Supplies	41,000	34,149	6,851
Contractual Services	276,632	213,473	63,159
Capital Outlay	33,000	18,187	14,813
Other	75,747	73,699	2,048
Debt Service			
Principal Retirement	136,700	136,621	79
Interest Expense	99,265	99,265	0
Total Expenses	<u>1,109,844</u>	<u>991,000</u>	<u>118,844</u>
Changes in Fund Balance	42,056	229,842	187,786
Fund Balance at Beginning of Year	1,975,168	1,975,168	0
Prior Year Encumbrances Appropriated	<u>6,630</u>	<u>6,630</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$2,023,854</u></u>	<u><u>\$2,211,640</u></u>	<u><u>\$187,786</u></u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Child Support Enforcement Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Intergovernmental	\$1,423,150	\$1,225,699	(\$197,451)
<b><u>Expenditures</u></b>			
Current			
Human Services			
Personal Services	465,000	461,267	3,733
Fringe Benefits	203,150	173,265	29,885
Materials and Supplies	2,000	1,773	227
Contractual Services	608,855	500,425	108,430
Other	318,013	286,349	31,664
Total Expenditures	1,597,018	1,423,079	173,939
Changes in Fund Balance	(173,868)	(197,380)	(23,512)
Fund Balance at Beginning of Year	690,655	690,655	0
Prior Year Encumbrances Appropriated	207,907	207,907	0
Fund Balance at End of Year	\$724,694	\$701,182	(\$23,512)

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Mental Health Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Property Taxes	\$646,448	\$627,110	(\$19,338)
Intergovernmental	103,535	103,006	(529)
Total Revenues	749,983	730,116	(19,867)
<b><u>Expenditures</u></b>			
Intergovernmental	749,983	730,116	19,867
Changes in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Real Estate Assessment Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Charges for Services	\$489,700	\$499,955	\$10,255
Fines and Forfeitures	0	200	200
Other	10,300	9,941	(359)
Total Revenues	<u>500,000</u>	<u>510,096</u>	<u>10,096</u>
<b><u>Expenditures</u></b>			
Current			
General Government - Legislative and Executive			
Personal Services	185,000	161,868	23,132
Fringe Benefits	78,928	64,084	14,844
Materials and Supplies	14,390	4,369	10,021
Contractual Services	427,779	420,852	6,927
Capital Outlay	5,000	0	5,000
Other	9,695	9,175	520
Total Expenditures	<u>720,792</u>	<u>660,348</u>	<u>60,444</u>
Excess of Revenues Under Expenditures	<u>(220,792)</u>	<u>(150,252)</u>	<u>70,540</u>
<b><u>Other Financing Sources (Uses)</u></b>			
Advances - In	100,000	100,000	0
Transfers - In	50,000	50,000	0
Transfers - Out	(2,000)	0	2,000
Total Other Financing Sources (Uses)	<u>148,000</u>	<u>150,000</u>	<u>2,000</u>
Changes in Fund Balance	(72,792)	(252)	72,540
Fund Balance at Beginning of Year	111,324	111,324	0
Prior Year Encumbrances Appropriated	18,497	18,497	0
Fund Balance at End of Year	<u>\$57,029</u>	<u>\$129,569</u>	<u>\$72,540</u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**North Central Ohio Rehabilitation Center Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Intergovernmental	\$1,377,568	\$1,175,039	(\$202,529)
Other	35,400	24,929	(10,471)
Total Revenues	<u>1,412,968</u>	<u>1,199,968</u>	<u>(213,000)</u>
<b><u>Expenditures</u></b>			
Current			
Public Safety			
Personal Services	728,436	728,436	0
Fringe Benefits	332,000	270,521	61,479
Materials and Supplies	63,309	55,135	8,174
Contractual Services	148,122	103,545	44,577
Capital Outlay	40,000	21,202	18,798
Other	29,479	12,507	16,972
Total Expenditures	<u>1,341,346</u>	<u>1,191,346</u>	<u>150,000</u>
Excess of Revenues Over Expenditures	<u>71,622</u>	<u>8,622</u>	<u>(63,000)</u>
<b><u>Other Financing Sources (Uses)</u></b>			
Advances - In	0	50,000	50,000
Advances - Out	(50,000)	(50,000)	0
Transfer - In	13,439	13,439	0
Total Other Financing Sources (Uses)	<u>(36,561)</u>	<u>13,439</u>	<u>50,000</u>
Changes in Fund Balance	35,061	22,061	(13,000)
Fund Balance at Beginning of Year	121,822	121,822	0
Prior Year Encumbrances Appropriated	<u>12,655</u>	<u>12,655</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$169,538</u></u>	<u><u>\$156,538</u></u>	<u><u>(\$13,000)</u></u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Drug Law Enforcement Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Fines and Forfeitures	\$13,790	\$18,829	\$5,039
Interest	212	262	50
Other	0	0	0
Total Revenues	14,002	19,091	5,089
<b><u>Expenditures</u></b>			
Current			
Public Safety			
Materials and Supplies	31,213	23,617	7,596
Excess of Revenues Under Expenditures	(17,211)	(4,526)	12,685
<b><u>Other Financing Sources</u></b>			
Other Financing Sources	3,187	7,019	3,832
Changes in Fund Balance	(14,024)	2,493	16,517
Fund Balance at Beginning of Year	16,806	16,806	0
Prior Year Encumbrances Appropriated	1,909	1,909	0
Fund Balance at End of Year	\$4,691	\$21,208	\$16,517

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Prison Reduction Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Intergovernmental	\$255,665	\$255,665	\$0
<b><u>Expenditures</u></b>			
Current			
Public Safety			
Personal Services	170,004	170,004	0
Fringe Benefits	97,060	82,319	14,741
Materials and Supplies	1,000	103	897
Contractual Services	3,021	2,053	968
Other	389	0	389
Total Expenditures	271,474	254,479	16,995
Excess of Revenues Over (Under) Expenditures	(15,809)	1,186	16,995
<b><u>Other Financing Sources (Uses)</u></b>			
Advances - In	30,000	0	(30,000)
Advances - Out	(60,000)	(30,000)	30,000
Total Other Financing Sources (Uses)	(30,000)	(30,000)	0
Changes in Fund Balance	(45,809)	(28,814)	16,995
Fund Balance at Beginning of Year	47,860	47,860	0
Fund Balance at End of Year	\$2,051	\$19,046	\$16,995

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Indigent Guardianship Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Charges for Services	\$12,000	\$9,944	(\$2,056)
<b><u>Expenditures</u></b>			
Current			
Public Safety			
Contractual Services	14,329	14,090	239
Changes in Fund Balance	(2,329)	(4,146)	(1,817)
Fund Balance at Beginning of Year	2,871	2,871	0
Prior Year Encumbrances Appropriated	3,329	3,329	0
Fund Balance at End of Year	<u>\$3,871</u>	<u>\$2,054</u>	<u>(\$1,817)</u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**County Probation Services Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Charges for Services	\$30,400	\$37,140	\$6,740
Other	0	22,953	22,953
Total Revenues	<u>30,400</u>	<u>60,093</u>	<u>29,693</u>
<b><u>Expenditures</u></b>			
Current			
Public Safety			
Personal Services	42,454	37,834	4,620
Fringe Benefits	8,450	5,788	2,662
Materials and Supplies	18,200	11,433	6,767
Contractual Services	9,000	5,270	3,730
Total Expenditures	<u>78,104</u>	<u>60,325</u>	<u>17,779</u>
Changes in Fund Balance	(47,704)	(232)	47,472
Fund Balance at Beginning of Year	<u>52,938</u>	<u>52,938</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$5,234</u></u>	<u><u>\$52,706</u></u>	<u><u>\$47,472</u></u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Felony Delinquent Care and Custody Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Intergovernmental	\$713,335	\$776,223	\$62,888
Other	500	725	225
Total Revenues	<u>713,835</u>	<u>776,948</u>	<u>63,113</u>
<b><u>Expenditures</u></b>			
Current			
Public Safety			
Personal Services	310,000	252,029	57,971
Fringe Benefits	122,244	101,611	20,633
Materials and Supplies	16,029	7,691	8,338
Contractual Services	288,929	264,641	24,288
Capital Outlay	29,962	25,045	4,917
Other	25,513	11,202	14,311
Total Expenditures	<u>792,677</u>	<u>662,219</u>	<u>130,458</u>
Changes in Fund Balance	(78,842)	114,729	193,571
Fund Balance at Beginning of Year	805,173	805,173	0
Prior Year Encumbrances Appropriated	31,933	31,933	0
Fund Balance at End of Year	<u><u>\$758,264</u></u>	<u><u>\$951,835</u></u>	<u><u>\$193,571</u></u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Enhanced 911 Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Ingovernmental	\$169,982	\$186,347	\$16,365
<b><u>Expenditures</u></b>			
Current			
Public Safety			
Capital Outlay	61,500	42,396	19,104
Other	164,729	146,940	17,789
Total Expenditures	226,229	189,336	36,893
Excess of Revenues Under Expenditures	(56,247)	(2,989)	53,258
<b><u>Other Financing Sources (Uses)</u></b>			
Advances - In	205,000	205,000	0
Advances - Out	(90,000)	(90,000)	0
Total Other Financing Sources (Uses)	115,000	115,000	0
Changes in Fund Balance	58,753	112,011	53,258
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$58,753	\$112,011	\$53,258

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**DWI Education Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Fines and Forfeitures	\$500	\$1,065	\$565
<b><u>Expenditures</u></b>			
Current			
Public Safety			
Materials and Supplies	3,583	929	2,654
Contractual Services	3,000	0	3,000
Total Expenditures	6,583	929	5,654
Changes in Fund Balance	(6,083)	136	6,219
Fund Balance at Beginning of Year	6,789	6,789	0
Fund Balance at End of Year	\$706	\$6,925	\$6,219

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Jail Reduction Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Intergovernmental	\$43,316	\$43,316	\$0
<b><u>Expenditures</u></b>			
Current			
Public Safety			
Personal Services	27,126	26,766	360
Fringe Benefits	18,033	15,047	2,986
Total Expenditures	45,159	41,813	3,346
Excess of Revenues Over (Under) Expenditures	(1,843)	1,503	3,346
<b><u>Other Financing Sources (Uses)</u></b>			
Advances - In	5,000	0	(5,000)
Advances - Out	(5,000)	(5,000)	0
Total Other Financing Sources (Uses)	0	(5,000)	(5,000)
Changes in Fund Balance	(1,843)	(3,497)	(1,654)
Fund Balance at Beginning of Year	5,330	5,330	0
Fund Balance at End of Year	\$3,487	\$1,833	(\$1,654)

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Electronic Monitoring Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Charges for Services	\$3,000	\$1,052	(\$1,948)
<b><u>Expenditures</u></b>			
Current			
Public Safety			
Contractual Services	3,000	528	2,472
Changes in Fund Balance	0	524	524
Fund Balance at Beginning of Year	4,897	4,897	0
Fund Balance at End of Year	<u>\$4,897</u>	<u>\$5,421</u>	<u>\$524</u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Law Enforcement Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Fines and Forfeitures	\$34,921	\$36,778	\$1,857
Interest	349	478	129
Other	686	3,020	2,334
<b>Total Revenues</b>	<b>35,956</b>	<b>40,276</b>	<b>4,320</b>
<b><u>Expenditures</u></b>			
Current			
Public Safety			
Contractual Services	88,471	66,552	21,919
Excess of Revenues Under Expenditures	(52,515)	(26,276)	26,239
<b><u>Other Financing Sources</u></b>			
Other Financing Sources	11,347	11,347	0
Changes in Fund Balance	(41,168)	(14,929)	26,239
Fund Balance at Beginning of Year	42,874	42,874	0
Prior Year Encumbrances Appropriated	776	776	0
<b>Fund Balance at End of Year</b>	<b>\$2,482</b>	<b>\$28,721</b>	<b>\$26,239</b>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**PEACE Program Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Charges for Services	\$11,000	\$11,820	\$820
<b><u>Expenditures</u></b>			
Current			
Public Safety			
Materials and Supplies	1,500	1,101	399
Contractual Services	9,500	9,240	260
Total Expenditures	11,000	10,341	659
Changes in Fund Balance	0	1,479	1,479
Fund Balance at Beginning of Year	8,984	8,984	0
Prior Year Encumbrances Appropriated	1,400	1,400	0
Fund Balance at End of Year	<u>\$10,384</u>	<u>\$11,863</u>	<u>\$1,479</u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Disaster Services Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Charges for Services	\$24,698	\$24,698	\$0
Intergovernmental	35,000	35,066	66
Other	23,354	23,669	315
<b>Total Revenues</b>	<b>83,052</b>	<b>83,433</b>	<b>381</b>
<b><u>Expenditures</u></b>			
Current			
Public Safety			
Personal Services	46,302	45,039	1,263
Fringe Benefits	14,966	14,609	357
Materials and Supplies	1,539	910	629
Contractual Services	5,692	4,937	755
Capital Outlay	2,000	95	1,905
Other	131,541	117,938	13,603
<b>Total Expenditures</b>	<b>202,040</b>	<b>183,528</b>	<b>18,512</b>
Excess of Revenues Under Expenditures	(118,988)	(100,095)	18,893
<b><u>Other Financing Sources</u></b>			
Other Financing Sources	30,910	30,902	(8)
Changes in Fund Balance	(88,078)	(69,193)	18,885
Fund Balance at Beginning of Year	49,015	49,015	0
Prior Year Encumbrances Appropriated	61,148	61,148	0
<b>Fund Balance at End of Year</b>	<b>\$22,085</b>	<b>\$40,970</b>	<b>\$18,885</b>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Dog and Kennel Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Charges for Services	\$3,500	\$2,937	(\$563)
Licenses and Permits	120,000	152,976	32,976
Fines and Forfeitures	18,000	21,953	3,953
Other	2,500	3,758	1,258
Total Revenues	<u>144,000</u>	<u>181,624</u>	<u>37,624</u>
<b><u>Expenditures</u></b>			
Current			
Health			
Personal Services	65,953	64,304	1,649
Fringe Benefits	41,873	35,764	6,109
Materials and Supplies	15,492	12,970	2,522
Contractual Services	19,054	15,281	3,773
Capital Outlay	26,304	24,304	2,000
Other	600	600	0
Total Expenditures	<u>169,276</u>	<u>153,223</u>	<u>16,053</u>
Changes in Fund Balance	(25,276)	28,401	53,677
Fund Balance at Beginning of Year	62,956	62,956	0
Prior Year Encumbrances Appropriated	<u>2,226</u>	<u>2,226</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$39,906</u></u>	<u><u>\$93,583</u></u>	<u><u>\$53,677</u></u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Ditch Maintenance Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Special Assessments	\$31,949	\$26,923	(\$5,026)
<b><u>Expenditures</u></b>			
Current			
Public Works			
Materials and Supplies	5,000	1,184	3,816
Contractual Services	131,579	77,029	54,550
Capital Outlay	20,000	12,425	7,575
Total Expenditures	156,579	90,638	65,941
Changes in Fund Balance	(124,630)	(63,715)	60,915
Fund Balance at Beginning of Year	119,084	119,084	0
Prior Year Encumbrances Appropriated	23,899	23,899	0
Fund Balance at End of Year	\$18,353	\$79,268	\$60,915

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Community Development Block Grant Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Intergovernmental	\$124,000	\$106,675	(\$17,325)
Interest	130	802	672
Other	9,974	13,015	3,041
Total Revenues	<u>134,104</u>	<u>120,492</u>	<u>(13,612)</u>
<b><u>Expenditures</u></b>			
Current			
Public Works			
Contractual Services	86,100	72,810	13,290
Capital Outlay	121,845	106,480	15,365
Total Expenditures	<u>207,945</u>	<u>179,290</u>	<u>28,655</u>
Changes in Fund Balance	(73,841)	(58,798)	15,043
Fund Balance at Beginning of Year	116,227	116,227	0
Prior Year Encumbrances Appropriated	<u>8,350</u>	<u>8,350</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$50,736</u></u>	<u><u>\$65,779</u></u>	<u><u>\$15,043</u></u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Litter Control and Recycling Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Intergovernmental	\$19,315	\$62,666	\$43,351
<b><u>Expenditures</u></b>			
Current			
Public Works			
Personal Services	29,725	29,725	0
Fringe Benefits	9,147	9,141	6
Materials and Supplies	2,733	2,666	67
Contractual Services	3,456	3,456	0
Other	31,820	13,649	18,171
Total Expenditures	76,881	58,637	18,244
Excess of Revenues Over (Under) Expenditures	(57,566)	4,029	61,595
<b><u>Other Financing Sources</u></b>			
Other Financing Sources	10,075	10,150	75
Transfers - In	46,176	0	(46,176)
Total Other Financing Sources	56,251	10,150	(46,101)
Changes in Fund Balance	(1,315)	14,179	15,494
Fund Balance at Beginning of Year	2,652	2,652	0
Fund Balance at End of Year	\$1,337	\$16,831	\$15,494

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Delinquent Real Estate Tax Assessment Prosecutor Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Charges for Services	\$75,000	\$84,419	\$9,419
Other	8,000	3,680	(4,320)
Total Revenues	<u>83,000</u>	<u>88,099</u>	<u>5,099</u>
<b><u>Expenditures</u></b>			
Current			
General Government - Legislative and Executive			
Personal Services	53,951	49,884	4,067
Fringe Benefits	8,715	7,694	1,021
Materials and Supplies	2,500	2,500	0
Contractual Services	10,711	5,239	5,472
Capital Outlay	1,726	1,500	226
Total Expenditures	<u>77,603</u>	<u>66,817</u>	<u>10,786</u>
Excess of Revenues Over Expenditures	5,397	21,282	15,885
<b><u>Other Financing Sources</u></b>			
Other Financing Sources	<u>500</u>	<u>0</u>	<u>(500)</u>
Changes in Fund Balance	5,897	21,282	15,385
Fund Balance at Beginning of Year	65,551	65,551	0
Prior Year Encumbrances Appropriated	<u>1,813</u>	<u>1,813</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$73,261</u></u>	<u><u>\$88,646</u></u>	<u><u>\$15,385</u></u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Delinquent Real Estate Tax Assessment Treasurer Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Charges for Services	\$60,000	\$84,418	\$24,418
<b><u>Expenditures</u></b>			
Current			
General Government - Legislative and Executive			
Personal Services	55,000	41,718	13,282
Fringe Benefits	16,200	11,412	4,788
Materials and Supplies	10,000	4,609	5,391
Capital Outlay	3,000	0	3,000
Other	8,000	1,010	6,990
Total Expenditures	92,200	58,749	33,451
Changes in Fund Balance	(32,200)	25,669	57,869
Fund Balance at Beginning of Year	131,444	131,444	0
Fund Balance at End of Year	\$99,244	\$157,113	\$57,869

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Prepayment Interest Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Interest	\$2,500	\$5,733	\$3,233
<b><u>Expenditures</u></b>			
Current			
General Government - Legislative and Executive			
Materials and Supplies	7,000	0	7,000
Other	2,000	0	2,000
Total Expenditures	9,000	0	9,000
Changes in Fund Balance	(6,500)	5,733	12,233
Fund Balance at Beginning of Year	6,268	6,268	0
Fund Balance (Deficit) at End of Year	(\$232)	\$12,001	\$12,233

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Computerization Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Charges for Services	\$158,887	\$159,446	\$559
<b><u>Expenditures</u></b>			
Current			
General Government - Judicial			
Personal Services	51,500	51,000	500
Contractual Services	11,387	2,994	8,393
Capital Outlay	22,350	6,811	15,539
Other	500	128	372
Total Expenditures	85,737	60,933	24,804
Excess of Revenues Over Expenditures	73,150	98,513	25,363
<b><u>Other Financing Uses</u></b>			
Transfers - Out	(149,686)	(74,579)	75,107
Changes in Fund Balance	(76,536)	23,934	100,470
Fund Balance at Beginning of Year	112,366	112,366	0
Fund Balance at End of Year	\$35,830	\$136,300	\$100,470

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**GFM Recorder Equipment Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Charges for Services	\$45,684	\$51,081	\$5,397
<b><u>Expenditures</u></b>			
Current			
General Government - Legislative and Executive			
Capital Outlay	47,575	46,068	1,507
Excess of Revenues Over (Under) Expenditures	(1,891)	5,013	6,904
<b><u>Other Financing Uses</u></b>			
Transfers - Out	(25,278)	(25,278)	0
Changes in Fund Balance	(27,169)	(20,265)	6,904
Fund Balance at Beginning of Year	36,133	36,133	0
Prior Year Encumbrances Appropriated	2,575	2,575	0
Fund Balance at End of Year	<u>\$11,539</u>	<u>\$18,443</u>	<u>\$6,904</u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Certificate of Title Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Charges for Services	\$255,000	\$247,987	(\$7,013)
<b><u>Expenditures</u></b>			
Current			
General Government - Judicial			
Personal Services	137,700	135,977	1,723
Fringe Benefits	82,700	62,516	20,184
Material and Supplies	5,000	3,312	1,688
Contractual Services	4,000	901	3,099
Capital Outlay	500	0	500
Other	3,750	1,900	1,850
Total Expenditures	233,650	204,606	29,044
Excess of Revenues Over Expenditures	21,350	43,381	22,031
<b><u>Other Financing Uses</u></b>			
Transfers - Out	(75,000)	(37,500)	37,500
Changes in Fund Balance	(53,650)	5,881	59,531
Fund Balance at Beginning of Year	346,523	346,523	0
Fund Balance at End of Year	\$292,873	\$352,404	\$59,531

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Paternity Mediation Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Charges for Services	\$4,845	\$3,944	(\$901)
<b><u>Expenditures</u></b>			
Current			
General Government - Judicial			
Contractual Services	4,845	4,744	101
Changes in Fund Balance	0	(800)	(800)
Fund Balance at Beginning of Year	768	768	0
Fund Balance (Deficit) at End of Year	<u>\$768</u>	<u>(\$32)</u>	<u>(\$800)</u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Underground Storage Tank Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Total Revenues	\$0	\$0	\$0
<b><u>Expenditures</u></b>			
Current			
Health			
Contractual Services	800	800	0
Excess of Revenues Under Expenditures	(800)	(800)	0
<b><u>Other Financing Sources</u></b>			
Transfers - In	800	800	0
Changes in Fund Balance	0	0	0
Fund Balance at Beginning of Year	11,000	11,000	0
Fund Balance at End of Year	<u>\$11,000</u>	<u>\$11,000</u>	<u>\$0</u>

**Marion County, Ohio**  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Basis) and Actual  
**Ohio Children's Trust Special Revenue Fund**  
 For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Intergovernmental	\$20,427	\$20,427	\$0
<b><u>Expenditures</u></b>			
Current			
Human Services			
Contractual Services	20,427	16,865	3,562
Changes in Fund Balance	0	3,562	3,562
Fund Balance at Beginning of Year	6,652	6,652	0
Fund Balance at End of Year	<u>\$6,652</u>	<u>\$10,214</u>	<u>\$3,562</u>

**Marion County, Ohio**  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Basis) and Actual  
**Juvenile Drug Testing Special Revenue Fund**  
 For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Total Revenues	\$0	\$0	\$0
<b><u>Expenditures</u></b>			
Total Expenditures	0	0	0
Changes in Fund Balance	0	0	0
Fund Balance at Beginning of Year	20	20	0
Fund Balance at End of Year	\$20	\$20	\$0

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Family Services Special Revenue Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Charges for Services	\$10,000	\$21,765	\$11,765
<b><u>Expenditures</u></b>			
Current			
General Government - Judicial			
Materials and Supplies	2,000	0	2,000
Capital Outlay	500	0	500
Other	6,000	642	5,358
Total Expenditures	8,500	642	7,858
Changes in Fund Balance	1,500	21,123	19,623
Fund Balance at Beginning of Year	23,059	23,059	0
Fund Balance at End of Year	\$24,559	\$44,182	\$19,623

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Bond Retirement Debt Service Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Other Revenues	\$24,461	\$26,499	\$2,038
<b><u>Expenditures</u></b>			
Debt Service			
General Obligation Bond Retirement			
Office Building Bonds			
Principal Retirement	95,000	95,000	0
Interest and Fiscal Charges	226,627	226,627	0
Job and Family Services Bonds			
Principal Retirement	125,000	125,000	0
Interest and Fiscal Charges	25,525	25,525	0
Regional Jail Bonds			
Principal Retirement	105,000	105,000	0
Interest and Fiscal Charges	165,345	165,345	0
Justice Center Bonds			
Principal Retirement	20,000	20,000	0
Interest and Fiscal Charges	35,185	35,185	0
Total General Obligation Bond Retirement	797,682	797,682	0
Manuscript Retirement			
Marion Senior Housing			
Interest and Fiscal Charges	12,571	12,571	0

(continued)

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Bond Retirement Debt Service Fund (continued)**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
Issue II Loans			
Principal Retirement	\$16,477	\$16,477	\$0
Total Expenditures	<u>826,730</u>	<u>826,730</u>	<u>0</u>
Excess of Revenues			
Under Expenditures	<u>(802,269)</u>	<u>(800,231)</u>	<u>2,038</u>
<b><u>Other Financing Sources (Uses)</u></b>			
Advances - Out	(11,890)	(11,890)	0
Transfers - In	<u>814,159</u>	<u>939,334</u>	<u>(125,175)</u>
Total Other Financing Sources (Uses)	802,269	927,444	(125,175)
Changes in Fund Balance	0	127,213	(123,137)
Fund Balance at Beginning of Year	<u>661,525</u>	<u>661,525</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$661,525</u></u>	<u><u>\$788,738</u></u>	<u><u>(\$123,137)</u></u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Capital Improvement Capital Projects Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Charges for Service	\$25,200	\$25,200	\$0
<b><u>Expenditures</u></b>			
Capital Outlay			
Contractual Services	194,180	194,180	0
Capital Outlay	331,975	316,075	15,900
Total Expenditures	526,155	510,255	15,900
Excess of Revenues Under Expenditures	(500,955)	(485,055)	15,900
<b><u>Other Financing Sources (Uses)</u></b>			
Other Financing Sources	2,956	11,739	8,783
Advances - In	69,601	69,601	0
Advances - Out	(2,957)	(2,957)	0
Transfers - In	89,579	240,109	150,530
Total Other Financing Sources (Uses)	159,179	318,492	159,313
Changes in Fund Balance	(341,776)	(166,563)	175,213
Fund Balance at Beginning of Year	311,972	311,972	0
Prior Year Encumbrances Appropriated	114,497	114,497	0
Fund Balance at End of Year	\$84,693	\$259,906	\$175,213

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Ditch Drainage Capital Projects Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Special Assessments	\$453,514	\$47,887	(\$405,627)
<b><u>Expenditures</u></b>			
Capital Outlay	403,014	5,191	397,823
Debt Service			
Principal Retirement	55,000	55,000	0
Interest and Fiscal Charges	8,825	8,825	0
Total Expenditures	466,839	69,016	397,823
Excess of Revenues			
Under Expenditures	(13,325)	(21,129)	(7,804)
<b><u>Other Financing Sources</u></b>			
Transfers - In	63,825	0	(63,825)
Changes in Fund Balance	50,500	(21,129)	(71,629)
Fund Balance at Beginning of Year	223,765	223,765	0
Fund Balance at End of Year	<u>\$274,265</u>	<u>\$202,636</u>	<u>(\$71,629)</u>

**Marion County, Ohio**  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Basis) and Actual  
**Children Home Capital Projects Fund**  
 For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Total Revenues	\$0	\$0	\$0
<b><u>Expenditures</u></b>			
Capital Outlay	50,000	21,583	28,417
Excess of Revenues Under Expenditures	(50,000)	(21,583)	28,417
<b><u>Other Financing Sources</u></b>			
Transfers - In	50,000	9,646	(40,354)
Changes in Fund Balance	0	(11,937)	(11,937)
Fund Balance at Beginning of Year	11,937	11,937	0
Fund Balance at End of Year	<u>\$11,937</u>	<u>\$0</u>	<u>(\$11,937)</u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Marca Capital Projects Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Property Taxes	\$327,494	\$322,637	(\$4,857)
Intergovernmental	35,364	32,238	(3,126)
Other	60,140	96,898	36,758
Total Revenues	422,998	451,773	28,775
<b><u>Expenditures</u></b>			
Capital Outlay	829,211	656,145	173,066
Excess of Revenues Under Expenditures	(406,213)	(204,372)	201,841
<b><u>Other Financing Sources</u></b>			
Sale of Capital Assets	92,350	92,350	0
Changes in Fund Balance	(313,863)	(112,022)	201,841
Fund Balance at Beginning of Year	273,714	273,714	0
Prior Year Encumbrances Appropriated	93,809	93,809	0
Fund Balance at End of Year	<u>\$53,660</u>	<u>\$255,501</u>	<u>\$201,841</u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Job and Family Capital Projects Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Total Revenues	\$0	\$0	\$0
<b><u>Expenditures</u></b>			
Capital Outlay	54,658	12,240	42,418
Changes in Fund Balance	(54,658)	(12,240)	42,418
Fund Balance at Beginning of Year	105,835	105,835	0
Fund Balance at End of Year	<u>\$51,177</u>	<u>\$93,595</u>	<u>\$42,418</u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Issue II Capital Projects Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Charges for Services	\$26,508	\$26,508	\$0
Intergovernmental	183,953	165,613	(18,340)
Other	94,452	10,300	(84,152)
Total Revenues	304,913	202,421	(102,492)
<b><u>Expenditures</u></b>			
Capital Outlay	660,953	358,728	302,225
Excess of Revenues			
Under Expenditures	(356,040)	(156,307)	199,733
<b><u>Other Financing Sources (Uses)</u></b>			
Transfers - In	310,444	465,789	155,345
Transfers - Out	(25,000)	(25,000)	0
Total Other Financing Sources (Uses)	285,444	440,789	155,345
Changes in Fund Balance	(70,596)	284,482	355,078
Fund Balance at Beginning of Year	221,564	221,564	0
Fund Balance at End of Year	<u>\$150,968</u>	<u>\$506,046</u>	<u>\$355,078</u>

**Marion County, Ohio**  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Basis) and Actual  
**Justice Center Capital Projects Fund**  
 For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Total Revenues	\$0	\$0	\$0
<b><u>Expenditures</u></b>			
Capital Outlay	15,301	15,301	0
Changes in Fund Balance	(15,301)	(15,301)	0
Fund Balance at Beginning of Year	362	362	0
Prior Year Encumbrances Appropriated	15,726	15,726	0
Fund Balance at End of Year	<u>\$787</u>	<u>\$787</u>	<u>\$0</u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Dog and Kennel Capital Projects Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Total Revenues	\$0	\$0	\$0
<b><u>Expenditures</u></b>			
Debt Service			
Principal Retirement	35,000	35,000	0
Interest and Fiscal Charges	1,225	1,225	0
Total Expenditures	36,225	36,225	0
Excess of Revenues			
Under Expenditures	(36,225)	(36,225)	0
<b><u>Other Financing Sources</u></b>			
Advances - In	36,225	36,225	0
Changes in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

**Marion County, Ohio**  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Basis) and Actual  
**Coliseum Levy Capital Projects Fund**  
 For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Property Taxes	\$11,561	\$11,561	\$0
Intergovernmental	1,862	2,658	796
Total Revenues	13,423	14,219	796
<b><u>Expenditures</u></b>			
Capital Outlay	353,395	335,148	18,247
Changes in Fund Balance	(339,972)	(320,929)	19,043
Fund Balance at Beginning of Year	195,303	195,303	0
Prior Year Encumbrances Appropriated	144,974	144,974	0
Fund Balance at End of Year	<u>\$305</u>	<u>\$19,348</u>	<u>\$19,043</u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Administration Building Capital Projects Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Total Revenues	\$0	\$0	\$0
<b><u>Expenditures</u></b>			
Total Expenditures	0	0	0
Excess of Revenues Over Expenditures	0	0	0
<b><u>Other Financing Sources (Uses)</u></b>			
Advances - Out	(84,400)	(84,400)	0
Transfers - In	73,101	73,101	0
Total Other Financing Sources (Uses):	(11,299)	(11,299)	0
Changes in Fund Balance	(11,299)	(11,299)	0
Fund Balance at Beginning of Year	11,299	11,299	0
Fund Balance at End of Year	\$0	\$0	\$0

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Road Capital Projects Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Total Revenues	\$0	\$0	\$0
<b><u>Expenditures</u></b>			
Capital Outlay	307,000	0	307,000
Excess of Revenues Under Expenditures	(307,000)	0	307,000
<b><u>Other Financing Uses</u></b>			
Transfers - Out	(117,355)	(117,355)	0
Changes in Fund Balance	(424,355)	(117,355)	307,000
Fund Balance at Beginning of Year	490,485	490,485	0
Fund Balance at End of Year	<u>\$66,130</u>	<u>\$373,130</u>	<u>\$307,000</u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**Northwest Intercept Capital Projects Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Intergovernmental	\$6,100,000	\$493,147	(\$5,606,853)
<b><u>Expenditures</u></b>			
Capital Outlay	6,525,300	475,608	6,049,692
Excess of Revenues Over (Under) Expenditures	(425,300)	17,539	442,839
<b><u>Other Financing Sources</u></b>			
Transfers - In	425,000	93,000	(332,000)
Changes in Fund Balance	(300)	110,539	110,839
Fund Balance at Beginning of Year	327,233	327,233	0
Prior Year Encumbrances Appropriated	300	300	0
Fund Balance at End of Year	<u>\$327,233</u>	<u>\$438,072</u>	<u>\$110,839</u>

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
**TIF Project Capital Projects Fund**  
For the Year Ended December 31, 2006

	Final	Actual	Variance with Final Budget Over (Under)
<b><u>Revenues</u></b>			
Other	\$50,000	\$66,875	\$16,875
<b><u>Expenditures</u></b>			
Capital Outlay	3,042,409	2,932,214	110,195
Debt Service			
Interest and Fiscal Charges	330,971	13,662	317,309
Total Expenditures	3,373,380	2,945,876	427,504
Excess of Revenues			
Under Expenditures	(3,323,380)	(2,879,001)	444,379
<b><u>Other Financing Sources</u></b>			
Notes Issued	3,336,000	3,336,000	0
Changes in Fund Balance	12,620	456,999	444,379
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$12,620	\$456,999	\$444,379

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**Marion County, Ohio**  
Statistical Section Description

This part of Marion County’s comprehensive annual financial report represents 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

**Financial Trends** ..... S3

These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.

**Revenue Capacity**..... S10

These schedules contain information to help the reader assess the County’s most significant local revenue source, the property tax.

**Debt Capacity** ..... S24

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

**Demographic and Economic Information** ..... S29

These schedules offer demographic and economic indicators to help the reader understand how the environment within which the County’s financial activities take place.

**Operating Information** ..... S32

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.

Source: 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 2003; schedules presenting government-wide information include information beginning in that year.

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**Marion County, Ohio**  
Net Assets by Component  
Last Four Years

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<b>Governmental Activities</b>				
Invested in Capital Assets, Net of Related Debt	\$47,464,227	\$43,101,269	\$42,907,872	\$39,156,278
Restricted	21,436,262	20,154,633	19,844,819	19,230,671
Unrestricted	<u>3,874,281</u>	<u>3,659,591</u>	<u>4,039,480</u>	<u>4,647,786</u>
Total Governmental Activities Net Assets	<u><u>72,774,770</u></u>	<u><u>66,915,493</u></u>	<u><u>66,792,171</u></u>	<u><u>63,034,735</u></u>
<b>Business-Type Activity</b>				
Invested in Capital Assets, Net of Related Debt	5,868,440	6,067,334	5,926,439	6,143,077
Restricted	0	0	422,811	348,241
Unrestricted	<u>2,441,114</u>	<u>2,205,459</u>	<u>1,911,972</u>	<u>1,910,537</u>
Total Business-Type Activity Net Assets	<u><u>8,309,554</u></u>	<u><u>8,272,793</u></u>	<u><u>8,261,222</u></u>	<u><u>8,401,855</u></u>
<b>Primary Government</b>				
Invested in Capital Assets, Net of Related Debt	53,332,667	49,168,603	48,834,311	45,299,355
Restricted	21,436,262	20,154,633	20,267,630	19,578,912
Unrestricted	<u>6,315,395</u>	<u>5,865,050</u>	<u>5,951,452</u>	<u>6,558,323</u>
Total Primary Government Net Assets	<u><u>\$81,084,324</u></u>	<u><u>\$75,188,286</u></u>	<u><u>\$75,053,393</u></u>	<u><u>\$71,436,590</u></u>

**Marion County, Ohio**  
**Changes in Net Assets**  
**Last Four Years**

	2006	2005	2004	2003
<b>Expenses</b>				
Governmental Activities				
General Government				
Legislative and Executive	\$6,559,522	\$6,702,826	\$6,391,895	\$6,801,821
Judicial	2,052,712	2,273,672	2,077,911	1,698,069
Public Safety	9,581,353	9,146,720	8,555,754	8,373,301
Public Works	5,310,612	4,318,173	4,008,867	4,270,667
Health	7,700,613	7,607,576	8,130,127	8,070,610
Human Services	13,166,131	11,575,193	11,560,376	12,122,494
Conservation and Recreation	226,051	308,836	12,000	15,000
Intergovernmental	1,016,777	913,032	957,447	903,239
Interest and Fiscal Charges	571,803	492,992	517,689	540,876
Total Governmental Activities Expenses	<u>46,185,574</u>	<u>43,339,020</u>	<u>42,212,066</u>	<u>42,796,077</u>
Business-Type Activity				
Sewer District	1,175,071	1,216,520	1,383,704	1,343,220
Total Primary Government Expenses	<u>47,360,645</u>	<u>44,555,540</u>	<u>43,595,770</u>	<u>44,139,297</u>
<b>Program Revenues</b>				
Governmental Activities				
Charges for Services				
General Government				
Legislative and Executive	2,579,723	2,280,729	2,340,550	2,228,818
Judicial	1,150,303	1,107,315	980,036	1,158,754
Public Safety	1,062,452	893,504	837,317	1,083,333
Public Works	186,303	177,669	128,649	258,452
Health	177,436	174,167	153,484	187,451
Human Services	333,426	302,246	306,040	311,793
Operating Grants, Contributions, and Interest	21,481,219	20,061,838	20,544,602	19,373,105
Capital Grants, Contributions, and Interest	5,516,629	195,454	359,042	276,307
Total Governmental Activities Program Revenues	<u>32,487,491</u>	<u>25,192,922</u>	<u>25,649,720</u>	<u>24,878,013</u>
Business-Type Activity				
Charges for Services	1,072,083	1,077,909	1,066,299	1,021,108
Capital Grants, Contributions, and Interest	91,878	135,356	170,559	79,844
Total Business-Type Activity Program Revenues	<u>1,163,961</u>	<u>1,213,265</u>	<u>1,236,858</u>	<u>1,100,952</u>
Total Primary Government Program Revenues	<u>33,651,452</u>	<u>26,406,187</u>	<u>26,886,578</u>	<u>25,978,965</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(13,698,083)	(18,146,098)	(16,562,346)	(17,918,064)
Business-Type Activity	(11,110)	(3,255)	(146,846)	(242,268)
Total Primary Government Net Expense	<u>(13,709,193)</u>	<u>(18,149,353)</u>	<u>(16,709,192)</u>	<u>(18,160,332)</u>

(continued)

**Marion County, Ohio**  
Changes in Net Assets (continued)  
Last Four Years

	2006	2005	2004	2003
<b>General Revenues and Other Changes in Net Assets</b>				
Governmental Activities				
Property Taxes Levied for				
General Operating	\$2,167,903	\$2,254,001	\$2,134,707	\$2,123,288
Health-Mental Health	654,433	622,349	598,559	594,917
Health-Mental Retardation and Developmental Disabilities	2,961,609	2,999,864	2,882,714	2,873,363
Human Services - Children Services	1,514,642	1,595,685	1,535,336	1,525,292
Senior Service	63,710	0	0	0
Marca	312,797	318,295	307,698	304,954
Coliseum	11,561	216,536	241,986	240,466
Sales Taxes	6,677,483	6,385,212	6,365,990	6,171,612
Grants and Entitlements not Restricted to Other Programs	1,566,057	1,629,633	1,611,835	1,677,185
Interest	1,700,569	1,049,757	535,797	827,799
Other	1,926,596	1,198,088	1,134,822	1,241,178
Special Item - Gain on Sale of Capital Assets	0	0	2,970,338	0
Total Governmental Activities	<u>19,557,360</u>	<u>18,269,420</u>	<u>20,319,782</u>	<u>17,580,054</u>
Business-Type Activity				
Interest	46,190	14,272	6,213	7,020
Other	1,681	554	0	45,158
Total Business-Type Activity	<u>47,871</u>	<u>14,826</u>	<u>6,213</u>	<u>52,178</u>
Total Primary Government	<u>19,605,231</u>	<u>18,284,246</u>	<u>20,325,995</u>	<u>17,632,232</u>
<b>Change in Net Assets</b>				
Governmental Activities	5,859,277	123,322	3,757,436	(338,010)
Business-Type Activity	36,761	11,571	(140,633)	(190,090)
Total Primary Government	<u>\$5,896,038</u>	<u>\$134,893</u>	<u>\$3,616,803</u>	<u>(\$528,100)</u>

**Marion County, Ohio**  
Fund Balances, Governmental Funds  
Last Ten Years

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
General Fund					
Reserved	\$708,263	\$497,443	\$576,813	\$298,446	\$1,093,240
Unreserved	<u>5,960,120</u>	<u>6,037,725</u>	<u>3,153,655</u>	<u>4,073,678</u>	<u>4,095,584</u>
Total General Fund	<u>6,668,383</u>	<u>6,535,168</u>	<u>3,730,468</u>	<u>4,372,124</u>	<u>5,188,824</u>
All Other Governmental Funds					
Reserved	1,430,260	1,936,328	1,311,288	1,839,343	2,767,925
Unreserved, Reported in					
Special Revenue Funds	13,563,918	12,620,540	12,907,520	11,746,759	12,903,437
Debt Service Fund	777,115	651,940	521,564	385,989	251,580
Capital Projects Funds (Deficit)	<u>1,328,373</u>	<u>1,468,191</u>	<u>1,364,837</u>	<u>1,595,662</u>	<u>1,535,054</u>
Total All Other Governmental Funds	<u>17,099,666</u>	<u>16,676,999</u>	<u>16,105,209</u>	<u>15,567,753</u>	<u>17,457,996</u>
Total Governmental Funds	<u>\$23,768,049</u>	<u>\$23,212,167</u>	<u>\$19,835,677</u>	<u>\$19,939,877</u>	<u>\$22,646,820</u>

<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
\$938,630	\$166,744	\$182,032	\$156,031	\$233,483
<u>4,351,736</u>	<u>4,440,714</u>	<u>3,065,339</u>	<u>3,276,429</u>	<u>2,515,690</u>
<u>5,290,366</u>	<u>4,607,458</u>	<u>3,247,371</u>	<u>3,432,460</u>	<u>2,749,173</u>
3,793,862	10,046,618	2,140,932	1,211,251	3,104,556
13,429,129	13,115,092	12,297,793	11,649,593	9,593,265
235,417	38,068	38,068	37,334	34,628
<u>1,320,383</u>	<u>(7,278,270)</u>	<u>100,160</u>	<u>884,464</u>	<u>(2,940,728)</u>
<u>18,778,791</u>	<u>15,921,508</u>	<u>14,576,953</u>	<u>13,782,642</u>	<u>9,791,721</u>
<u>\$24,069,157</u>	<u>\$20,528,966</u>	<u>\$17,824,324</u>	<u>\$17,215,102</u>	<u>\$12,540,894</u>

**Marion County, Ohio**  
Changes in Fund Balances, Governmental Funds  
Last Ten Years

	2006	2005	2004	2003
<b>Revenues</b>				
Property Taxes	\$7,636,017	\$7,990,487	\$7,674,052	\$8,066,412
Sales Taxes	6,499,806	6,406,626	6,366,647	6,173,346
Special Assessments	61,564	73,482	148,899	34,869
Charges for Services	5,009,233	4,520,529	4,405,092	4,785,221
Licenses and Permits	157,081	157,520	131,490	126,836
Fines and Forfeitures	272,620	223,446	172,395	219,576
Intergovernmental	23,489,949	21,836,527	21,946,707	19,880,916
Interest	1,759,758	1,029,169	548,775	836,672
Donations	0	0	0	0
Other	1,926,596	1,198,088	1,134,822	1,241,178
<b>Total Revenues</b>	<b>46,812,624</b>	<b>43,435,874</b>	<b>42,528,879</b>	<b>41,365,026</b>
<b>Expenditures</b>				
General Government				
Legislative and Executive	5,749,148	5,816,674	5,646,287	5,273,196
Judicial	2,003,409	2,056,800	1,938,925	1,910,773
Public Safety	9,627,378	8,825,098	8,719,203	8,497,685
Public Works	4,300,495	4,374,489	4,087,891	3,638,147
Health	7,166,602	7,126,689	7,580,126	7,813,166
Human Services	13,041,213	11,489,016	11,374,219	12,111,553
Conservation and Recreation	73,000	296,475	12,000	15,000
Other	0	0	0	647,380
Capital Outlay	4,981,439	1,548,499	1,503,966	2,327,997
Intergovernmental	1,016,777	913,032	957,447	903,239
Debt Service	974,631	1,003,160	1,045,610	1,039,661
<b>Total Expenditures</b>	<b>48,934,092</b>	<b>43,449,932</b>	<b>42,865,674</b>	<b>44,177,797</b>
Excess of Revenues Over (Under) Expenditures	<u>(2,121,468)</u>	<u>(14,058)</u>	<u>(336,795)</u>	<u>(2,812,771)</u>
<b>Other Financing Sources (Uses)</b>				
Notes Issued	2,585,000	0	0	0
Bonds Issued	0	0	0	0
Loans Issued	0	0	82,595	105,828
Sale of Capital Assets	92,350	3,390,548	150,000	0
Inception of Capital Lease	0	0	0	0
Transfers - In	2,241,012	2,583,356	1,762,347	2,025,471
Transfers - Out	<u>(2,241,012)</u>	<u>(2,583,356)</u>	<u>(1,762,347)</u>	<u>(2,025,471)</u>
<b>Total Other Financing Sources (Uses)</b>	<b>2,677,350</b>	<b>3,390,548</b>	<b>232,595</b>	<b>105,828</b>
<b>Net Changes in Fund Balances</b>	<b><u>\$555,882</u></b>	<b><u>\$3,376,490</u></b>	<b><u>(\$104,200)</u></b>	<b><u>(\$2,706,943)</u></b>
Debt Service as a Percentage of Noncapital Expenditures	2.2%	2.4%	2.6%	2.5%

2002	2001	2000	1999	1998	1997
\$7,548,234	\$7,305,808	\$7,102,641	\$6,934,401	\$6,733,664	\$6,867,570
6,251,522	6,017,820	6,094,993	5,805,659	5,575,083	5,270,798
76,802	710,708	28,744	71,569	24,601	40,214
4,239,632	4,013,918	4,180,849	4,090,379	4,219,115	3,834,481
109,982	123,930	130,581	125,895	120,896	128,710
252,552	243,905	339,539	288,157	232,078	244,027
21,411,618	21,865,615	21,355,051	18,242,723	16,536,709	16,377,183
1,022,104	2,265,133	2,688,893	1,709,716	1,836,996	1,374,060
0	28,904	39,701	57,360	58,544	71,929
1,611,905	1,213,682	1,045,676	922,755	1,382,568	932,123
42,524,351	43,789,423	43,006,668	38,248,614	36,720,254	35,141,095
5,433,049	4,943,276	4,529,300	4,165,994	4,074,412	3,647,250
1,766,831	1,681,556	1,591,109	1,548,493	1,564,884	1,353,637
9,019,495	8,756,552	8,573,196	8,128,168	6,299,186	5,958,299
4,061,097	3,494,913	3,622,122	3,591,100	3,104,836	3,075,415
6,458,789	6,659,899	5,993,433	5,125,148	5,028,554	4,922,924
12,073,702	12,962,859	12,258,017	10,199,779	9,313,605	8,838,111
16,920	11,612	16,938	16,425	9,025	6,000
607,475	674,761	485,370	500,372	448,222	511,685
2,594,791	10,902,651	2,591,313	2,550,828	1,005,387	1,979,493
930,268	923,820	878,351	1,213,382	863,815	3,545,616
958,200	690,566	497,210	270,621	353,185	115,309
43,920,617	51,702,465	41,036,359	37,310,310	32,065,111	33,953,739
(1,396,266)	(7,913,042)	1,970,309	938,304	4,655,143	1,187,356
0	0	0	0	0	0
0	11,400,000	0	0	0	0
0	26,547	0	0	15,278	0
0	64,754	764,333	28,158	616	6,260
0	0	0	0	3,171	0
1,347,423	1,521,261	8,479,135	2,263,127	2,931,344	4,348,145
(1,373,494)	(1,559,329)	(8,509,135)	(2,620,367)	(2,931,344)	(4,294,620)
(26,071)	11,453,233	734,333	(329,082)	19,065	59,785
(\$1,422,337)	\$3,540,191	\$2,704,642	\$609,222	\$4,674,208	\$1,247,141
2.3%	1.7%	1.3%	0.8%	1.1%	0.3%

**Marion County, Ohio**  
Assessed and Estimated Actual Value of Taxable Property  
Last Ten Years

Year	Real Property			Public Utility Personal Property	
	Assessed Value		Estimated Actual Value	Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial/ Public Utility			
2006	\$681,679,900	\$170,391,870	\$2,434,490,771	\$61,813,940	\$70,243,114
2005	672,726,380	165,996,490	2,396,351,057	59,647,040	67,780,727
2004	654,030,390	162,759,560	2,333,685,571	60,472,980	68,719,295
2003	643,530,940	162,552,700	2,303,096,114	61,023,500	69,344,886
2002	640,970,400	161,616,090	2,293,104,257	59,668,560	67,805,182
2001	544,646,760	146,228,210	1,973,928,486	67,278,690	76,453,057
2000	533,560,840	139,359,040	1,922,628,229	68,847,820	78,236,159
1999	527,176,470	136,997,920	1,897,641,114	71,519,410	81,272,057
1998	415,792,000	132,559,910	1,566,719,743	72,086,840	81,916,864
1997	407,719,380	131,950,950	1,541,915,229	68,305,120	77,619,455

Source: Marion County Auditor

Real property is reappraised every six years with a State mandated updated of the current market value in the third year following each appraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated actual value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of actual value of railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent of actual value for machinery and equipment and 23 percent for inventory. The general business tangible personal property tax is being phased out beginning in 2006. The percentage is 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008, and zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent, and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property has been eliminated.

Tangible Personal Property		Total		
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Weighted Average Tax Rate
\$141,050,605	\$752,269,893	\$1,054,936,315	\$3,257,003,778	\$8.37
136,833,414	621,970,064	1,035,203,324	3,086,101,848	8.76
131,646,283	572,375,143	1,008,909,213	2,974,780,009	8.80
135,789,841	565,791,004	1,002,896,981	2,938,232,004	8.80
139,711,450	558,845,800	1,001,966,500	2,919,755,239	9.85
139,377,310	557,509,240	897,530,970	2,607,890,783	9.42
134,959,685	539,838,740	876,727,385	2,540,703,128	9.13
148,945,039	595,780,156	884,638,839	2,574,693,327	9.17
146,457,865	585,831,460	766,896,615	2,234,468,067	9.99
172,224,460	688,897,840	780,199,910	2,308,432,524	10.01

**Marion County, Ohio**  
Property Tax Rates  
Direct and Overlapping Governments  
(Per \$1,000 Assessed Value)  
Last Ten Years

	2006	2005	2004	2003
<b>Unvoted Millage</b>				
General Fund	\$2.40	\$2.40	\$2.40	\$2.40
<b>Effective Millage Rates</b>				
Residential/Agricultural	2.40	2.40	2.40	2.40
Commercial/Industrial	2.40	2.40	2.40	2.40
Tangible/Public Utility Personal	2.40	2.40	2.40	2.40
<b>Voted Millage</b>				
<b>Mental Retardation and Developmental Disabilities 1978</b>				
Effective Millage Rates	1.00	1.00	1.00	1.00
Residential/Agricultural	0.4783	0.4791	0.4874	0.4882
Commercial/Industrial	0.5600	0.5561	0.5591	0.5543
Tangible/Public Utility Personal	1.0000	1.0000	1.0000	1.0000
<b>Mental Retardation and Developmental Disabilities 1985</b>				
Effective Millage Rates	0.35	0.35	0.35	0.35
Residential/Agricultural	0.1892	0.1895	0.1928	0.1931
Commercial/Industrial	0.2883	0.2863	0.2879	0.2854
Tangible/Public Utility Personal	0.3500	0.3500	0.3500	0.3500
<b>Mental Retardation and Developmental Disabilities 1987</b>				
Effective Millage Rates	0.50	0.50	0.50	0.50
Residential/Agricultural	0.2703	0.2707	0.2754	0.2758
Commercial/Industrial	0.4121	0.4092	0.4114	0.4079
Tangible/Public Utility Personal	0.5000	0.5000	0.5000	0.5000
<b>Mental Retardation and Development Disabilities 1996</b>				
Effective Millage Rates	3.00	3.00	3.00	3.00
Residential/Agricultural	2.0610	2.0640	2.1000	2.1033
Commercial/Industrial	2.7849	2.7655	2.7805	2.7565
Tangible/Public Utility Personal	3.0000	3.0000	3.0000	3.0000
<b>Children Services</b>				
Effective Millage Rates	2.50	2.50	2.50	2.50
Residential/Agricultural	1.3515	1.3534	1.3771	1.3792
Commercial/Industrial	2.0641	2.0498	2.0609	2.0431
Tangible/Public Utility Personal	2.5000	2.5000	2.5000	2.5000
<b>ADAMHS</b>				
Effective Millage Rates	1.00	1.00	1.00	1.00
Residential/Agricultural	0.5406	0.5414	0.5508	0.5517
Commercial/Industrial	0.7166	0.7117	0.7155	0.7093
Tangible/Public Utility Personal	1.0000	1.0000	1.0000	1.0000

2002	2001	2000	1999	1998	1997
\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40
2.40	2.40	2.40	2.40	2.40	2.40
2.40	2.40	2.40	2.40	2.40	2.40
2.40	2.40	2.40	2.40	2.40	2.40
1.00	1.00	1.00	1.00	1.00	1.00
0.4850	0.5592	0.5604	0.5598	0.6963	0.6960
0.5520	0.5936	0.6006	0.5983	0.6032	0.5974
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
0.35	0.35	0.35	0.35	0.35	0.35
0.1918	0.2212	0.2217	0.2214	0.2754	0.2753
0.2842	0.3056	0.3093	0.3081	0.3106	0.3076
0.3500	0.3500	0.3500	0.3500	0.3500	0.3500
0.50	0.50	0.50	0.50	0.50	0.50
0.2740	0.3160	0.3167	0.3163	0.3934	0.3933
0.4062	0.4368	0.4420	0.4403	0.4439	0.4396
0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
3.00	3.00	3.00	3.00	3.00	3.00
2.0895	2.4094	2.4146	2.4117	3.0000	3.0000
2.7451	2.9521	2.9870	2.9757	3.0000	3.0000
3.0000	3.0000	3.0000	3.0000	3.0000	3.0000
2.50	2.50	2.50	2.50	2.50	2.50
1.3701	1.5799	1.5833	1.5814	1.9672	1.9663
2.0346	2.1881	2.2139	2.2055	2.2236	2.2022
2.5000	2.5000	2.5000	2.5000	2.5000	2.5000
1.00	1.00	1.00	1.00	1.00	1.00
0.5481	0.6320	0.6333	0.6326	0.7869	0.7865
0.7064	0.7597	0.7687	0.7657	0.7720	0.7646
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

(continued)

**Marion County, Ohio**  
**Property Tax Rates**  
Direct and Overlapping Governments (continued)  
(Per \$1,000 Assessed Value)  
Last Ten Years

	2006	2005	2004	2003
Fairground Improvement	\$0.00	\$0.30	\$0.30	\$0.30
Effective Millage Rates				
Residential/Agricultural	0.0000	0.2564	0.2609	0.2613
Commercial/Industrial	0.0000	0.2778	0.2793	0.2769
Tangible/Public Utility Personal	0.0000	0.3000	0.3000	0.3000
Total Voted Millage	8.35	8.65	8.65	8.65
Total County Rate	10.75	11.05	11.05	11.05
Total Effective Voted Millage by Type of Property				
Residential/Agricultural	7.2910	7.5545	7.6444	7.6526
Commercial/Industrial	9.2261	9.4564	9.4946	9.4334
Tangible/Public Utility Personal	10.7500	11.0500	11.0500	11.0500
In County School Districts				
Marion CSD	29.0431 - 40.6300	32.9177 - 44.5300	33.0948 - 44.5300	33.0655 - 44.5300
Pleasant LSD	25.3300 - 48.2300	25.1900 - 48.0900	25.4200 - 48.3200	25.4538 - 48.3200
Overlapping School Districts				
Buckeye Valley LSD	23.9800 - 32.9800	24.2000 - 33.2000	24.5200 - 33.5200	24.8000 - 33.8000
Cardington-Lincoln LSD	25.9813 - 33.1900	26.1166 - 33.1900	26.0635 - 33.1900	26.3255 - 33.8200
Elgin LSD	26.1429 - 37.8500	26.2070 - 37.8500	25.8915 - 37.8500	25.9911 - 37.8500
Northmor LSD	20.0000 - 27.4000	20.0090 - 27.4000	20.0047 - 27.4000	20.0000 - 27.4000
Ridgedale LSD	27.4040 - 47.3900	27.4057 - 47.3900	26.7383 - 47.3900	26.8097 - 47.3900
River Valley LSD	29.3169 - 44.3700	29.3209 - 44.3700	29.8612 - 44.8800	30.4559 - 45.8800
Upper Sandusky EVSD	20.0006 - 33.7000	20.0000 - 33.7000	20.0053 - 33.7000	20.0072 - 33.7000
Corporations				
Caledonia	8.0419 - 12.5000	8.0220 - 12.5000	8.3125 - 12.5000	8.2891 - 12.5000
Green Camp	5.5201 - 10.1000	5.5135 - 10.1000	5.7134 - 10.1000	5.7156 - 10.1000
Larue	10.0192 - 11.7000	6.8136 - 11.7000	7.0306 - 11.7000	7.0275 - 11.7000
Marion (Elgin LSD)	3.2000 - 3.2000	3.2000 - 3.2000	3.2000 - 3.2000	3.2000 - 3.2000
Marion (Marion CSD)	4.2000 - 4.2000	4.2000 - 4.2000	4.2000 - 4.2000	4.2000 - 4.2000
Marion (Pleasant LSD)	1.5000 - 1.5000	1.5000 - 1.5000	1.5000 - 1.5000	1.5000 - 1.5000
Marion (Ridgedale LSD)	2.0000 - 2.0000	2.0000 - 2.0000	2.0000 - 2.0000	2.0000 - 2.0000
Marion (River Valley LSD)	3.3000 - 3.0000	3.3000 - 3.0000	3.3000 - 3.0000	3.3000 - 3.0000
Morral	2.3322 - 5.2000	2.9756 - 5.2000	2.1028 - 5.2000	2.1033 - 5.2000
New Bloomington	3.3542 - 4.0000	3.3580 - 4.0000	3.4114 - 4.0000	3.4215 - 4.0000
Prospect	4.1614 - 10.1000	4.1579 - 10.1000	4.2743 - 10.1000	4.2721 - 10.1000
Waldo	6.1670 - 6.9000	6.1371 - 6.9000	6.3518 - 6.9000	5.4411 - 7.0000
Townships				
Big Island	3.1242 - 3.9000	3.1247 - 3.9000	3.0790 - 3.9000	3.0934 - 3.9000
Bowling Green	3.3000 - 3.3000	3.3000 - 3.3000	3.3000 - 3.0000	3.3000 - 3.3000
Claridon	1.7000 - 1.7000	1.7000 - 1.7000	1.7000 - 1.7000	1.7000 - 1.7000
Grand	3.6000 - 3.6000	3.6000 - 3.6000	2.1000 - 2.1000	2.1000 - 2.1000
Grand Prairie	3.3220 - 3.4500	3.3225 - 3.4500	3.0646 - 3.2000	3.0656 - 3.2000
Green Camp	1.4436 - 4.4500	4.2623 - 4.4500	3.6501 - 4.2500	3.6648 - 4.2500
Marion	10.1740 - 10.5000	6.8711 - 10.5000	7.1042 - 10.5000	7.1023 - 10.5000
Montgomery	1.3000 - 1.3000	1.3000 - 1.3000	1.3000 - 1.3000	1.3000 - 1.3000

2002	2001	2000	1999	1998	1997
\$0.30	\$0.30	\$0.00	\$0.00	\$0.00	\$0.00
2.0895	0.2994	0.0000	0.0000	0.0000	0.0000
0.2757	0.2965	0.0000	0.0000	0.0000	0.0000
0.3000	0.3000	0.0000	0.0000	0.0000	0.0000
8.65	8.65	8.35	8.35	8.35	8.35
11.05	11.05	10.75	10.75	10.75	10.75

9.4480	8.4171	8.1300	8.1232	9.5192	9.5174
9.4042	9.9324	9.7215	9.6936	9.7533	9.7114
11.0500	11.0500	10.7500	10.7500	10.7500	10.7500

32.7691 - 44.3700	34.7100 - 46.2100	35.2224 - 46.6900	30.9200 - 42.4200	32.6305 - 44.0700	32.6240 - 44.0700
25.4200 - 48.3200	26.1100 - 49.0100	26.6200 - 49.5200	26.7400 - 49.6400	31.6059 - 51.4500	31.9127 - 51.7600

25.1500 - 34.1500	25.4000 - 34.4000	25.5100 - 34.5100	26.7100 - 35.7100	26.7400 - 35.7400	26.7400 - 35.7400
26.3255 - 33.8200	24.9761 - 32.3900	25.9812 - 33.3900	25.9812 - 33.3900	26.2693 - 33.3900	25.7846 - 33.3900
25.8500 - 37.8500	26.3000 - 38.3000	26.3000 - 38.3000	26.1000 - 38.1000	27.2283 - 39.1700	27.2218 - 39.1700
20.0000 - 27.4000	20.0000 - 27.4000	19.9999 - 27.4000	20.0000 - 27.4000	20.0000 - 27.4000	19.9999 - 27.4000
26.8200 - 47.5200	27.4500 - 48.1500	27.4528 - 48.1500	27.4000 - 48.1000	29.0306 - 49.6500	29.2155 - 49.8400
30.3523 - 45.8800	31.3241 - 46.5100	24.5787 - 39.9500	24.0751 - 39.4400	25.5169 - 40.3100	25.6157 - 40.4200
20.0072 - 33.7000	20.0000 - 33.7000	20.0000 - 33.7000	20.0000 - 33.7000	20.0000 - 33.7000	21.9829 - 33.7000

8.2521 - 12.5000	10.1152 - 12.5000	8.1755 - 12.5000	8.1650 - 12.5000	10.0128 - 12.5000	10.0128 - 12.5000
5.5752 - 10.1000	7.7854 - 10.1000	7.9715 - 10.1000	8.0009 - 10.1000	9.1356 - 10.1000	9.1356 - 10.1000
7.0022 - 11.7000	7.0272 - 11.7000	7.0365 - 11.7000	7.0343 - 11.7000	7.9371 - 11.7000	7.9371 - 11.7000
3.2000 - 3.2000	3.2000 - 3.2000	3.2000 - 3.2000	3.2000 - 3.2000	3.2000 - 3.2000	3.2000 - 3.2000
4.2000 - 4.2000	4.2000 - 4.2000	4.2000 - 4.2000	4.2000 - 4.2000	4.2000 - 4.2000	4.2000 - 4.2000
1.5000 - 1.5000	1.5000 - 1.5000	1.5000 - 1.5000	1.5000 - 1.5000	1.5000 - 1.5000	1.5000 - 1.5000
2.0000 - 2.0000	2.0000 - 2.0000	2.0000 - 2.0000	2.0000 - 2.0000	2.0000 - 2.0000	2.0000 - 2.0000
3.3000 - 3.0000	3.3000 - 3.0000	3.3000 - 3.0000	3.3000 - 3.0000	3.3000 - 3.0000	3.3000 - 3.0000
2.0077 - 5.2000	2.3893 - 5.2000	2.3935 - 5.2000	2.3935 - 5.2000	2.9634 - 5.2000	2.5088 - 5.2000
3.3737 - 4.0000	3.2548 - 4.0000	3.2549 - 4.0000	3.2491 - 4.0000	3.4562 - 4.0000	4.0000 - 4.0000
4.2542 - 10.1000	4.5927 - 10.1000	4.6027 - 10.1000	4.6063 - 10.1000	5.2805 - 10.1000	5.2805 - 10.1000
5.4189 - 7.0000	6.1026 - 7.0000	4.3374 - 7.0000	4.3394 - 7.0000	4.6888 - 6.7000	4.6888 - 6.7000

3.0767 - 3.9000	3.1420 - 3.9000	3.1442 - 3.9000	3.1435 - 3.9000	3.4615 - 3.9000	3.4615 - 3.9000
3.3000 - 3.3000	3.3000 - 3.3000	3.3000 - 3.3000	3.3000 - 3.3000	3.3000 - 3.3000	3.3000 - 3.3000
1.7000 - 1.7000	1.7000 - 1.7000	1.7000 - 1.7000	1.7000 - 1.7000	1.7000 - 1.7000	1.7000 - 1.7000
2.1000 - 2.1000	2.1000 - 2.1000	2.1000 - 2.1000	2.1000 - 2.1000	2.1000 - 2.1000	2.1000 - 2.1000
3.0611 - 3.2000	3.1973 - 3.2000	3.1971 - 3.2000	2.7640 - 3.2000	2.9236 - 3.2000	2.9236 - 3.2000
3.6348 - 4.2500	3.8066 - 4.5000	3.8207 - 4.5000	3.8209 - 4.5000	4.3173 - 4.5000	4.3253 - 4.5000
7.0682 - 10.5000	7.1319 - 10.5000	7.1303 - 10.5000	7.1040 - 10.5000	8.2687 - 10.5000	8.2750 - 10.5000
1.3000 - 1.3000	1.3000 - 1.3000	1.3000 - 1.3000	1.3000 - 1.3000	1.3000 - 1.3000	1.3000 - 1.3000

(continued)

**Marion County, Ohio**  
**Property Tax Rates**  
Direct and Overlapping Governments (continued)  
(Per \$1,000 Assessed Value)  
Last Ten Years

	2006	2005	2004	2003
Townships (continued)				
Pleasant	\$3.1827 - \$3.2000	\$2.5372 - \$2.7000	\$2.5876 - \$2.7000	\$2.5941 - \$2.7000
Prospect	1.9265 - 2.8000	1.9259 - 2.8000	1.9306 - 2.8000	1.9329 - 2.8000
Richland	1.2000 - 2.0000	1.2000 - 1.2000	1.2000 - 1.2000	1.2000 - 1.2000
Salt Rock	5.0558 - 5.1000	5.0608 - 5.1000	4.9252 - 5.1000	3.9875 - 4.1000
Scott	2.1000 - 2.1000	2.1000 - 2.1000	2.1000 - 2.1000	1.5000 - 1.5000
Tully	2.4000 - 2.4000	2.4000 - 2.4000	2.4000 - 2.4000	2.4000 - 2.4000
Waldo	2.8998 - 2.9000	1.7408 - 2.9000	1.7427 - 2.9000	1.7453 - 2.9000
Other Units				
Battle Run Fire District	4.4494 - 5.0000	4.4455 - 5.0000	4.4785 - 5.0000	4.4950 - 5.0000
Cardington-Lincoln Joint Recreation Board	1.0500 - 1.0500	1.0500 - 1.0500	1.0500 - 1.0500	1.0500 - 1.0500
Delaware County District Library	.0800 - .0800	0.0900 - 0.0900	0.1200 - 0.1200	0.1500 - 0.1500
Delaware County JVSD	2.2847 - 3.2000	2.3702 - 3.2000	2.4147 - 3.2000	2.4585 - 3.2000
First Consolidated Fire District	5.8600 - 6.0000	6.0000 - 6.0000	5.9939 - 6.0000	4.7626 - 5.0000
Fort Morrow Fire District	1.8790 - 2.0000	1.8987 - 2.0000	1.9054 - 2.0000	1.4118 - 1.5000
Pioneer JVSD	2.0851 - 4.7000	2.2328 - 4.7000	2.2334 - 4.7000	2.3215 - 4.7000
Prospect Joint Park Commission	1.7670 - 2.2000	1.3856 - 2.2000	1.3944 - 2.2000	1.3988 - 2.2000
Scioto Valley Fire District	3.0169 - 5.0000	3.0161 - 5.0000	2.8616 - 5.0000	2.8689 - 5.0000
Tri-Rivers JVSD	2.4006 - 4.4000	2.5341 - 4.4000	2.5592 - 4.4000	2.5617 - 4.4000
Vanguard JVSD	1.6000 - 1.6000	1.6000 - 1.6000	1.6000 - 1.6000	1.6000 - 1.6000
Grandview Park District	.1000 - .1000	0.1000 - 0.1000	0.1000 - 0.1000	0.1000 - 0.1000
Waldo Park Commission	1.0000 - 1.0000	1.0000 - 1.0000	1.0000 - 1.0000	1.0000 - 1.0000

Source: Marion County Auditor

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

Overlapping rates are those of local governments that apply to property owners within Marion County. Not all overlapping rates apply to all County property owners. Property tax rates for all overlapping governments are based on the original voted levy.

2002	2001	2000	1999	1998	1997
\$2.4595 - \$2.7000	\$2.6925 - \$2.7000	\$2.0887 - \$2.7000	\$2.0891 - \$2.7000	\$2.3455 - \$2.7000	\$2.3455 - \$2.7000
1.9292 - 2.8000	2.002 - 2.8000	2.0040 - 2.8000	2.0034 - 2.8000	2.2070 - 2.8000	2.2070 - 2.8000
1.2000 - 1.2000	1.2000 - 1.2000	1.6000 - 1.6000	1.6000 - 1.6000	1.6000 - 1.6000	1.6000 - 1.6000
3.1065 - 4.1000	3.4039 - 4.1000	3.4144 - 4.1000	2.6906 - 4.1000	2.9562 - 4.1000	2.9562 - 4.1000
1.5000 - 1.5000	1.5000 - 1.5000	1.5000 - 1.5000	1.5000 - 1.5000	1.5000 - 1.5000	1.5000 - 1.5000
2.4000 - 2.4000	2.4000 - 2.4000	2.4000 - 2.4000	2.4000 - 2.4000	2.4000 - 2.4000	2.4000 - 2.4000
1.7441 - 2.9000	1.7696 - 2.9000	1.7711 - 2.9000	1.7711 - 2.9000	1.7720 - 2.9000	1.8845 - 2.9000
4.26242 - 5.0000	4.9832 - 5.0000	3.8935 - 5.0000	2.4051 - 5.0000	4.5912 - 6.4900	4.5912 - 6.4900
1.05000 - 1.05000	1.05000 - 1.05000	0.3000 - 0.3000	0.3000 - 0.3000	0.3000 - 0.3000	N/A
0.1800 - 0.1800	0.1900 - 0.1900	0.2400 - 0.2400	0.2900 - 0.2900	0.3100 - 0.3100	0.2900 - 0.2900
2.3761 - 3.2000	2.6328 - 3.4000	2.6387 - 3.4000	2.6487 - 3.4000	2.7604 - 3.4000	2.7763 - 3.4000
2.7914 - 3.5000	3.1657 - 3.5000	3.1654 - 3.5000	2.6507 - 3.5000	1.6433 - 2.0000	1.6433 - 2.0000
2.1035 - 2.2500	1.8849 - 2.2500	1.8894 - 2.2500	1.1889 - 1.5000	1.5000 - 1.5000	1.5000 - 1.5000
2.3215 - 4.7000	2.4355 - 4.7000	2.4361 - 4.7000	2.6273 - 4.7000	2.8298 - 4.7000	1.8371 - 4.7000
3.4732 - 5.2000	3.8536 - 5.2000	3.8619 - 5.2000	3.8619 - 5.2000	4.9180 - 5.2000	4.9180 - 5.2000
2.8502 - 5.0000	3.1275 - 5.0000	3.1293 - 5.0000	3.1245 - 5.0000	3.8080 - 5.0000	3.8080 - 5.0000
2.6058 - 4.4000	2.8792 - 4.4000	2.8826 - 4.4000	3.1396 - 4.4000	3.6971 - 4.4000	2.3968 - 3.1000
1.6000 - 1.6000	1.6000 - 1.6000	1.6000 - 1.6000	1.6000 - 1.6000	1.6000 - 1.6000	1.6000 - 1.6000
0.1000 - 0.1000	0.1000 - 0.1000	N/A	N/A	N/A	N/A
1.0000 - 1.0000	1.000 - 1.000	1.0000 - 1.0000	1.0000 - 1.0000	1.0000 - 1.0000	1.0000 - 1.0000

**Marion County, Ohio**  
Property Tax Levies and Collections  
Real and Public Utility Real Property Taxes  
Last Ten Years

Collection Year	Current Tax Levy (1)	Total Tax Collections	Percent Collected	Current Delinquencies	Prior Delinquencies	Total Outstanding Delinquencies	Percent of Delinquencies to Current Tax Levy
2006	\$7,249,101	\$7,354,491	101.45%	\$373,143	\$37,600	\$410,743	5.67%
2005	7,160,302	7,079,292	98.87	432,054	84,080	516,134	7.21
2004	7,213,305	7,238,680	100.35	362,603	72,520	435,123	6.03
2003	7,132,391	7,113,129	99.73	448,836	112,926	561,762	7.88
2002	7,062,156	7,012,268	99.29	318,988	67,947	386,935	5.48
2001	6,644,567	6,708,657	100.96	261,940	109,682	371,622	5.59
2000	6,304,086	6,455,809	102.41	246,496	106,684	353,180	5.60
1999	6,379,134	6,313,739	98.97	224,587	101,715	326,302	5.12
1998	6,025,859	5,991,964	99.44	181,074	82,772	263,846	4.38
1997	5,896,125	5,874,809	99.64	242,103	70,907	313,010	5.31

Source: Marion County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

The County does not identify delinquent collections by tax year.

**Marion County, Ohio**  
Property Tax Levies and Collections  
Tangible Personal Property Taxes  
Last Ten Years

Collection Year	Current Tax Levy (1)	Total Tax Collections	Percent Collected	Current Delinquencies	Prior Delinquencies	Total Outstanding Delinquencies	Percent of Delinquencies to Current Tax Levy
2006	\$1,199,264	\$1,271,581	106.03%	\$10,690	\$19,361	\$30,051	2.51%
2005	1,512,009	1,523,768	100.78	52,086	44,182	96,268	6.37
2004	1,513,538	1,500,644	99.15	89,777	18,250	108,027	7.14
2003	1,500,478	1,557,573	103.81	75,831	15,416	91,247	6.08
2002	1,543,812	1,542,142	99.89	80,824	12,597	93,421	6.05
2001	1,540,119	1,500,890	97.45	65,757	27,413	93,170	6.05
2000	1,450,817	1,579,311	108.86	72,974	31,828	104,802	7.22
1999	1,601,159	1,510,084	94.31	175,167	73,509	248,676	15.53
1998	1,574,422	1,506,605	95.69	112,986	60,839	173,825	11.04
1997	1,595,423	1,526,088	95.65	119,104	47,335	166,439	10.43

Source: Marion County Auditor

(1) The \$10,000 personal property exemption is included.

The County does not identify delinquent collections by tax year.

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**Marion County, Ohio**  
Principal Property Taxpayers  
Current Year and Nine Years Ago

	Collection Year 2006			Collection Year 1997		
	Total Assessed Value	Rank	Percent of Total County Assessed Value	Taxable Assessed Value	Rank	Percent of Total County Assessed Value
Whirlpool	\$22,811,640	1	2.16%	\$36,497,930	1	4.67%
Ohio American Water	20,807,820	2	1.97	7,930,660	6	1.02
Ohio Edison Company	15,705,730	3	1.49	22,357,060	3	2.87
Nucor Steel	15,218,720	4	1.44			
General Mills	6,218,790	5	0.59			
Sypris Technologies	6,058,580	6	0.58			
Conagra Foods	4,308,000	7	0.41			
Verizon North	4,269,570	8	0.41			
Ohio Power	3,694,070	9	0.35			
Southland Mall Inc	3,399,870	10	0.32			
American Honda Motor Co				34,555,460	2	4.43
GTE				20,097,090	4	2.58
Marion Steel				9,198,210	5	1.18
Columbia Gas of Ohio				7,884,320	7	1.01
Indresco				7,301,660	8	0.94
Scotts Company				4,702,750	9	0.60
Eaton				4,631,290	10	0.59
Total Principal Taxpayers	102,492,790		9.72	155,156,430		19.89
All Other Taxpayers	952,443,525		90.28	625,043,480		80.11
Total County Assessed Value	<u>\$1,054,936,315</u>		<u>100.00%</u>	<u>\$780,199,910</u>		<u>100.00%</u>

Source: Marion County Auditor

**Marion County, Ohio**  
**Taxable Sales by Type**  
**Last Seven Years**

<b>Category</b>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Sales Tax Payments	\$1,831,622	\$1,767,267	\$1,730,686	\$1,770,804
Direct Pay Tax Return Payments	283,105	82,320	56,950	174,027
Seller's Use Tax Return Payments	533,177	595,352	552,701	486,776
Consumer's Use Tax Return Payments	181,144	131,060	149,543	107,307
Motor Vehicle Tax Payments	917,336	962,953	1,061,260	1,097,726
Watercraft and Outboard Motors	9,652	11,233	12,915	13,287
Department of Liquor Control	15,986	15,141	14,068	13,133
Sales Tax on Motor Vehicle Fuel Refunds	2,640	1,440	1,242	1,220
Sales/Use Tax Voluntary Payments	4,040	4,234	6,076	6,379
Statewide Master Numbers	2,960,769	2,921,597	2,855,642	2,572,199
Sales/Use Tax Assessment Payments	17,319	12,861	7,882	6,579
Streamlined Sales Tax Payments	5	0	0	0
Administrative Rotary Fund Fee	(60,675)	(65,054)	(64,498)	(63,130)
Sales/Use Tax Refunds Approved	(11,584)	(55,192)	(18,477)	(14,695)
Destination Sourcing Adjustment	(7,053)	0	0	0
<b>Total</b>	<u><u>\$6,677,483</u></u>	<u><u>\$6,385,212</u></u>	<u><u>\$6,365,990</u></u>	<u><u>\$6,171,612</u></u>
 Sales Tax Rate	 1.00%	 1.00%	 1.00%	 1.00%

Source: Ohio Department of Taxation

Sales tax is remitted to the Ohio Department of Taxation. The portion pertaining to the County is remitted on a monthly basis approximately two months after collection at the source.

Information for the principal taxpayers is not provided to the County by the Ohio Department of Taxation.

2002	2001	2000
\$1,803,934	\$1,699,699	\$1,799,526
130,255	182,147	125,946
487,472	421,520	422,744
121,268	135,500	145,556
1,074,552	1,016,431	944,453
19,204	19,489	18,357
12,551	12,331	11,635
476	924	768
3,141	1,924	1,166
2,657,730	2,661,855	2,703,383
22,902	1,944	10,849
0	0	0
(62,698)	(61,548)	(61,844)
(19,265)	(74,396)	(27,546)
0	0	0
<u>\$6,251,522</u>	<u>\$6,017,820</u>	<u>\$6,094,993</u>
1.00%	1.00%	1.00%

**Marion County, Ohio**  
Ratios of Outstanding Debt by Type  
Last Ten Years

Year	Governmental Activities					
	Bond Anticipation Notes	General Obligation Bonds	Special Assessment Bonds	Issue II Loans	Other Loans	Capital Leases
2006	\$3,336,000	\$9,284,711	\$110,289	\$65,908	\$0	\$0
2005	0	9,686,012	143,988	82,385	27,513	0
2004	145,000	10,077,314	177,686	98,862	89,074	0
2003	280,000	10,451,680	208,320	115,339	109,916	0
2002	410,000	10,821,044	238,956	131,816	89,495	0
2001	535,000	11,130,409	269,591	148,293	17,698	0
2000	11,327,579	0	0	164,770	3,935	3,350
1999	5,957,708	0	0	181,247	7,623	7,809
1998	7,276,832	0	0	197,724	11,079	12,083
1997	7,838,250	0	0	214,201	0	3,818

Source: Marion County Auditor

(1) See Schedule S29 for population and personal income.

Business-Type Activity					
General Obligation Bonds	USDA Revenue Bonds	Issue II Loans	Total Primary Government	Per Capita (1)	Percentage of Personal Income (1)
\$2,405,000	\$0	\$441,102	\$15,643,010	\$238.52	0.95%
2,500,000	0	482,723	12,922,621	196.00	0.78
1,437,000	1,301,100	524,344	13,850,380	209.62	0.82
1,493,000	1,316,800	565,965	14,541,020	218.81	0.88
1,546,000	1,331,800	607,586	15,176,697	229.06	0.96
1,597,000	1,346,200	649,207	15,693,398	237.29	1.03
1,645,000	1,360,000	690,828	15,195,462	229.73	1.02
1,692,000	1,377,000	647,485	9,870,872	148.36	0.70
1,736,000	0	599,808	9,833,526	146.30	0.70
1,779,000	0	633,131	10,468,400	155.07	0.78

**Marion County**  
Legal Debt Margin  
Last Ten Years

	2006	2005	2004	2003
Assessed Value of County	\$1,054,936,315	\$1,035,203,324	\$1,008,909,213	\$1,002,896,981
Voted Debt Limitation (1)	\$21,347,143	\$24,380,083	\$23,722,730	\$23,572,425
Total Outstanding Debt				
Bond Anticipation Notes	3,336,000	0	0	0
Tax Anticipation Notes	0	0	145,000	280,000
General Obligation Bonds	11,689,711	12,186,012	11,514,314	11,944,680
USDA Revenue Bonds	0	0	1,301,100	1,316,800
Special Assessment Bonds	110,289	143,988	177,686	208,320
Issue II Loans	507,010	565,108	623,206	681,304
Total Outstanding Debt	15,643,010	12,895,108	13,761,306	14,431,104
Exemptions				
Bond Anticipation Notes	3,336,000	0	0	0
Tax Anticipation Notes	0	0	145,000	280,000
Marion-Harding Correctional Center				
General Obligation Bonds	3,370,000	3,475,000	3,575,000	3,670,000
FMHA General Obligation Bonds	0	0	1,437,000	1,493,000
General Obligation Bonds	2,405,000	2,500,000	0	0
USDA Revenue Bonds	0	0	1,301,100	1,316,800
Special Assessment Bonds	110,289	143,988	177,686	208,320
Issue II Loans	507,010	565,108	623,206	681,304
Total Exemptions	9,728,299	6,684,096	7,258,992	7,649,424
Total Net Debt Applicable to Debt Limit	5,914,711	6,211,012	6,502,314	6,781,680
Total Voted Legal Debt Margin (Debt Limitation Minus Net Debt)	\$15,432,432	\$18,169,071	\$17,220,416	\$16,790,745
Legal Debt Margin as a Percentage of the Debt Limit (Voted)	72.29%	74.52%	72.59%	71.23%
Unvoted Debt Limitation	\$10,549,363	\$10,352,033	\$10,089,092	\$10,028,970
Total Unvoted Legal Debt Margin	\$4,634,652	\$4,141,021	\$3,586,778	\$3,247,290
Legal Debt Margin as a Percentage of the Debt Limit (Unvoted)	43.93%	40.00%	35.55%	32.38%

Source: Marion County Auditor

(1) The Debt Limitation is calculated as follows:

- Three percent of first \$100,000,000 of assessed value
- 1 1/2 percent of next \$200,000,000 of assessed value
- 2 1/2 percent of amount of assessed value in excess of \$300,000,000

Note: The amount of debt presented as subject to the limit are balances used to compute the margin as specified by statute (i.e., the gross balances) not amounts that are net of premiums or discounts. On deep discount or capital appreciation bonds, this is the original issue amount.

2002	2001	2000	1999	1998	1997
\$1,001,966,500	\$897,530,970	\$876,727,385	\$884,638,839	\$766,896,615	\$780,199,910
\$23,549,163	\$20,938,274	\$20,418,185	\$20,615,971	\$17,672,415	\$18,004,998
0	0	10,386,229	5,657,708	7,276,832	7,838,250
410,000	535,000	650,000	0	0	0
12,367,044	12,727,409	1,645,000	1,692,000	1,736,000	1,779,000
1,331,800	1,346,200	1,360,000	1,377,000	0	0
238,956	269,591	0	0	0	0
739,402	797,500	855,598	828,732	797,532	847,332
15,087,202	15,675,700	14,896,827	9,555,440	9,810,364	10,464,582
0	0	4,096,148	4,226,542	5,706,832	6,578,250
410,000	535,000	650,000	0	0	0
3,765,000	3,840,000	0	0	0	0
1,546,000	1,597,000	1,645,000	1,692,000	1,736,000	1,779,000
0	0	0	0	0	0
1,331,800	1,346,200	1,360,000	1,377,000	0	0
238,956	269,591	0	0	0	0
739,402	797,500	855,598	828,732	797,532	847,332
8,031,158	8,385,291	8,606,746	8,124,274	8,240,364	9,204,582
7,056,044	7,290,409	6,290,081	1,431,166	1,570,000	1,260,000
\$16,493,119	\$13,647,865	\$14,128,104	\$19,184,805	\$16,102,415	\$16,744,998
70.04%	65.18%	69.19%	93.06%	91.12%	93.00%
\$10,019,665	\$8,975,310	\$8,767,274	\$8,846,388	\$7,668,966	\$7,801,999
\$2,963,621	\$1,684,901	\$2,477,193	\$7,415,222	\$6,098,966	\$6,541,999
29.58%	18.77%	28.25%	83.82%	79.53%	83.85%

**Marion County, Ohio**  
Ratios of General Bonded Debt Outstanding  
Last Ten Years

Year	General Bonded Debt Outstanding (1)	Percentage of Estimated Actual Value of Property (2)	Per Capita (3)
2006	\$9,284,711	0.29%	\$141.57
2005	9,686,012	0.31	146.91
2004	10,077,314	0.34	152.52
2003	10,451,680	0.36	157.27
2002	10,821,044	0.37	163.32
2001	11,130,409	0.43	168.30
2000	N/A	0.00	0.00
1999	N/A	0.00	0.00
1998	N/A	0.00	0.00
1997	N/A	0.00	0.00

Source: Marion County Auditor

(1) Includes general obligation bonds only.

(2) See Schedule S10 for estimated actual value.

(3) See Schedule S29 for population.

**Marion County, Ohio**  
 Demographic and Economic Statistics  
 Last Ten Years

<u>Year</u>	<u>Population (Estimated)</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2006	65,583	\$1,643,247,648	\$25,056	5.4%
2005	65,932	1,651,992,192	25,056	6.2
2004	66,073	1,697,151,078	25,686	6.6
2003	66,456	1,651,963,248	24,858	6.3
2002	66,255	1,581,043,065	23,863	5.7
2001	66,135	1,523,155,185	23,031	4.6
2000	66,146	1,490,269,380	22,530	4.2
1999	66,533	1,414,624,646	21,262	3.9
1998	67,213	1,396,686,140	20,780	4.4
1997	67,507	1,347,372,213	19,959	5.6

Source: Ohio Workforce Informer

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**Marion County, Ohio**  
Principal Employers  
Current Year and Nine Years Ago

Employer	2006			1997		
	Number of Employees	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
Whirlpool	3,300	1	10.78%	2,300	1	7.15%
Marion General Hospital	1,076	2	3.52	931	3	2.90
Marion City School District	708	3	2.31	615	6	1.91
Marion County Government	700	4	2.29	853	4	2.65
Silver Line Windows	640	5	2.09			
Verizon North	597	6	1.95			
North Central Correctional Institution	491	7	1.61	453	9	1.41
Meijer	485	8	1.59	487	8	1.51
Marion Correctional Institution	484	9	1.58	500	7	1.56
Smith Clinic	450	10	1.47			
GTE				1,405	2	4.37
HPM Corp Mt.Gilead/Marion				809	5	2.52
Kable Fulfillment				450	10	1.40
Total	<u>8,931</u>		<u>29.19%</u>	<u>8,803</u>		<u>27.38%</u>
Total Employment Within Marion County	<u>30,600</u>			<u>32,150</u>		

Source: Marion County Chamber of Commerce

**Marion County, Ohio**  
 Full-Time Equivalent County Government Employees by Function/Program  
 Last Nine Years

Function/Program	2006	2005	2004	2003	2002	2001
General Government						
Legislative and Executive	63.0	67.0	67.5	65.5	69.0	68.0
Judicial	44.0	50.0	47.0	49.0	47.0	45.0
Public Safety						
Enforcement	39.0	41.0	39.0	41.5	39.0	41.5
Other Public Safety	69.0	75.5	72.0	74.0	76.0	80.5
Public Works	35.0	38.0	36.0	38.0	38.0	38.0
Health						
Mental Retardation and Developmental Disabilities	66.0	79.0	74.5	78.0	91.0	85.0
Other Health	3.0	3.0	3.0	3.0	2.0	3.0
Human Services						
Children Home	40.0	42.5	41.5	42.5	52.5	54.0
Job and Family Services	63.0	66.0	67.0	65.5	75.5	75.5
Child Support Enforcement Agency	15.0	14.0	15.0	14.0	15.0	15.0
Other Human Services	9.0	10.0	9.5	9.0	9.0	9.0
Sanitary Engineer	8.0	9.5	8.5	9.5	8.5	8.0
County Home	0.0	0.0	0.0	0.0	0.0	2.0
Other (Agency Funds)	91.0	91.5	93.0	90.5	100.5	95.0
Total	<u>545.0</u>	<u>587.0</u>	<u>573.5</u>	<u>580.0</u>	<u>623.0</u>	<u>619.5</u>

Source: Marion County Auditor (as of December 31 of each year)

Method: 1.00 for each full-time and .50 for each part-time.

<u>2000</u>	<u>1999</u>	<u>1998</u>
63.0	64.0	65.0
41.0	42.5	46.5
41.5	38.5	60.0
77.5	73.0	73.0
40.0	42.0	40.0
92.5	98.0	90.5
3.0	4.0	4.0
51.0	53.0	51.0
78.5	76.0	82.5
18.0	18.0	19.0
9.0	7.0	8.0
8.0	8.0	8.0
66.0	78.0	95.0
96.0	93.5	30.5
<u>685.0</u>	<u>695.5</u>	<u>673.0</u>

**Marion County, Ohio**  
 Operating Indicators by Function/Program  
 Last Six Years

	2006	2005	2004	2003	2002	2001
<b>Legislative/Executive</b>						
<b>Auditor</b>						
Number of Non-Exempt Conveyances	1,938	1,322	1,893	1,857	1,727	1,720
Number of Exempt Conveyances	1,409	1,924	1,295	1,296	1,322	1,333
Number of Real Estate Transfers	3,347	3,246	3,188	3,153	3,049	3,053
<b>Board of Elections</b>						
Number of Registered Voters	43,007	43,141	43,323	40,766	39,581	41,450
Number of Voters Last General Election	21,821	19,496	29,656	16,862	17,913	13,668
Percent of Registered Voters Voting	50.74	45.19	68.45	41.36	45.26	32.97
<b>Recorder</b>						
Number of Deeds Filed	3,205	3,107	3,057	3,001	2,931	2,908
Number of Mortgages Filed	3,695	4,119	4,345	5,688	5,256	5,295
<b>Judicial</b>						
<b>Common Pleas Court</b>						
Number of New Filings	1,064	932	944	843	869	702
Number of Terminations	1,231	1,226	1,014	989	957	779
<b>Criminal Cases</b>						
Number of New Filings	549	536	528	462	425	389
Number of Terminations	588	683	612	547	450	433
<b>Family Court</b>						
<b>Domestic Violence Civil Protection Orders</b>						
Number of New Filings	138	129	139	156	113	113
Number of Terminations	134	125	152	152	114	111
<b>Juvenile/Family Court</b>						
<b>Delinquent/Unruly/Truancy Cases</b>						
Number of New Filings	1,664	1,583	1,927	1,612	2,010	1,933
Number of Terminations	1,667	2,035	1,870	1,590	2,032	1,932
<b>Traffic Cases</b>						
Number of New Filings	591	549	617	767	883	779
Number of Terminations	627	582	604	778	945	832
<b>Public Safety</b>						
<b>Sheriff</b>						
Incidents Reported	49,139	46,870	43,060	41,495	38,913	31,498
Citations Issued	3,353	1,270	821	1,233	1,059	790
Papers Served	11,112	8,406	7,471	4,792	4,603	3,540
Transport Hours	90	268	352	224	206	173
Court Security Hours	4,160	4,160	4,160	4,160	4,160	2,080
<b>Public Works</b>						
<b>Engineer</b>						
Roads Resurfaced	62.44	64.83	64.28	33.90	26.75	45.44
Bridges Replaced	6	6	4	8	4	9
Culverts Built	7	9	4	3	4	5

(continued)

**Marion County, Ohio**  
 Operating Indicators by Function/Program (continued)  
 Last Six Years

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Health						
Dog and Kennel						
Number of Dog Licenses Sold	9,647	9,292	9,144	9,113	9,513	9,607
Number of Kennel Licenses Sold	302	300	316	336	370	330
Mental Retardation and Developmental Disabilities						
Students Enrolled at Marca						
Early Intervention Program	32	33	24	22	33	43
Preschool	50	47	49	48	41	44
School Age	3	3	4	8	7	15
Consumers Employed at Marca Industries	159	175	170	165	149	155
Sewer District						
New Residential Connections	41	58	68	36	36	32
New Commercial (Multi Family) Connections	12	8	11	4	1	3
Number of Treatment Plants	7	7	7	6	6	6
Number of Pumping Stations	5	5	5	5	4	4

Source: Marion County Departments

Information prior to 2001 was not available.

**Marion County, Ohio**  
 Capital Asset Statistics by Department  
 Last Seven Years

	2006	2005	2004	2003	2002	2001	2000
Engineer							
County Roads (miles)	389	389	389	389	389	392	392
Bridges	277	279	279	280	280	283	283
Culverts	1,381	1,369	1,369	1,368	1,368	1,365	1,365
Traffic Signals	2	2	2	2	2	2	2
Storm Drainage (feet)	112,555	105,920	103,240	97,810	93,200	91,300	90,200
Vehicles	39	39	39	38	40	41	42
Sanitary Sewer							
Lines (miles)	49.90	48.60	46.70	45.40	41.10	40.50	N/A
Marca							
Buildings	7	7	7	7	7	7	7

Source: Marion County Departments

N/A Not Available

Information prior to 2000 was not available.



**Mary Taylor, CPA**  
Auditor of State

**FINANCIAL CONDITION**

**MARION COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 13, 2007**