

**LOCAL GOVERNMENT INNOVATION FUND**

**IT CONSOLIDATED NETWORK LOAN APPLICATION**  
**UNION COUNTY COUNCIL OF GOVERNMENTS**  
233 WEST 6<sup>TH</sup> STREET  
MARYSVILLE, OHIO 43040

COLLABORATIVE PARTNERS		
UNION COUNTY	CITY OF MARYSVILLE	MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT
233 WEST 6TH ST.	125 EAST SIXTH ST.	1000 EDGEWOOD DRIVE
MARYSVILLE, OHIO 43040	MARYSVILLE, OHIO 43040	MARYSVILLE, OHIO 43040
(937) 645-3003	(937) 642-6015	(937) 644-8105

**MARCH 1, 2012**

**Tab 1: Contact Information**

Applicants must provide the following contact information:  
Name of main applicant: Council of Governments  
Address of the main applicant: 233 West 6<sup>th</sup> Street  
Marysville, Ohio 43040  
Phone number: (937) 645-3012  
Fax number: (937) 645-3002  
Email address: [UCCOG@co.union.oh.us](mailto:UCCOG@co.union.oh.us)

Applicant contact information including:  
Name: Scott Brock  
Title: Director of Information Technology  
Address (if different from above): 125 East 6<sup>th</sup> Street  
Phone number (if different from above): (937) 645-1017  
Email address (if different from above): [sbrock@marysvilleohio.org](mailto:sbrock@marysvilleohio.org)  
County: Union

Population data (derived from the 2010 U.S. Census) representing the applicant’s population or the population of the areas the applicant serves: 52,300

**Tab 2: Collaborative Partners**

Applicants applying with collaborative partners (defined in §1.03 of the LGIF Policies) must include the following information in Tab 2:

Name of collaborative partner(s):	Union County	City of Marysville	Marysville Exempted Village Schools
Address:	233 West 6 <sup>th</sup> St.	125 East 6 <sup>th</sup> Street	1000 Edgewood Drive
	Marysville, Ohio 43040	Marysville, Ohio 43040	Marysville, Ohio 43040
Phone number:	(937) 645-3003	(937) 642-6015	(937) 644-8105
Fax Number:	(937) 645-3057	(937) 642-6045	(937) 644-1849
Email address:	<a href="mailto:auditor@co.union.oh.us">auditor@co.union.oh.us</a>	<a href="mailto:temery@marysvilleohio.org">temery@marysvilleohio.org</a>	<a href="mailto:dlwells@marysville.k12.oh.us">dlwells@marysville.k12.oh.us</a>

Population data (derived from the 2010 U.S. Census) representing the collaborative Partners’ population or the population of the areas the collaborative partners’ serve

Collaborative Partner	Union County	City of Marysville	Marysville Exempted Village Schools
Population Data	52,300	22,094	5,520

For each collaborative partner, please identify the nature of the partnership and explain how the main applicant and the partner(s) will work together on the proposed project.  
Nature of the Partnership:

Union County, the City of Marysville and the Marysville School District have, in recent years, found it necessary to expend increasing levels of resources for technology, including internet connectivity, data center, personnel, fiber optics, VoIP and other automatic data processing services. Recently, all three entities created and joined the Union County Council of Governments (UCCOG). The UCCOG have been able to break down the silos that often exist in local governments by working together in an innovative and collaborative way. By creating the UCCOG for IT services, the consortium can bring new technology, a shared services philosophy and shared expertise to each, while meeting the current and future needs of their customers in a more efficient manner. These needs include the building of a redundant consolidated network that will allow for the creation of a disaster recovery site for all three entities. IT staff will be co-located into one site so that their expertise can be shared in an

effective and efficient manner across all three entities. Once the UCCOG has established a solid technology backbone, technology services can extend to other local public entities.

In addition to technology collaborations, the County, City and School District foresee future opportunities to share services. This could include sharing of employees, services and assets, transportation services, joint and/or cooperative purchasing agreements, to use their joint purchasing power to bargain with suppliers for lower cost supplies, equipment, fuel, energy and services, and to enter into other agreements to benefit each party and thereby being effective stewards of taxpayer dollars.

*Each collaborative partner should be clearly and separately identified. Collaborative partnerships must show proof of executed partnership agreements in the supporting documentation section of this application.*

**Tab 3: Project Information**

Applicants must provide project information including:

The name of the project: **Consolidated Network**

A brief project description (limited to two pages single spaced):

**Consolidated Network**

Expansion and upgrading of a consolidated fiber network will allow for the connection of existing City and County networks to the School District’s fiber network. This project connects the three members as they are currently built, allowing for combined management and support of all networks/buildings currently connected to each member’s network. This also provides opportunity for a co-located data center to be constructed providing improved security, up time, and support of data center related systems. The new connections will allow future projects to build out connections to individual buildings owned by the members of the UCCOG with the potential to later connect other public and private entities, thus increasing the opportunity for Economic Development. Direct benefits of the Consolidated Network include but are not limited to, reduced cost of building redundancy, reduced cost of growth/expansion, reduced/eliminated consulting costs, reduced administration, enables sharing of multiple technologies, reduced cost of maintenance contracts, shared internet service provider - reduced cost/increased redundancy, shared web filter, firewall, email filter and archiving, improved wireless opportunities, and possibly most important a disaster recovery site.

Steps 1 - 6 will create the linkage needed to build the consolidated network that provides access to the City and County buildings. Step 7 will create a fiber optic loop, thus providing for redundancy and disaster recovery site in the case of a break in the fiber optic lines.

Step 1: Furnish and install a 144 strand singlemode fiber optic cable from the Maple Street Middle School (current site of School District Technology Support and fiber hub and future site of Consolidated Data Center) to the intersection of North Maple Street and West 5th Street.

Step 2: Furnish and install a 72 strand singlemode fiber optic cable (split from Step 1 fiber) from the intersection of North Maple Street and West 5th Street to the new Police Department.

Step 3: Furnish and install a 72 strand singlemode fiber optic cable (split from Step 1 fiber) from the intersection of North Maple Street and West 5th Street to 128 South Main Street.

- Step 4: Furnish and install a 6 strand singlemode fiber optic cable to City Hall located on East Sixth Street
- Step 5: Furnish and install a 6 strand singlemode fiber optic cable to the proposed new Fire Station located on County Home Road
- Step 6: Furnish and install singlemode fiber optic cable to the Public Service Center located on North Maple Street
- Step 7: Furnish and install a 48 strand singlemode fiber optic cable located along West 5<sup>th</sup> Street and State Route 4 from the new Police Department to Bunsold Middle School.

Identification of the type of award the applicant is seeking: (for grants—applicants may apply for feasibility studies, planning or management project awards; for loans—applicants may apply for demonstration type projects)

**Application for loan for Demonstration Project**

Proof of feasibility study determination provided by the Ohio Department of Development (applicable to applicants applying for loan funds only)

Thank you for submitting your feasibility study for LGIF loan consideration. We will contact you with any questions.



**Nyla Potter**  
Loan Officer  
Office of Redevelopment

77 South High Street  
Columbus, Ohio 43215  
614-728-0989 F 614.466.4172

[Nyla.Potter@development.ohio.gov](mailto:Nyla.Potter@development.ohio.gov)

A problem statement (including any information regarding the funds spent on problem related goods or services)

The County, City and School District have, in recent years, either through internal expertise or contracted services, built, administered and maintained their individual networks and associated applications. Through the consolidation of these three networks, the UCCOG will gain efficiencies by effectively administering one consolidated network. Additional efficiencies will be found through other network dependent technologies, including data center, disaster recovery, backup solution, storage area network, internet connectivity, VoIP phone system, other data processing services, and consolidated help desk support. Critical to the consolidated network will be the need for redundancy for the City and County services such as law enforcement and fire departments. Consolidating he networks and creating redundancy will take away the single point of failure scenario.



Identification of one targeted approach to innovation (i.e., efficiency, shared service, coproduction, or shared merger)

By creating an IT Services Consortium and by working together in an innovative and collaborative way, the consortium can bring new technology and a shared services philosophy to each entity, while better meeting the current and future needs of their customers.

Expansion and upgrading of a consolidated fiber network will allow for the connection of existing City and County networks to the School District’s fiber network. This project connects the three members as they are currently built, allowing for combined management and support of all networks/buildings currently connected to each member’s network. This also provides opportunity for a co-located data center to be constructed providing improved security, up time, and support of data center related systems. The new connections will allow future projects to build out connections to individual buildings owned by the City and County.

An explanation of the anticipated return on investment using the cost basis derived from the operational budget

<i>With Consolidated Network</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>5 Year Total</i>
<i>Total Savings to County</i>	\$9,511	\$31,511	\$87,304	\$42,137	\$42,137	\$212,600
<i>Total Savings to City</i>	\$78,397	\$136,685	\$88,047	\$125,047	\$88,047	\$516,223
<i>Total Savings to MEVSD</i>	\$43,605	\$41,797	\$24,705	\$24,705	\$24,705	\$159,517
<i>Grand Total for UCCOG</i>	\$131,513	\$209,993	\$200,056	\$191,889	\$154,889	\$888,340

ROI = (Gains – Investment Costs)/Investment Costs

Five year Return on Investment = (\$888,340 - \$462,864) / \$462,864 = 92 %

As you can see from the chart above the initial investment will be returned in less than three years.

This Consolidated Network is the foundation for future collaborative technology projects that will increase the return on investment.

An explanation regarding the probability of the proposal’s success (this should be based on any past project implementation, the likelihood of anticipated savings and the plans for project implementation)

The Union County Council of Governments, comprised of Union County, the City of Marysville, and the Marysville Exempted Village School District, has determined that by working together in an innovative and collaborative way, they can bring new technology and a shared services philosophy to the members of the COG and better meet the current and future needs of the members. This Consolidated Network project will allow the members to collaborate, share resources, reduce costs, centralize supervision, and enhance the provision of technology to the respective contracting parties and the public. In addition, the following project benefits have been identified:

- Reduced Cost of Building Redundancy
- Reduced Cost of Growth / Expansion
- Reduced / Eliminated Consulting Costs
- Reduced Administration
- Enables Sharing of Multiple Technologies

- Reduced Cost of Maintenance Contracts
- Shared Internet Service Provider (ISP) - Reduced Cost / Increased Redundancy
- Shared Web Filter, Firewall, Email Filter and Archiving
- Improved Wireless Opportunities

Total Savings

<i>With Consolidated Network</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>5 Year Total</i>
<i>Total Savings to County</i>	\$9,511	\$31,511	\$87,304	\$42,137	\$42,137	\$212,600
<i>Total Savings to City</i>	\$78,397	\$136,685	\$88,047	\$125,047	\$88,047	\$516,223
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<i>Grand Total for UCCOG</i>	\$131,513	\$209,993	\$200,056	\$191,889	\$154,889	\$888,340

Given the savings listed, the Union County Council of Governments believes that the probability of success for this specific proposal and the Information Technology Services Consortium is very high. The long-term plan for developing the IT Services Consortium is:

- Phase 1 – Consolidated Network
- Phase 2 – Consolidated Data Center
- Phase 3 – Consolidated Telecommunication System
- Phase 4 – Storage Area Network
- Phase 5 – Server Virtualization & Consolidation
- Phase 6 – Backup Solution
- Phase 7 – Consolidated Help Desk/Support Services
- Phase 8 – Active Directory
- Phase 9 – Expansion of Consolidated Network

While each of these phases are clearly part of the long-term plan for the IT Services Consortium and build upon each preceding phase, they will be designed as stand-alone projects that will have great benefit and good return on investment for each of the entities.

A description of the applicant’s plans and ability to replicate and/or scale the proposal to allow for the inclusion of other political subdivisions

The Consolidated Network project has been designed to allow other political subdivisions to take advantage of the efficiencies inherent to the project. The plan takes into account the potential needs of other political subdivisions, including but not limited to, the Union County Health Department, the Union County Board of Developmental Disabilities, the Marysville Public Library, Memorial Hospital of Union County, the Union County Chamber of Commerce, the Union County Family YMCA, and other Local School Districts.

Identification of whether the proposed project is part of a larger consolidation effort by the applicant or collaborative partner(s)

The County, City, and School District have entered into an agreement in order to collaborate, share resources, reduce costs, centralize supervision and enhance the provision of technology to the respective contracting parties and the public. In addition, the County, City and School District foresee future opportunities to collaborate, to share employees, services and assets and transportation

services, to enter into joint and/or cooperative purchasing agreements, to use their joint purchasing power to bargain with suppliers for lower cost supplies, equipment, fuel, energy and services, and to enter into other agreements to benefit each party and thereby being effective stewards of taxpayer dollars.

Identification of past success on an innovation (efficiency, shared service, coproduction or shared merger) project

Coproduction innovation: A partnership of the Marysville EVSD, the City of Marysville, and the Union County Health Department in the development of a Safe Routes to Schools Travel Plan through the Ohio Department of Transportation has led to the procurement of approximately \$475,000 for City wide expansion/improvement of sidewalks.

Coproduction innovation: The Marysville EVSD, the City of Marysville, and Union County share in the development and funding of Union County Chamber of Commerce Economic Development Plan and personnel.

Shared service innovation: The City of Marysville and Union County developed a shared 911 Dispatch Center to provide emergency services for both.

Shared service innovation: The City of Marysville and Union County developed a shared emergency responder application.

Shared service innovation: The City of Marysville and Union County developed a shared court hearing/arraignment video connectivity service.

Efficiency innovation: The City of Marysville and Union County developed a shared GIS/Mapping department.

Shared service innovation: The Marysville EVSD and the City of Marysville developed a partnership to provide School Resource Officers for Marysville Schools.

A description of how the proposed project is responding to current substantial changes in economic demand for local or regional government services (if applicable)

The growth in population of the City of Marysville created an increase in the demand for both fire and police. In response the City is building a new police and court facility. The City is also adding a second fire station. The major focus of this application is to provide a consolidated network of fiber to these new facilities and create a redundant system.

Identification of intent to implement recommendations of a performance or any other audit recommendations (applicants are required to provide the actual audit findings in the supporting documentation section of this application)

While the IT Departments of each of the three members of the UCCOG have done internal audits, needs analysis, and cost benchmarking to determine the potential efficiency and potential savings of an IT Services Consortium, no formal audits have been completed.

An explanation of how the project facilitates an improved business environment and/or promotes community attraction

IT services have proven to be a key precondition for enhanced competitiveness and economic and societal modernization, as well as an important instrument for bridging economic and social divides and reducing poverty.

The pace of technological advance is accelerating and IT is increasingly becoming a ubiquitous and intrinsic part of people's behaviors and social networks as well as of business practices and government activities and service provision.

Businesses have recognized that IT is not just an avenue to cost-cutting and more efficient operations, but a critical way to open a dialogue with consumers and other stakeholders via all kinds of digital communications: mobile advertising, digital marketing, social networks, and e-commerce.

Union County understands that it must be able to innovate, and to grow new firms to augment its economic base as older firms stagnate or disappear. It is the entrepreneurial base that creates economic dynamism. Entrepreneurs are necessary visionaries of the economic potential of new technologies and how to apply them to innovative business applications. Entrepreneurial capacity and economic diversity are prime drivers of job creation and economic growth.

Union county leaders will find innovative ways to use broadband technology throughout the county and create new jobs and new companies in the region. Union county hopes that this will spur innovation, eliminate the digital divide, and challenge businesses and other organizations to think creatively about using high-speed internet.

**Tab 4: Financial Documentation**

Applicants are required to submit the following financial documentation:  
Detained financial information must include separately:

The most recent three years of financial history (must include balance sheet, income statement, and a statement of cash flows)

Three year financial history of information technology - fiber related - for Consolidated Network project:

Union County			
Item Description	2009	2010	2011
Core switch maintenance	\$3,550.00	\$3,550.00	\$3,550.00
Fiber lease – Century Link			\$23,400.00
IT Consult – Network equipment	\$22,320.00	\$22,320.00	\$22,320.00
PIX firewall device			\$1,500.00
Netgain Consult – fiber configuration			\$2,000.00
The City of Marysville			
Pix Firewall Lease	\$4,522.00	\$4,522.00	\$4,522.00
Core Switch Lease	\$1,110.00	\$1,110.00	\$1,110.00
Maintenance & Support	\$1,200.00	\$1,200.00	\$1,200.00
Consultant Fees	\$1,125.00	\$1,125.00	\$1,125.00
Marysville Exempted Village School District			
Fiber Installation	\$145,600.00		
Fiber Maintenance		\$13,644.00	
Fiber Transfer			\$7,310.00

Three years of State Financial Performance Audits are included in the attached documents.

The anticipated project costs:

**Step 1:** Furnish and install a 144 strand singlemode fiber optic cable from the Middle School to the intersection of North Maple Street and West 5<sup>th</sup> Street.

- Furnish and install a 144 strand singlemode fiber optic cable from the Middle School to the intersection of North Maple Street and West 5<sup>th</sup> Street on existing strand.
- Furnish and install a rack mount connector housing and connector panels in an existing rack at the Middle School.
- Furnish and install a wall mount splice housing and splice trays in the Middle School.
- Furnish and install a 144 strand singlemode plenum fiber optic cable between the wall mount splice housing and the rack mount connector housing in the Middle School.
- Furnish and install a splice case and splice trays at the intersection of North Maple Street and West 5<sup>th</sup> Street.
- Splice 144 strands of singlemode fiber optic cable in the wall mount splice housing at the Middle School.
- Splice 144 strands of singlemode fiber optic cable in the rack mount connector housing at the Middle School.
- Test all fibers.

Material: \$24,485.00  
Labor: \$13,050.00  
Total: \$37,535.00

**Step 2:** Furnish and install a 72 strand singlemode fiber optic cable from the intersection of North Maple Street and West 5<sup>th</sup> Street to the new Police Department.

- Furnish and install strand on DP&L poles from the intersection of West 5<sup>th</sup> Street and Grove Street to a riser pole across from the new Police Department.
- Furnish and install new 72 strand singlemode fiber optic cable from the intersection of North Maple Street and West 5<sup>th</sup> Street to the intersection of West 5<sup>th</sup> Street and Grove Street on existing strand.
- Furnish and install new 72 strand singlemode fiber optic cable from the intersection of West 5<sup>th</sup> Street and Grove Street to a riser pole across from the new Police Department on new strand.
- Install new 48-strand singlemode fiber optic cable from the riser pole across to the new Police Department in an existing 4" conduit.
- Furnish and install a rack mount connector housing and connector panels in an existing rack at the new Police Department.
- Splice 72 strands of singlemode fiber optic cable in the rack mount connector housing at the new Police Department.
- Splice 72 strands of singlemode fiber optic cable in the new splice case at the intersection of North Maple Street and West 5<sup>th</sup> Street.
- Test all fibers.

Material: \$13,900.00  
Labor: \$12,550.00  
Total: \$26,450.00

**Step 3:** Furnish and install a 72 strand singlemode fiber optic cable from the intersection of North Maple Street and West 5<sup>th</sup> Street to 128 South Main Street.

- Furnish and install new 72 strand singlemode fiber optic cable from the intersection of North Maple Street and West 5<sup>th</sup> Street to 128 South Main Street on existing strand.
- Furnish and install a rack mount connector housing and connector panels in an existing rack at 128 South Main Street.
- Furnish and install splice trays in an existing wall mount splice housing at 128 South Main Street.
- Furnish and install a 72 strand singlemode plenum fiber optic cable between the existing wall mount splice housing and the rack mount connector housing at 128 South Main Street.
- Splice 72 strands of singlemode fiber optic cable in an existing wall mount splice housing at 128 South Main Street.
- Splice 72 strands of singlemode fiber optic cable in the rack mount connector housing at 128 South Main Street.
- Splice 72 strands of singlemode fiber optic cable in the new splice case at the intersection of North Maple Street and West 5<sup>th</sup> Street.
- Test all fibers.

Material: \$ 8,069.00  
Labor: \$ 8,200.00  
Total: \$16,269.00

**Step 4:** Furnish and install a 6 strand singlemode fiber optic cable to City Hall located on East Sixth Street

- Furnish and install a 6 strand singlemode fiber optic cable from the existing Marysville Schools fiber optic cable on East Sixth Street to City Hall located at 125 East Sixth Street.
- Furnish and install a new building entrance at City Hall.
- Furnish and install 1 fiber optic connector housing at City Hall.
- Furnish and install 6 SC singlemode fiber optic connectors at City Hall.
- Furnish and install a fiber optic splice closure on the Marysville Schools fiber optic cable on East Sixth Street.
- Splice 6 strands of fiber optic cable on East Sixth Street.
- Test all Fibers.

Material: \$1,350.00  
Labor: \$2,450.00  
Total: \$3,800.00

**Step 5:** Furnish and install a 6 strand singlemode fiber optic cable to the proposed new Fire Station located on County Home Road

- Furnish and install a 6 strand singlemode fiber optic cable from the existing Marysville Schools fiber optic cable on County Home Road to the proposed new Fire Station on County Home Road in existing duct.
- Furnish and install 1 fiber optic connector housing at the new Fire Station.
- Furnish and install 6 SC singlemode fiber optic connectors at the new Fire Station.
- Furnish and install a fiber optic closure on the Marysville Schools fiber optic cable on County Home Road.

- Splice 6 strands of fiber optic cable on County Home Road.
- Test all Fibers.

Material: \$1,150.00  
 Labor: \$2,050.00  
 Total: \$3,200.00

**Step 6:** Furnish and install singlemode fiber optic cable to the Public Service Center located on North Maple Street

- Directional bore and install 2” conduit under the parking lot at the Public Service Center.
- Furnish and install a 17” X 30” handhole on the North side of the parking lot at the Public Service Center.
- Furnish and install a 6 strand singlemode fiber optic cable from the existing Marysville Schools fiber optic cable on North Maple Street to the Public Service Center.
- Furnish and install a fiber optic connector housing at the Public Service Center.
- Furnish and install 6 SC singlemode fiber optic connectors at the Public Service Center.
- Furnish and install a fiber optic splice closure on the Marysville Schools fiber optic cable on North Maple Street.
- Splice 6 strands of fiber optic cable on North Maple Street.
- Test all Fibers.

Material: \$2,115.00  
 Labor: \$5,200.00  
 Total: \$7,315.00

**Step 7:** Furnish and install a 48 strand singlemode fiber optic cable from the new Police Department to Bunsold Middle School to create a redundant network and disaster recovery site

- Furnish and install strand on DP&L poles from a riser pole across from the new Police Department to the intersection of West 5<sup>th</sup> Street and State Route 4.
- Furnish install 1 ¼” innerduct from the intersection of West 5<sup>th</sup> Street and State Route 4 to Bunsold Middle School.
- Furnish and install a handhole every 1500’ from the intersection of West 5<sup>th</sup> Street and State Route 4 to Bunsold Middle School.
- Furnish and install a new building entrance at Bunsold Middle School.
- Furnish and install new 48-strand singlemode fiber optic cable from the riser pole across from the new Police Department to the new Police Department in an existing 4” conduit.
- Furnish and install new 48 strand singlemode fiber optic cable from the riser pole across from the new Police Department to the intersection of West 5<sup>th</sup> Street and State Route 4 on new strand.
- Furnish and install new 48 Strand singlemode fiber optic cable from the intersection of West 5<sup>th</sup> Street and State Route 4 to Bunsold Middle School in new 1 ¼” innerduct.
- Furnish and install a wall mount splice housing and splice trays in the Middle School.
- Furnish and install a rack mount connector housing and connector panels in an existing rack at Bunsold Middle School.
- Furnish and install a 48 strand singlemode plenum fiber optic cable between the wall mount splice housing and the rack mount connector housing at Bunsold Middle School.



- Splice 48 strands of singlemode fiber optic cable in the rack mount connector housing at the new Police Department.
- Splice 48 strands of singlemode fiber optic cable in the wall mount splice housing at Bunsold Middle School.
- Splice 48 strands of singlemode fiber optic cable in the rack mount connector housing at Bunsold Middle School.
- Test all fibers.

Material: \$ 46,945.00  
Labor: \$118,050.00  
Total: \$164,995.00

Summary of Fiber Installation Costs:

Step	Material Cost	Labor Cost	Total
Furnish and install a 144 strand singlemode fiber optic cable from the Maple St. Middle School to the intersection of North Maple Street and West 5 <sup>th</sup> Street	\$24,485.00	\$13,050.00	\$37,535.00
Furnish and install a 72 strand singlemode fiber optic cable from the intersection of North Maple Street and West 5 <sup>th</sup> Street to the new Police Department	\$13,900.00	\$12,550.00	\$26,450.00
Furnish and install a 72 strand singlemode fiber optic cable from the intersection of North Maple Street and West 5 <sup>th</sup> Street to 128 South Main Street	\$ 8,069.00	\$ 8,200.00	\$16,269.00
Furnish and install a 6 strand singlemode fiber optic cable to City Hall located on East Sixth Street	\$1,350.00	\$2,450.00	\$3,800.00
Furnish and install a 6 strand singlemode fiber optic cable to the proposed new Fire Station located on County Home Road	\$1,150.00	\$2,050.00	\$3,200.00
Furnish and install singlemode fiber optic cable to the Public Service Center located on North Maple Street	\$ 2,115.00	\$5,200.00	\$7,315.00
Furnish and install a 48 strand singlemode fiber optic cable from the new Police Department to Bunsold Middle School to create a redundant network and disaster recovery site	\$ 46,945.00	\$118,050.00	\$164,995.00
Totals	\$98,014.00	\$161,550.00	\$259,564.00

Consolidated Network Equipment and Installation/Labor Costs:

Core Router – connecting and directing of network traffic  
Installation and programming labor costs

3 @ \$27,000 =  
3 @ \$ 7,500 =  
Total

\$ 81,000  
\$ 22,500  
\$103,500

Installation of Fiber Easement Costs:

Property	Linear Feet of Easement	Cost per Acre	Perm. Ease.	Temp. Ease.	Land Total	# of Prop's	Appraisal Cost	Survey Cost	Total Cost
Connolly Construction	1,850	\$60,000	\$6,371	\$2,548	\$8,919	1	\$3,000	\$1,500	\$13,419
<b>SR 4 Interchange</b>									
Irwin Farms	2,900	\$50,000	\$8,322	\$3,329	\$11,651	1	\$3,000	\$1,500	\$16,151
<b>Collins Road</b>									
Norris, Donald Lee	725	\$40,000	\$1,664	\$666	\$2,330	1	\$3,000	\$1,500	\$6,830
Monnin, Todd & Christina	850	\$20,000	\$976	\$390	\$1,366	1	\$3,000	\$1,500	\$5,866
Anderson, David	600	\$20,000	\$689	\$275	\$964	1	\$3,000	\$1,500	\$5,464
Meeks, Donald	475	\$20,000	\$545	\$218	\$763	1	\$3,000	\$1,500	\$5,263
Tymoszczuk, Michael and Nancy	450	\$20,000	\$517	\$207	\$723	1	\$3,000	\$1,500	\$5,223
Gregory, Daniel	425	\$20,000	\$488	\$195	\$683	1	\$3,000	\$1,500	\$5,183
Riddle, Robert and Jacqueline	375	\$20,000	\$430	\$172	\$603	1	\$3,000	\$1,500	\$5,103
Dillon, Marry Ellen Trustee	1,600	\$30,000	\$2,755	\$1,102	\$3,857	1	\$3,000	\$1,500	\$8,357
Rausch, Dorence	150	\$20,000	\$172	\$69	\$241	1	\$3,000	\$1,500	\$4,741
Ellis Judith	550	\$45,000	\$1,420	\$568	\$1,989	1	\$3,000	\$1,500	\$6,489
<b>Payne Road</b>									
Call, Belva	2,000	\$45,000	\$5,165	\$2,066	\$7,231	1	\$3,000	\$1,500	\$11,731
TOTAL	12,950		\$29,500	\$11,800	\$41,300	13	\$39,000	\$19,500	\$99,800

Grand Total of Consolidated Network Project:

Fiber Installation:	\$ 259,564.00
Network Equipment:	\$ 103,500.00
Easement:	\$ 99,800.00
<b>Grand Total:</b>	<b>\$ 462,864.00</b>

Include the amount and type of funds requested (requested funds may be no more than \$100,000 per feasibility study, planning or management type project, no more than \$100,000 per single loan applicant, and no more than \$100,000 per applicant and up to \$100,000 for each collaborative partner not to exceed \$500,000 for any one project)

Loan in the amount of \$400,000.00

Include the percentage of local matching funds available and documentation explaining how the match will be met (must be at least 10 percent of the total project costs and may include in-kind contributions)

Total Matching Funds:	\$ 62,864.00
Total In-kind Funds:	\$ 74,502.82
Grand Total Match:	\$137,366.82

Percent of local match for project: 25.6%

Include documentation of any in-kind contributions (documentation must conform to the requirements of §2.06 of the LGIF Policies)

Equipment and maintenance:

MEVSD:	Core Router	\$27,000
	Mill Wood Blvd. Fiber	\$13,644
	Maintenance of fiber on Milford Ave	\$10,000
County:	Cisco maintenance on core router and firewall	\$8,000
City:	Pix Firewall Lease	\$4,522
	Core Switch Lease	\$1,110
	Maintenance & Support	\$1,200
	Consultant Fees	\$1,125
Total In-kind equipment and maintenance		\$66,601

Services:

Name/ Occupation	Address	Hr. Rate	Fringe	Total	Tot Hrs	Total	Service
Scott Brock Director of IT	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$30.65	\$9.20	\$39.85	62	\$2,470.39	Technical
Eric Phillips Exec. Dir. Chamber	227 East 5th Street Marysville, Ohio 43040 (937) 642-6279	\$48.04	\$14.41	\$62.45	3	\$187.36	Advisory
Terry Emery City Manager	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$50.48	\$15.14	\$65.62	9	\$590.62	Consult
Gwen Beech IT Technician	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$21.37	\$6.41	\$27.78	18	\$500.06	Consult
Jeremy Hoyt Asst. City Eng.	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$31.22	\$9.37	\$40.59	7	\$284.10	Engineer
Rob Priestas Asst. City Eng.	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$28.20	\$8.46	\$36.66	1	\$36.66	Engineer
Dave Wells Director of IT	1000 Edgewood Drive Marysville, Ohio 43040 (937) 644-8105	\$37.73	\$11.32	\$49.05	24	\$1,177.18	Technical
James Moots Director of IT	1000 Edgewood Drive Marysville, Ohio 43040 (937) 644-8105	\$ 33.65	\$10.10	\$43.75	24.5	\$1,071.75	Technical
Larry Zimmerman Superintendent	1000 Edgewood Drive Marysville, Ohio 43040 (937) 644-8105	\$59.62	\$17.89	\$77.51	1.5	\$116.26	Advisory
Wade Branstiter Director of IT	233 West 6th St. Marysville, Ohio 43040 (937) 645-3003	\$37.73	\$11.32	\$49.05	24	\$1,177.18	Technical
Chad Cohn Network Admin.	233 West 6th St. Marysville, Ohio 43040 (937) 645-3003	\$30.37	\$9.11	\$39.48	4	\$157.92	Technical
James Elsmore Network Admin.	233 West 6th St. Marysville, Ohio 43040 (937) 645-3003	\$25.45	\$7.64	\$33.09	4	\$132.34	Technical

Service In-kind Total      \$7,901.82

Grand Total In-kind      **\$ 74,502.82**

In-kind documentation is included in an attachment.

At least three years of financial projections identifying the anticipated savings that will occur as a result of this project

Union County

<i><b>Without Consolidated Network</b></i>	<i><b>2012</b></i>	<i><b>2013</b></i>	<i><b>2014</b></i>	<i><b>2015</b></i>	<i><b>2016</b></i>
Replace Core Router			\$37,000		
Cisco PIX Maint and Support	\$600	\$600	\$600	\$600	\$600
Packeteer PacketShaper 7500 200 Mbps		\$33,652	\$2,000	\$2,000	\$2,000
MX Logic Filtering and Archiving	\$16,800	\$16,800	\$16,800	\$16,800	\$16,800
Websense Web Filter	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Core Router Support and Maintenance	\$3,550	\$3,550	\$3,550	\$3,550	\$3,550
Internet Access (no redundancy)	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
Leased Lines for Connectivity	\$31,200	\$31,200	\$31,200	\$31,200	\$31,200
Private Fiber Build-Out	\$6,450		57,950		
Private Fiber Buy-In	\$6,374		23,767		
Totals	\$82,974	\$103,802	\$190,867	\$72,150	\$72,150
<i><b>With Consolidated Network</b></i>	<i><b>2012</b></i>	<i><b>2013</b></i>	<i><b>2014</b></i>	<i><b>2015</b></i>	<i><b>2016</b></i>
Replace Core Router	\$12,950				
Link Balancer Maintenance and Support	\$700	\$700	\$700	\$700	\$700
Packeteer PacketShaper 7500 200 Mbps		\$11,778	\$700	\$700	\$700
IronPort Renewal	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
Barracuda WebFilter Support	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750
Core Router Support and Maintenance	\$1,243	\$1,243	\$1,243	\$1,243	\$1,243
Fiber SLA for Support and Maintenance	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000
Internet Access (redundancy)	\$15,120	\$15,120	\$15,120	\$15,120	\$15,120
Leased Lines for Connectivity	\$31,200	\$31,200	\$15,600		
Private Fiber Build-Out	-		\$57,950		
Totals	\$73,463	\$72,291	\$103,563	\$30,013	\$30,013
<i><b>Total Savings to County</b></i>	<i><b>\$9,511</b></i>	<i><b>\$31,511</b></i>	<i><b>\$87,304</b></i>	<i><b>\$42,137</b></i>	<i><b>\$42,137</b></i>

City of Marysville

<i><b>Without Consolidated Network</b></i>	<i><b>2012</b></i>	<i><b>2013</b></i>	<i><b>2014</b></i>	<i><b>2015</b></i>	<i><b>2016</b></i>
Replace Core Router				\$37,000	
PIX Firewall Replacement		\$8,000			
PIX Firewall Support and Maint	\$600	\$600	\$600	\$600	\$600
Packeteer PacketShaper 7500 200 Mbps		\$33,652	\$2,000	\$2,000	\$2,000
Edge Security Solution		\$16,000	\$1,000	\$1,000	\$1,000
Liberty Tech Service Contract	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Fiber SLA	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Internet Access (no redundancy)	\$10,740	\$10,740	\$10,740	\$10,740	\$10,740
Private Fiber Build-Out	\$26,465				
Private Fiber Buy-In	\$21,443				
Totals	\$149,248	\$158,992	\$104,340	\$141,340	\$104,340
<i><b>With Consolidated Network</b></i>	<i><b>2012</b></i>	<i><b>2013</b></i>	<i><b>2014</b></i>	<i><b>2015</b></i>	<i><b>2016</b></i>
Replace Core Router	\$7,030				
Link Balancer Maintenance and Support	\$380	\$380	\$380	\$380	\$380
Packeteer PacketShaper 7500 200 Mbps		\$6,394	\$380	\$380	\$380
IronPort Renewal	\$1,900	\$1,900	\$1,900	\$1,900	\$1,900
Barracuda WebFilter Support	\$950	\$950	\$950	\$950	\$950
Core Router Support and Maintenance	\$675	\$675	\$675	\$675	\$675
Fiber SLA for Support and Maintance	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800
Internet Access (redundancy)	\$8,208	\$8,208	\$8,208	\$8,208	\$8,208
Private Fiber Build-Out	\$26,465				
Private Fiber Buy-In	\$21,443				
Totals	\$70,851	\$22,307	\$16,293	\$16,293	\$16,293
<i><b>Total Savings to City</b></i>	\$78,397	\$136,685	\$88,047	\$125,047	\$88,047

Marysville Exempted Village School District

<b><i>Without Consolidated Network</i></b>	<b><i>2012</i></b>	<b><i>2013</i></b>	<b><i>2014</i></b>	<b><i>2015</i></b>	<b><i>2016</i></b>
Replace Core Router	\$37,000				
Link Balancer Maintenance and Support	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Packeteer PacketShaper 7500 200 Mbps		\$33,652	\$2,000	\$2,000	\$2,000
IronPort Renewal	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Barracuda WebFilter Support	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Core Router Support and Maintenance	\$3,550	\$3,550	\$3,550	\$3,550	\$3,550
Fiber SLA for Support and Maintenance	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Internet Access (no redundancy)	\$21,600	\$21,600	\$21,600	\$21,600	\$21,600
Totals	\$99,150	\$95,802	\$64,150	\$64,150	\$64,150
<b><i>With Consolidated Network</i></b>	<b><i>2012</i></b>	<b><i>2013</i></b>	<b><i>2014</i></b>	<b><i>2015</i></b>	<b><i>2016</i></b>
Replace Core Router	\$17,020				
Link Balancer Maintenance and Support	\$920	\$920	\$920	\$920	\$920
Packeteer PacketShaper 7500 200 Mbps		\$15,480	\$920	\$920	\$920
IronPort Renewal	\$4,600	\$4,600	\$4,600	\$4,600	\$4,600
Barracuda WebFilter Support	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300
Core Router Support and Maintenance	\$1,633	\$1,633	\$1,633	\$1,633	\$1,633
Fiber SLA for Support and Maintenance	\$9,200	\$9,200	\$9,200	\$9,200	\$9,200
Internet Access (redundancy)	\$19,872	\$19,872	\$19,872	\$19,872	\$19,872
Totals	\$55,545	\$54,005	\$39,445	\$39,445	\$39,445
<b><i>Total Savings to MEVSD</i></b>	<b>\$43,605</b>	<b>\$41,797</b>	<b>\$24,705</b>	<b>\$24,705</b>	<b>\$24,705</b>

UCCOG

<b><i>With Consolidated Network</i></b>	<b><i>2012</i></b>	<b><i>2013</i></b>	<b><i>2014</i></b>	<b><i>2015</i></b>	<b><i>2016</i></b>	<b><i>5 Year Total</i></b>
<b><i>Total Savings to County</i></b>	<b>\$9,511</b>	<b>\$31,511</b>	<b>\$87,304</b>	<b>\$42,137</b>	<b>\$42,137</b>	<b>\$212,600</b>
<b><i>Total Savings to City</i></b>	<b>\$78,397</b>	<b>\$136,685</b>	<b>\$88,047</b>	<b>\$125,047</b>	<b>\$88,047</b>	<b>\$516,223</b>
<b><i>Total Savings to MEVSD</i></b>	<b>\$43,605</b>	<b>\$41,797</b>	<b>\$24,705</b>	<b>\$24,705</b>	<b>\$24,705</b>	<b>\$159,517</b>
<b><i>Grand Total for UCCOG</i></b>	<b>\$131,513</b>	<b>\$209,993</b>	<b>\$200,056</b>	<b>\$191,889</b>	<b>\$154,889</b>	<b>\$888,340</b>

Documentation for Loan Projects

Loan applicants are encouraged to demonstrate a viable repayment source to support the loan award sought. Secondary sources can be in the form of a debt reserve, bank participation, guarantees from other local entities or partners or other collateral (i.e., emergency funds, rainy day funds, contingency funds, etc.)

Annual Appropriation Measures of each of the three entities will be used as viable repayment sources for the loan award sought.

Loan projects must document and describe expected annual savings and/or one-time savings that will occur as a result of the project (the expected savings should be greater than or equal to the loan amount unless another form of acceptable collateral is provided)

<i>With Consolidated Network</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>5 Year Total</i>
<i>Total Savings to County</i>	\$9,511	\$31,511	\$87,304	\$42,137	\$42,137	\$212,600
<i>Total Savings to City</i>	\$78,397	\$136,685	\$88,047	\$125,047	\$88,047	\$516,223
<i>Total Savings to MEVSD</i>	\$43,605	\$41,797	\$24,705	\$24,705	\$24,705	\$159,517
<i>Grand Total for UCCOG</i>	\$131,513	\$209,993	\$200,056	\$191,889	\$154,889	\$888,340

Documentation narrative provided above.

**Tab 5: Supporting Documentation**

Applicants must separately identify and label the following supporting documentation:

1. Feasibility study determinations made by the Ohio Department of Development prior to the submission of an application (applicable to applicants applying for loan funds only)
2. Executed partnership agreements outlining all collaborative partners
3. Resolution of support from the applicant’s and collaborative partners’ governing entity
4. Audit, performance or other, conducted with in the past five years (if applicable)
5. Documentation from the 2010 U.S. Census identifying each municipality, county, or township served
6. Self-score assessment (using LGIF project selection methodology)



BY AUTHORITY OF

# The Secretary of State of Ohio

## PROCLAMATION

As a result of the Federal Census of Two Thousand Ten for the State of Ohio and the various political subdivisions having been officially made known to me, I, Jon Husted, Secretary of State of the State of Ohio, complying with the provisions of the Section 703.06 of the Revised Code of the State of Ohio, do hereby make proclamation that the municipality of

### MARYSVILLE IN UNION COUNTY, OHIO

according to said Federal Census of Two Thousand Ten has a population of

22,094

and shall, from and after thirty days from date of this proclamation be known as a **CITY** by virtue of and in accordance with said Section 703.06 of the Revised Code of the State of Ohio.



IN WITNESS WHEREOF, I,  
Jon Husted, Secretary of State of the  
State of Ohio do hereby set my hand and  
affix the official seal of the Secretary of  
State of the State of Ohio at Columbus,  
this 30th of March, A.D. 2011.

  
Jon Husted

RESOLUTION 2-12

TO CREATE THE UNION COUNTY COUNCIL OF GOVERNMENTS CONSISTING OF  
THE COUNTY OF UNION AND THE CITY OF MARYSVILLE AND THE MARYSVILLE  
EXEMPTED SCHOOL DISTRICT

WHEREAS, the Board of Union County Commissioners (County) is a subdivision of the State of Ohio and a body politic pursuant to the Ohio Constitution, and Section 301.01 et seq. of the Ohio Revised Code, and;

WHEREAS, the City of Marysville (City) is a Municipal Corporation and a body politic organized pursuant to Article XVIII of the Ohio Constitution and Section 703.01 et seq. of the Ohio Revised Code; and

WHEREAS, the Board of Education of the Marysville Exempted Village School District (School District) is a body politic organized pursuant to Section 3313.02 of the Ohio Revised Code; and

WHEREAS, the County, City and School District have, in recent years, found it necessary to expend increasing levels of resources for technology, including internet, data center, personnel, fiber, VoIP and other automatic data processing services, and;

WHEREAS, the parties have determined that by working together in an innovative and collaborative way, they can bring new technology and a shared services philosophy to the MEMBERS, and better meet the current and future needs of the MEMBERS, and;

WHEREAS, the parties desire to enter into an AGREEMENT in order to collaborate, share resources, reduce costs, centralize supervision and enhance the provision of technology to the respective contracting parties and the public, and;

WHEREAS, the County, City and School District foresee future opportunities to collaborate, to share employees, services and assets and transportation services, to enter into joint and/or cooperative purchasing agreements, to use their joint purchasing power to bargain with suppliers for lower cost supplies, equipment, fuel, energy and services, and to enter into other agreements to benefit each party and thereby being effective stewards of taxpayer dollars; and,

WHEREAS, the formation of the Union County Council of Governments will promote the economic development of the region, and;

WHEREAS, the County of Union, City of Marysville, and Marysville Exempted School District as bodies politic desire to enter into a Council of Governments (COUNCIL) pursuant to Chapter 167 of the Ohio Revised Code, the purpose of the Council shall be to coordinate and integrate data processing services as defined herein, and for all other lawful purposes as the MEMBERS shall determine from time to time;

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MARYSVILLE, OHIO, and in consideration of the mutual promises and covenants herein, the parties agree as follows:

#### **ARTICLE I. ESTABLISHMENT OF A REGIONAL COUNCIL OF GOVERNMENTS**

1.1 The parties acting through their respective legislative authorities do hereby create a Regional Council of Governments which shall have all the powers, duties and privileges as set forth in Chapter 167 of the Ohio Revised Code.

1.2 The name of the regional council of governments established by this AGREEMENT shall be the "UNION COUNTY COUNCIL OF GOVERNMENTS."

#### **ARTICLE II. MEMBERSHIP AND REPRESENTATION**

2.1 Membership in the regional council shall include the parties to this AGREEMENT and other political subdivisions entering into this AGREEMENT or admitted to Membership subsequently pursuant to this AGREEMENT.

2.2. Except for the rights specifically granted to MEMBERS herein, the sole right of the MEMBERS shall be to vote for or appoint its representative or alternate representative to the Governing Board. The MEMBERS authorize the Board to exercise all of the rights and privileges of the MEMBERS regarding the management and operation of the Council.

2.3 The following shall only be effective upon the unanimous approval of the MEMBERS of the Council taken at a lawful public meeting of each of the respective MEMBERS:

1. Admittance of additional MEMBERS to the Council.
2. Establishing or increasing the funding obligation of each MEMBER or determining an assessment below, or determining that a MEMBER may contribute property or services in lieu of cash or cash equivalents.
3. Any incurrence of debt or other financing arrangements.
4. Adopting or amending these Articles establishing the Council.
5. Approving any merger, consolidation or other reorganization of the Council.
6. Electing to terminate the Council.

2.4 The MEMBERS shall not be bound by, or be individually liable for the expenses, liabilities or obligations of the Council except to the extent of their financial contribution.

### **ARTICLE III. MANAGEMENT**

3.1 Except as provided by the laws of the State of Ohio and in these Articles, the powers of the Council shall be exercised, its business affairs conducted and its property managed by and under the direction of a Governing Board. The Board shall consist of representatives of

each of the MEMBERS to this AGREEMENT. Specifically, the Board shall include as members the following individuals:

1. The Superintendent of the Marysville Exempted School District or his or her designee.
2. The Mayor of the City of Marysville or his or her designee.
3. The President of the Board of Union County Commissioners or another commissioner as may be designated by that Board.

Each MEMBER may appoint one or more alternate Governing Board members, who may serve on the Governing Board upon the absence, illness, resignation or unavailability of the board member.

A quorum shall be a majority of the members.

- 3.2 The Governing Board Members shall be designated and appointed to the Board as set forth herein. Representation of other MEMBERS who are later admitted shall be established by the Bylaws of the Council. If the Bylaws fail to establish the manner for determining representation on the Council, such representation shall consist of one representative from each MEMBER. Such representative shall be the elected chief executive thereof, or if the political subdivision has no elected chief executive, a MEMBER of its governing body chosen by such body to be its representative, or their designee.
- 3.3 The manner in which the Board shall act and procedures used by the Board for the management and conduct of the Council business shall be set forth in the Bylaws, so long as such Bylaws are consistent with the terms of these Articles. The Bylaws may be amended from time to time by a majority vote of the full Membership of the Board.
- 3.4 The Council shall make an annual report of its activities to the Member governments which report shall include those items established by Bylaws for inclusion in the annual report.
- 3.5 The Council may purchase and maintain general liability insurance, and directors and officers insurance on behalf of any person who is a Governing Board Member, officer, employee, or other agent of the Council, in the amount not less than \$1,000,000 per

occurrence and in the aggregate. The Council may purchase such additional insurance against any insurable risk in such amounts as it deems reasonable and appropriate.

#### **ARTICLE IV. DEFINITIONS**

- 4.1 "Member" means any party who is now or who may later become a signatory to this AGREEMENT.
- 4.2 "Consolidated Data Center" refers to a data processing center which may be developed and jointly owned and operated by the Council.
- 4.3 "Fiber" refers to the fiber optics owned by the Marysville Exempted School District as of the date of this AGREEMENT.
- 4.4 "VoIP" means Voice Over Internet Protocol, and refers to the Cisco VoIP owned by the County.
- 4.5 "Technology services" includes, but is not limited to, the provision of user support services, internet services, data storage and backup, VoIP, centralized servers, e-mail, electronic document storage, retrieval and retention, wireless network, Web filtering, firewalls, e-mail filtering, e-mail archiving, centralized data centers – including redundant servers, off-site data backup, generator and battery backup, disaster recovery of the foregoing services, help desk, Storage Area Networks and related or other necessary data processing services.
- 4.6 "Agreement" means these Articles to Create a Regional Council of Governments.

#### **ARTICLE V. PURPOSE**

5.1 The purpose of the COUNCIL is to establish a cooperative working arrangement among the parties to assist them in carrying out their official duties and responsibilities in furtherance of the legitimate public purposes of the respective parties, including without limitation:

- A. To promote action for the common good of the MEMBERS.

- B. To promote cooperative arrangements and coordinate action among its MEMBERS, and between its MEMBERS and other agencies of local or state government and the federal government for technology services.
- C. To contract with and promote cooperative agreements and contracts among its MEMBERS, or with other governmental agencies or Councils of Governments, or with private persons, corporations, or agencies for technology services.
- D. To collaborate to develop cost-effective and efficient sharing of technology resources.
- E. Perform planning directly by personnel of the Council, or under contracts between the Council and other public or private planning agencies for technology services.
- F. The Council shall specifically work towards, but not be limited to, collaboration opportunities in information technology services as follows:
  - 1. Connection of existing City and County networks to the School District's fiber network.
  - 2. Establish and operate a Consolidated Data Center to co-locate datacenter equipment in order to share and reduce cooling, electric, operational and other expensed.
  - 3. Federate a Member Services Directory System to provide for centralized administration of all member's databases, file systems and server access.
  - 4. Consolidation of Help Desk and Support Services to provide centralized services to each member.
  - 5. Establish a centralized Storage Area Network using existing resources and virtualization.
  - 6. Virtualize servers to reduce hardware costs and increase up-time of critical systems of the members.
  - 7. Establish a primary backup and disaster recovery site and implement hardware and software solutions for disaster recovery for all members.
  - 8. Connect and expand the County's VoIP phone system or other system as suggested by consultants or as may be agreed to by the parties.

- G. Enter into Agreements with other Councils of Government, governments or others to purchase software, hardware, goods and services in accordance with Ohio law.
- H. To examine other opportunities for joint purchasing of goods or services.
- I. Any other lawful purposes as the MEMBERS may direct.

5.2 No part of the net earnings of the organization shall inure to the benefit of, or be distributable to its MEMBERS, officers, or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof.

5.3 No substantial part of the activities of the organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the organization shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the organization shall not carry on any other activities not permitted to be carried on by an organization exempt from federal income tax under subsection 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

5.4 Annually, as prescribed by the bylaws, the Governing Board shall establish a budget for the ensuing fiscal year and assess dues for each party to pay to support the activities undertaken pursuant to this AGREEMENT in the ensuing fiscal year.

5.5 Pursuant to Ohio Revised Code Section 167.04 the Governing Board shall adopt by-laws designating the officers of the COUNCIL and their method of selection. The officers shall include a Chairperson, Vice-Chairperson, Secretary and Treasurer and any additional officers as specified in the bylaws.

5.6 Guided by this AGREEMENT and the specifications herein, the Governing Board shall adopt by-laws to further describe its organization and procedures.



## **VI. FUNDING AND DUES**

6.1 The primary source of funding which will be used to carry out the purposes of this AGREEMENT shall be dues from each of the parties. The dues of each party shall be established annually, for each upcoming fiscal year, based upon the budget established by the Governing Board. The method for establishing dues shall be set forth in the bylaws adopted by the Governing Board.

6.2 By entering into this AGREEMENT, each party agrees to pay the dues established for it by the Governing Board, subject to its right to withdraw, set forth herein. The dues from each party shall be paid to the fiscal officer serving in accordance with this AGREEMENT. Dues shall be paid at a time and manner as prescribed by the bylaws.

6.3 In carrying out activities pursuant to this AGREEMENT the Governing Board may require the parties of any persons who may participate in a particular activity to pay additional amounts to cover some or all of the expenses associated with a particular Technology Services activity in accordance with the respective benefit to that MEMBER. Any such additional amounts shall be paid to the fiscal officer.

6.4 The expenditure funds by the COUNCIL shall be limited to items or services which assist the MEMBERS in carrying out their official duties and responsibilities in furtherance of the legitimate public purposes as set forth in Article V.

6.5 Upon the dissolution of the Council, assets shall be distributed for one or more exempt purposes within the meaning of subsection 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Assets will first be distributed to the MEMBERS who are parties to this AGREEMENT on the date of dissolution in accordance with their respective contributions, or as otherwise may be agreed by the MEMBERS. Any such assets not disposed of shall be disposed of by the court of Common Pleas of the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which

are organized and operated exclusively for such purposes. Parties who have withdrawn prior to the dissolution shall not be entitled to a distribution of assets of the COUNCIL.

## **VII. COUNCIL PERSONNEL**

7.1 Pursuant to the Ohio Revised Code Section 167.04(B), the Governing Board shall appoint a fiscal officer, who shall receive, deposit, invest, and disburse the funds of the council.

7.2 Pursuant to the Ohio Revised Code Section 167.05 the Governing Board may employ or contract with such personnel as it deems necessary to carry out the activities undertaken pursuant to this AGREEMENT. Through adopted bylaws, the Governing Board may establish the position of COUNCIL President, who shall serve as the chief executive officer of the COUNCIL, and the Governing Board may delegate additional authority – including, but not limited to, the authority to employ or contract with personnel – to the Council President through bylaws or through resolution of the board.

## **VIII. MISCELLANEOUS TERMS**

8.1 The MEMBERS shall not be bound by, or be individually liable for the expenses, liabilities or obligations of the Council except to the extent of their financial contribution.

8.2 Each MEMBER which is a party to this AGREEMENT has statutory or contracted legal counsel who shall review and approve this AGREEMENT as to lawful form.

8.3 The records of the COUNCIL shall be considered to be records of all the MEMBERS which are, or were at the time the records were created, parties to this AGREEMENT. These records shall be available to all parties and shall be public records as provided by Ohio law.

## **IX. Approval, Amendment or Withdrawal from this AGREEMENT**

9.1 The AGREEMENT shall be approved by resolution of the legislative authority which desires to become a party.

9.2 This AGREEMENT may be amended upon the written consent of all of the parties hereto. Any proposed amendment to this AGREEMENT shall first be presented to the Governing Board for its recommendation prior to the execution of the amendment.

9.3 Any political subdivision which has become a MEMBER of the Council may withdraw by formal action of its governing board and upon three-hundred sixty five (365) days written notice to the Council after such action. A party's withdrawal shall not entitle it to a refund of any dues or payments already made pursuant to this AGREEMENT. The failure of any MEMBER to appropriate funds in accordance with this AGREEMENT shall constitute an election to withdraw.

9.4 The AGREEMENT shall take effect upon the approval of the legislative authority of each MEMBER. It shall continue in effect as long as a majority of MEMBERS remain parties to the AGREEMENT.

NOW THEREFORE THE PARTIES HAVE SET THEIR HANDS PURSUANT TO RESOLUTION  
OF THEIR RESPECTIVE LEGISLATIVE AUTHORITIES:

THE COUNTY OF UNION

\_\_\_\_\_  
By: Steve Stolte, Commissioner

Date: \_\_\_\_\_, 2012

Authorized pursuant to Commissioner Resolution No. \_\_\_\_\_ dated the \_\_\_\_ day of  
January, 2012.

\_\_\_\_\_  
Clerk of the Board

THE CITY OF MARYSVILLE

\_\_\_\_\_  
By: John Gore, Mayor

Date: \_\_\_\_\_, 2012

Authorized pursuant to City Council Resolution No. \_\_\_\_\_ dated the \_\_\_\_\_ day of  
January, 2012

\_\_\_\_\_  
Clerk of Council

MARYSVILLE EXEMPTED SCHOOL DISTRICT

\_\_\_\_\_  
By: Larry Zimmerman, Superintendent

Date: \_\_\_\_\_, 2012

Authorized pursuant to Resolution No. \_\_\_\_\_ of the Marysville Exempted School District  
School Board dated the \_\_\_\_\_ day of January, 2012.


\_\_\_\_\_  
Clerk of the Board

1<sup>st</sup> Reading January 26, 2012

Passed January 26, 2012

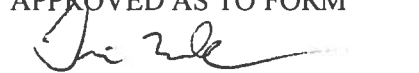
  
\_\_\_\_\_  
PRESIDENT OF COUNCIL

ATTEST:



CLERK OF COUNCIL

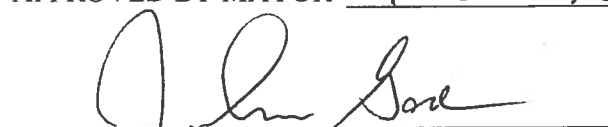
APPROVED AS TO FORM



Law Director    Date 1/24/12

PRESENTED TO MAYOR January 27, 2012

APPROVED BY MAYOR 1-27-12



JOHN GORE, MAYOR

**RESOLUTION NO. 044-12 RE: UNION COUNTY COUNCIL OF GOVERNMENTS  
CONSISTING OF THE COUNTY OF UNION AND THE CITY OF MARYSVILLE AND THE  
MARYSVILLE EXEMPTED SCHOOL DISTRICT**

A motion was moved by Gary Lee and seconded by Charles Hall to approve the Union County Council of Governments with the purpose being to establish a cooperative working arrangement among the parties to assist them in carrying out their official duties and responsibilities in furtherance of the legitimate public purposes of the respective parties.

\* A complete copy of the Council of Governments is on file in the Auditor's Office and the Commissioner's Office.

A roll call vote resulted as follows:

Steve Stolte, Yea  
Charles Hall, Yea  
Gary Lee, Yea

*Articles to Create*  
*the*  
UNION COUNTY COUNCIL OF GOVERNMENTS  
*consisting of*  
THE COUNTY OF UNION  
*and*  
THE CITY OF MARYSVILLE  
*and*  
THE MARYSVILLE EXEMPTED SCHOOL DISTRICT

**2012**

## PREAMBLE

WHEREAS, the Board of Union County Commissioners (County) is a subdivision of the State of Ohio and a body politic pursuant to the Ohio Constitution, and Section 301.01 et seq. of the Ohio Revised Code, and;

WHEREAS, the City of Marysville (City) is a Municipal Corporation and a body politic organized pursuant to Article XVIII of the Ohio Constitution and Section 703.01 et seq. of the Ohio Revised Code; and

WHEREAS, the Board of Education of the Marysville Exempted Village School District (School District) is a body politic organized pursuant to Section 3313.02 of the Ohio Revised Code; and

WHEREAS, the County, City and School District have, in recent years, found it necessary to expend increasing levels of resources for technology, including internet, data center, personnel, fiber, VoIP and other automatic data processing services, and;

WHEREAS, the parties have determined that by working together in an innovative and collaborative way, they can bring new technology and a shared services philosophy to the MEMBERS, and better meet the current and future needs of the MEMBERS, and;

WHEREAS, the parties desire to enter into an AGREEMENT in order to collaborate, share resources, reduce costs, centralize supervision and enhance the provision of technology to the respective contracting parties and the public, and;

WHEREAS, the County, City and School District foresee future opportunities to collaborate, to share employees, services and assets and transportation services, to enter into joint and/or cooperative purchasing agreements, to use their joint purchasing power to bargain with suppliers for lower cost supplies, equipment, fuel, energy and services, and to enter into other agreements to benefit each party and thereby being effective stewards of taxpayer dollars; and,

WHEREAS, the formation of the Union County Council of Governments will promote the economic development of the region, and;



WHEREAS, the County of Union, City of Marysville, and Marysville Exempted School District as bodies politic desire to enter into a Council of Governments (COUNCIL) pursuant to Chapter 167 of the Ohio Revised Code, the purpose of the Council shall be to coordinate and integrate data processing services as defined herein, and for all other lawful purposes as the MEMBERS shall determine from time to time;

NOW THEREFORE, in consideration of the mutual promises and covenants herein, the parties agree as follows:

## **ARTICLE I. ESTABLISHMENT OF A REGIONAL COUNCIL OF GOVERNMENTS**

1.1 The parties acting through their respective legislative authorities do hereby create a Regional Council of Governments which shall have all the powers, duties and privileges as set forth in Chapter 167 of the Ohio Revised Code.

1.2 The name of the regional council of governments established by this AGREEMENT shall be the "UNION COUNTY COUNCIL OF GOVERNMENTS."

## **ARTICLE II. MEMBERSHIP AND REPRESENTATION**

2.1 Membership in the regional council shall include the parties to this AGREEMENT and other political subdivisions entering into this AGREEMENT or admitted to Membership subsequently pursuant to this AGREEMENT.

2.2. Except for the rights specifically granted to MEMBERS herein, the sole right of the MEMBERS shall be to vote for or appoint its representative or alternate representative to the Governing Board. The MEMBERS authorize the Board to exercise all of the rights and privileges of the MEMBERS regarding the management and operation of the Council.

2.3 The following shall only be effective upon the unanimous approval of the MEMBERS of the Council taken at a lawful public meeting of each of the respective MEMBERS:

1. Admittance of additional MEMBERS to the Council.

2. Establishing or increasing the funding obligation of each MEMBER or determining an assessment below, or determining that a MEMBER may contribute property or services in lieu of cash or cash equivalents.
3. Any incurrence of debt or other financing arrangements.
4. Adopting or amending these Articles establishing the Council.
5. Approving any merger, consolidation or other reorganization of the Council.
6. Electing to terminate the Council.

2.4 The MEMBERS shall not be bound by, or be individually liable for the expenses, liabilities or obligations of the Council except to the extent of their financial contribution.

### ARTICLE III. MANAGEMENT

3.1 Except as provided by the laws of the State of Ohio and in these Articles, the powers of the Council shall be exercised, its business affairs conducted and its property managed by and under the direction of a Governing Board. The Board shall consist of representatives of each of the MEMBERS to this AGREEMENT. Specifically, the Board shall include as members the following individuals:

1. The Superintendent of the Marysville Exempted School District or his or her designee.
2. The Mayor of the City of Marysville or his or her designee.
3. The President of the Board of Union County Commissioners or another commissioner as may be designated by that Board.

Each MEMBER may appoint one or more alternate Governing Board members, who may serve on the Governing Board upon the absence, illness, resignation or unavailability of the board member.

A quorum shall be a majority of the members.

- 3.2 The Governing Board Members shall be designated and appointed to the Board as set forth herein. Representation of other MEMBERS who are later admitted shall be established by the Bylaws of the Council. If the Bylaws fail to establish the manner for determining representation on the Council, such representation shall consist of one representative from each MEMBER. Such representative shall be the elected chief executive thereof, or if the political subdivision has no elected chief executive, a MEMBER of its governing body chosen by such body to be its representative, or their designee.
- 3.3 The manner in which the Board shall act and procedures used by the Board for the management and conduct of the Council business shall be set forth in the Bylaws, so long as such Bylaws are consistent with the terms of these Articles. The Bylaws may be amended from time to time by a majority vote of the full Membership of the Board.
- 3.4 The Council shall make an annual report of its activities to the Member governments which report shall include those items established by Bylaws for inclusion in the annual report.
- 3.5 The Council may purchase and maintain general liability insurance, and directors and officers insurance on behalf of any person who is a Governing Board Member, officer, employee, or other agent of the Council, in the amount not less than \$1,000,000 per occurrence and in the aggregate. The Council may purchase such additional insurance against any insurable risk in such amounts as it deems reasonable and appropriate.

#### ARTICLE IV. DEFINITIONS

- 4.1 "Member" means any party who is now or who may later become a signatory to this AGREEMENT.
- 4.2 "Consolidated Data Center" refers to a data processing center which may be developed and jointly owned and operated by the Council.
- 4.3 "Fiber" refers to the fiber optics owned by the Marysville Exempted School District as of the date of this AGREEMENT.
- 4.4 "VoIP" means Voice Over Internet Protocol, and refers to the Cisco VoIP owned by the County.
- 4.5 "Technology services" includes, but is not limited to, the provision of user support services, internet services, data storage and backup, VoIP, centralized servers, e-mail, electronic document storage, retrieval and retention, wireless network, Web filtering, firewalls, e-mail

filtering, e-mail archiving, centralized data centers – including redundant servers, off-site data backup, generator and battery backup, disaster recovery of the foregoing services, help desk, Storage Area Networks and related or other necessary data processing services.

4.6 “Agreement” means these Articles to Create a Regional Council of Governments.

## ARTICLE V. PURPOSE

5.1 The purpose of the COUNCIL is to establish a cooperative working arrangement among the parties to assist them in carrying out their official duties and responsibilities in furtherance of the legitimate public purposes of the respective parties, including without limitation:

- A. To promote action for the common good of the MEMBERS.
- B. To promote cooperative arrangements and coordinate action among its MEMBERS, and between its MEMBERS and other agencies of local or state government and the federal government for technology services.
- C. To contract with and promote cooperative agreements and contracts among its MEMBERS, or with other governmental agencies or Councils of Governments, or with private persons, corporations, or agencies for technology services.
- D. To collaborate to develop cost-effective and efficient sharing of technology resources.
- E. Perform planning directly by personnel of the Council, or under contracts between the Council and other public or private planning agencies for technology services.
- F. The Council shall specifically work towards, but not be limited to, collaboration opportunities in information technology services as follows:
  - 1. Connection of existing City and County networks to the School District’s fiber network.
  - 2. Establish and operate a Consolidated Data Center to co-locate datacenter equipment in order to share and reduce cooling, electric, operational and other expensed.
  - 3. Federate a Member Services Directory System to provide for centralized administration of all member’s databases, file systems and server access.

4. Consolidation of Help Desk and Support Services to provide centralized services to each member.
  5. Establish a centralized Storage Area Network using existing resources and virtualization.
  6. Virtualize servers to reduce hardware costs and increase up-time of critical systems of the members.
  7. Establish a primary backup and disaster recovery site and implement hardware and software solutions for disaster recovery for all members.
  8. Connect and expand the County's VoIP phone system or other system as suggested by consultants or as may be agreed to by the parties.
- G. Enter into Agreements with other Councils of Government, governments or others to purchase software, hardware, goods and services in accordance with Ohio law.
- H. To examine other opportunities for joint purchasing of goods or services.
- I. Any other lawful purposes as the MEMBERS may direct.

5.2 No part of the net earnings of the organization shall inure to the benefit of, or be distributable to its MEMBERS, officers, or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof.

5.3 No substantial part of the activities of the organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the organization shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the organization shall not carry on any other activities not permitted to be carried on by an organization exempt from federal income tax under subsection 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

5.4 Annually, as prescribed by the bylaws, the Governing Board shall establish a budget for the ensuing fiscal year and assess dues for each party to pay to support the activities undertaken pursuant to this AGREEMENT in the ensuing fiscal year.

5.5 Pursuant to Ohio Revised Code Section 167.04, the Governing Board shall adopt by-laws designating the officers of the COUNCIL and their method of selection. The officers shall include a Chairperson, Vice-Chairperson, Secretary and Treasurer and any additional officers as specified in the bylaws.

5.6 Guided by this AGREEMENT and the specifications herein, the Governing Board shall adopt by-laws to further describe its organization and procedures.

## **VI. FUNDING AND DUES**

6.1 The primary source of funding which will be used to carry out the purposes of this AGREEMENT shall be dues from each of the parties. The dues of each party shall be established annually, for each upcoming fiscal year, based upon the budget established by the Governing Board. The method for establishing dues shall be set forth in the bylaws adopted by the Governing Board.

6.2 By entering into this AGREEMENT, each party agrees to pay the dues established for it by the Governing Board, subject to its right to withdraw, set forth herein. The dues from each party shall be paid to the fiscal officer serving in accordance with this AGREEMENT. Dues shall be paid at a time and manner as prescribed by the bylaws.

6.3 In carrying out activities pursuant to this AGREEMENT, the Governing Board may require the parties of any persons who may participate in a particular activity to pay additional amounts to cover some or all of the expenses associated with a particular Technology Services activity in accordance with the respective benefit to that MEMBER. Any such additional amounts shall be paid to the fiscal officer.

6.4 The expenditure funds by the COUNCIL shall be limited to items or services which assist the MEMBERS in carrying out their official duties and responsibilities in furtherance of the legitimate public purposes as set forth in Article V.

6.5 Upon the dissolution of the Council, assets shall be distributed for one or more exempt purposes within the meaning of subsection 501(c)(3) of the Internal Revenue Code, or

corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Assets will first be distributed to the MEMBERS who are parties to this AGREEMENT on the date of dissolution in accordance with their respective contributions, or as otherwise may be agreed by the MEMBERS. Any such assets not disposed of shall be disposed of by the court of Common Pleas of the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes. Parties who have withdrawn prior to the dissolution shall not be entitled to a distribution of assets of the COUNCIL.

## **VII. COUNCIL PERSONNEL**

7.1 Pursuant to the Ohio Revised Code Section 167.04(B), the Governing Board shall appoint a fiscal officer, who shall receive, deposit, invest, and disburse the funds of the council.

7.2 Pursuant to the Ohio Revised Code Section 167.05, the Governing Board may employ or contract with such personnel as it deems necessary to carry out the activities undertaken pursuant to this AGREEMENT. Through adopted bylaws, the Governing Board may establish the position of COUNCIL President, who shall serve as the chief executive officer of the COUNCIL, and the Governing Board may delegate additional authority – including, but not limited to, the authority to employ or contract with personnel – to the Council President through bylaws or through resolution of the board.

## **VIII. MISCELLANEOUS TERMS**

8.1 The MEMBERS shall not be bound by, or be individually liable for the expenses, liabilities or obligations of the Council except to the extent of their financial contribution.

8.2 Each MEMBER, which is a party to this AGREEMENT, has statutory or contracted legal counsel who shall review and approve this AGREEMENT as to lawful form.

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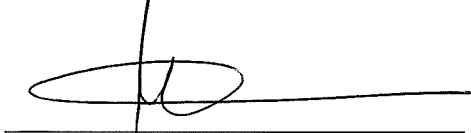
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9.4 The AGREEMENT shall take effect upon the approval of the legislative authority of each MEMBER. It shall continue in effect as long as a majority of MEMBERS remain parties to the AGREEMENT.



NOW THEREFORE THE PARTIES HAVE SET THEIR HANDS PURSUANT TO RESOLUTION OF THEIR RESPECTIVE LEGISLATIVE AUTHORITIES:

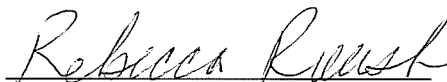
THE COUNTY OF UNION



Date: 1-26, 2012

By: Steve Stolte, Commissioner

Authorized pursuant to Commissioner Resolution No. 04412 dated the 26 day of January, 2012.



Clerk of the Board

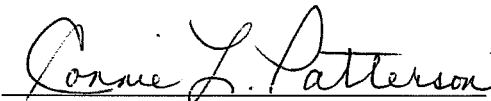
THE CITY OF MARYSVILLE



By: John Gore, Mayor

Date: 2-2, 2012

Authorized pursuant to City Council Resolution No. 2-12 dated the 26<sup>th</sup> day of January, 2012



Clerk of Council

MARYSVILLE EXEMPTED SCHOOL DISTRICT



By: Larry Zimmerman, Superintendent

Date: 2/2, 2012

Authorized pursuant to Resolution No. 12-02 of the Marysville Exempted School District School Board dated the 26<sup>th</sup> day of January, 2012.



Clerk of the Board

# City of Marysville

Name/ Occupation	Address	Hr. Rate	Fringe	Total	Tot Hrs	Total	Service
Scott Brock Director of IT	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$30.65	\$9.20	\$39.85	62	\$2,470.39	Technical
Eric Phillips Exec. Dir. Chamber	227 East 5th Street Marysville, Ohio 43040 (937) 642-6279	\$48.04	\$14.41	\$62.45	3	\$187.36	Advisory
Terry Emery City Manager	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$50.48	\$15.14	\$65.62	9	\$590.62	Consult
Gwen Beech IT Technician	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$21.37	\$6.41	\$27.78	18	\$500.06	Consult
Jeremy Hoyt Asst. City Eng.	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$31.22	\$9.37	\$40.59	7	\$284.10	Engineer
Rob Priestas Asst. City Eng.	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$28.20	\$8.46	\$36.66	1	\$36.66	Engineer

Signature

Date



Kristy K. Rowland

Notary Public, State of Ohio

My Commission Expires

3/1/12  
6/2/15

# Union County

Name/ Occupation	Address	Hr. Rate	Fringe	Total	Tot Hrs	Total	Service
Wade Branstiter Director of IT	233 West 6th St. Marysville, Ohio 43040 (937) 645-3003	\$37.73	\$11.32	\$49.05	24	\$1,177.18	Technical
Chad Cohn Network Admin.	233 West 6th St. Marysville, Ohio 43040 (937) 645-3003	\$30.37	\$9.11	\$39.48	4	\$157.92	Technical
James Elsmore Network Admin.	233 West 6th St. Marysville, Ohio 43040 (937) 645-3003	\$25.45	\$7.64	\$33.09	4	\$132.34	Technical

*Wade Branstiter*

*3/1/12*

Signature

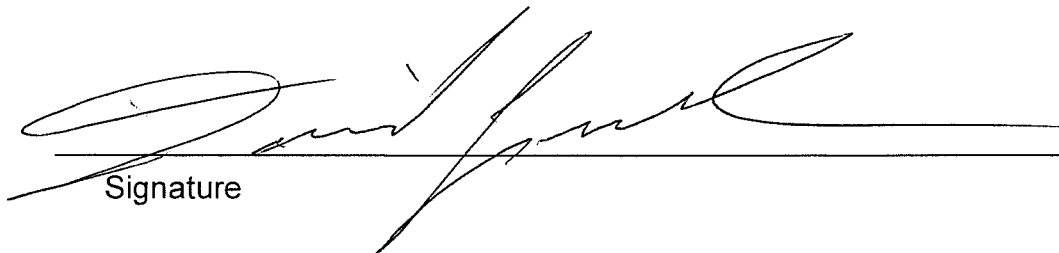
Date



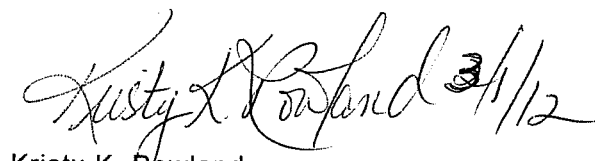
*Kristy K. Rowland* *3/1/12*  
 Kristy K. Rowland  
 Notary Public, State of Ohio  
 My Commission Expires *6/2/15*

## Marysville Exempted Village Schools

Name/ Occupation	Address	Hr. Rate	Fringe	Total	Tot Hrs	Total	Service
Dave Wells Director of IT	1000 Edgewood Drive Marysville, Ohio 43040 (937) 644-8105	\$37.73	\$11.32	\$49.05	24	\$1,177.18	Technical
James Moots Director of IT	1000 Edgewood Drive Marysville, Ohio 43040 (937) 644-8105	\$ 33.65	\$10.10	\$43.75	24.5	\$1,071.75	Technical
Larry Zimmerman Superintendent	1000 Edgewood Drive Marysville, Ohio 43040 (937) 644-8105	\$59.62	\$17.89	\$77.51	1.5	\$116.26	Advisory

  
Signature \_\_\_\_\_ Date 3-1-12



  
Kristy K. Rowland  
Notary Public, State of Ohio  
My Commission Expires 6/2/15

1. Budget 2. Match  Project Item Description	Project Costs			Source of Funds			
	Material/Equip- ment Cost	Labor Cost	Total	LGIF Loan Request	Match Contribution	In-kind Funds	Total Match & In-kind
Furnish and install a 144 strand singlemode fiber optic cable from the Maple St. Middle School to the intersection of North Maple Street and West 5 <sup>th</sup> Street	\$ 24,485.00	\$ 13,050.00	\$ 37,535.00	\$ 37,535.00			
Furnish and install a 72 strand singlemode fiber optic cable from the intersection of North Maple Street and West 5 <sup>th</sup> Street to the new Police Department	\$ 13,900.00	\$ 12,550.00	\$ 26,450.00	\$ 26,450.00			
Furnish and install a 72 strand singlemode fiber optic cable from the intersection of North Maple Street and West 5 <sup>th</sup> Street to 128 South Main Street	\$ 8,069.00	\$ 8,200.00	\$ 16,269.00	\$ 16,269.00			
Furnish and install a 6 strand singlemode fiber optic cable to City Hall located on East Sixth Street	\$ 1,350.00	\$ 2,450.00	\$ 3,800.00	\$ 3,800.00			
Furnish and install a 6 strand singlemode fiber optic cable to the proposed new Fire Station located on County Home Road	\$ 1,150.00	\$ 2,050.00	\$ 3,200.00	\$ 3,200.00			
Furnish and install singlemode fiber optic cable to the Public Service Center located on North Maple Street	\$ 2,115.00	\$ 5,200.00	\$ 7,315.00	\$ 7,315.00			
Furnish and install a 48 strand singlemode fiber optic cable from the new Police Department to Bunsold Middle School to create a redundant network and disaster recovery site	\$ 46,945.00	\$118,050.00	\$ 164,995.00	\$164,995.00			
Current Fiber Modification - Mill Wood Blvd.		\$ 13,644.00	\$ 13,644.00			\$ 13,644.00	\$ 13,644.00
Maintenance of Milford Avenue Fiber		\$ 10,000.00	\$ 10,000.00			\$ 10,000.00	\$ 10,000.00
Consolidated Network Equipment Core Router – 4@ \$27,000	\$ 108,000.00	\$ 30,000.00	\$ 138,000.00	\$103,500.00		\$ 34,500.00	\$ 34,500.00
Purchase Easement for installation of Fiber	\$ 99,800.00		\$ 99,800.00	\$ 36,936.00	\$ 62,864.00		\$ 62,864.00
Totals	\$ 305,814.00	\$215,194.00	\$ 521,008.00	\$400,000.00	\$ 62,864.00	\$ 58,144.00	\$ 121,008.00
				% of Total Project Costs	12%	11%	23%
					Matching	In-kind	Total

## 2. (Cont'd) In-kind Contributions

Name/ Occupation	Address	Hr. Rate	Fringe	Total	Tot Hrs	Total	Service	Date of Service
Scott Brock Director of IT	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$30.65	\$9.20	\$39.85	62	\$2,470.39	Technical	Jan. 2011 – March 2012
Eric Phillips Exec. Dir. Chamber	227 East 5th Street Marysville, Ohio 43040 (937) 642-6279	\$48.04	\$14.41	\$62.45	3	\$187.36	Advisory	Nov. 2011
Terry Emery City Manager	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$50.48	\$15.14	\$65.62	9	\$590.62	Consult	Dec. 2011 – March 2012
Gwen Beech IT Technician	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$21.37	\$6.41	\$27.78	18	\$500.06	Consult	Jan. 2011 – March 2012
Jeremy Hoyt Asst. City Eng.	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$31.22	\$9.37	\$40.59	7	\$284.10	Engineer	March 2012
Rob Priestas Asst. City Eng.	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$28.20	\$8.46	\$36.66	1	\$36.66	Engineer	March 2012
Dave Wells Director of IT	1000 Edgewood Drive Marysville, Ohio 43040 (937) 644-8105	\$37.73	\$11.32	\$49.05	24	\$1,177.18	Technical	Jan. 2012 – March 2012
James Moos Director of IT	1000 Edgewood Drive Marysville, Ohio 43040 (937) 644-8105	\$ 33.65	\$10.10	\$43.75	24.5	\$1,071.75	Technical	Jan. 2011- Dec. 2011
Larry Zimmerman Superintendent	1000 Edgewood Drive Marysville, Ohio 43040 (937) 644-8105	\$59.62	\$17.89	\$77.51	1.5	\$116.26	Advisory	Jan. 2011 – Feb. 2012

### 3. Population Information and Documentation

Union County Population – 52,300

[http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=DEC\\_10\\_DP\\_DPDP1&prodType=table](http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=DEC_10_DP_DPDP1&prodType=table)

Marysville City Population – 22,094

[http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=DEC\\_10\\_DP\\_DPDP1&prodType=table](http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=DEC_10_DP_DPDP1&prodType=table)

Marysville Exempted Village School District – 5,189

[http://odevax.ode.state.oh.us/htbin/ohio\\_educ\\_dir.com?dtype=01.+Any+Specific+District&dirn=045476&birn=&county=All+Counties](http://odevax.ode.state.oh.us/htbin/ohio_educ_dir.com?dtype=01.+Any+Specific+District&dirn=045476&birn=&county=All+Counties)

### 4. Partnership Agreements

Article 5, Section 5.1, Subsection F, Item 1 on Page 6 of the attached document Articles to Create the Union County Council of Governments, signed by all three entities.

# Local Government Innovation Fund Program

*Application Score £*

<b>Lead Applicant</b>	
<b>Project Name</b>	

	<b>Grant Application</b>
--	--------------------------

**or**

	<b>Loan Application</b>
--	-------------------------

The Local Government Innovation Fund Council  
77 South High Street  
P.O. Box 1001  
Columbus, Ohio 43216-1001  
(614) 995-2292



## Local Government Innovation Fund Project Scoring Sheet

### Section 1: Financing Measures

Financing Measures	Description	Criteria	Max Points	Applicant Self Score	Validated Score
Financial Information	Applicant includes financial information (i.e., service related operating budgets) for the most recent three years and the three year period following the project. The financial information must be directly related to the scope of the project and will be used as the cost basis for determining any savings resulting from the project.	Applicant provides a thorough, detailed and complete financial information	5		
		Applicant provided more than minimum requirements but did not provide additional justification or support	3		
		Applicant provided minimal financial information	1		
			Points		
Repayment Structure  (Loan Only)	Applicant demonstrates a viable repayment source to support loan award. Secondary source can be in the form of a debt reserve, bank participation, a guarantee from a local entity, or other collateral (i.e.,emergency rainy day , or contingency fund, etc.).	Applicant clearly demonstrates a secondary repayment source.	5		
		Applicant does not have a secondary repayment source.	0		
			Points		
Local Match	Percentage of local matching funds being contributed to the project. This may include in-kind contributions.	70% or greater	5		
		40-69.99%	3		
		10-39.99%	1		
			Points		
Total Section Points					

### Section 2: Collaborative Measures

Collaborative Measures	Description	Criteria	Max Points	Applicant Self Score	Validated Score
Population	Applicant's population (or the population of the area(s) served) falls within one of the listed categories as determined by the U.S. Census Bureau. Population scoring will be determined by the <b>smallest</b> population listed in the application. Applications from (or collaborating with) small communities are preferred.	Applicant (or collaborative partner) is not a county and has a population of less than 20,000 residents	5		
		Applicant (or collaborative partner) is a county but has less than 235,000	5		
		Applicant (or collaborative partner) is not a county but has a population 20,001 or greater.	3		
		Applicant (or collaborative partner) is a county with a population of 235,001 residents or more	3		
			Points		
Participating Entities	Applicant has executed partnership agreements outlining all collaborative partners and participation agreements and has resolutions of support. (Note: Sole applicants only need to provide a resolution of support from its governing entity.)	More than one applicant	5		
		Single applicant	1		
			Points		
Total Section Points					

## Local Government Innovation Fund Project Scoring Sheet

### Section 3: Success Measures

Success Measures	Description	Criteria	Points	Applicant Self Score	Validated Score
Expected Return	Applicant demonstrates as a percentage of savings (i.e., actual savings, increased revenue, or cost avoidance ) an expected return. The return must be derived from the applicant's cost basis. The expected return is ranked in one of the following percentage categories:	75% or greater	30		
		25.01% to 74.99%	20		
		Less than 25%	10		
			Points		
Past Success	Applicant has successfully implemented, or is following project guidance from a shared services model, for an efficiency, shared service, coproduction or merger project in the past.	Yes	5		
		No	0		
			Points		
Scalable/Replicable Proposal	Applicant’s proposal can be replicated by other local governments or scaled for the inclusion of other local governments.	The project is both scalable and replicable	10		
		The project is either scalable or replicable	5		
		Does not apply	0		
			Points		
Probability of Success	Applicant provides a documented need for the project and clearly outlines the likelihood of the need being met.	Provided	5		
		Not Provided	0		
			Points		
Total Section Points					

### Section 4: Significance Measures

Significance Measures	Description	Criteria	Points Assigned	Applicant Self Score	Validated Score
Performance Audit Implementation /Cost Benchmarking	The project implements a single recommendation from a performance audit provided by the Auditor of State under Chapter 117 of the Ohio Revised Code or is informed by cost benchmarking.	Project implements a recommendation from an audit or is informed by benchmarking	5		
		Project does not implement a recommendation from an audit and is not informed by benchmarking	0		
			Points		
Economic Impact	Applicant demonstrates the project will a promote business environment (i.e., demonstrates a business relationship resulting from the project) and will provide for community attraction (i.e., cost avoidance with respect to taxes)	Applicant clearly demonstrates economic impact	5		
		Applicant mentions but does not prove economic impact	3		
		Applicant does not demonstrate an economic impact	0		
			Points		
Response to Economic Demand	The project responds to current substantial changes in economic demand for local or regional government services.	Yes	5		
		No	0		
			Points		
Total Section Points					

Section 5: Council Measures			
Council Measures	Description	Criteria	Points Assigned
Council Preference	Council Ranking for Competitive Rounds	<b>The Applicant Does Not Fill Out This Section;</b> This is for the Local Government Innovation Fund Council only. The points for this section is based on the applicant demonstrating innovation or inventiveness with the project	
Total Section Points (10 max)			

Scoring Summary		
	Applicant Self Score	Validated Score
Section 1: Financing Measures		
Section 2: Collaborative Measures		
Section 3: Success Measures		
Section 4: Significance Measures		
Total Base Points:		

Reviewer Comments

## **RESOLUTION TO ENTER INTO AN ESTABLISHMENT OF A REGIONAL COUNCIL OF GOVERNMENTS**

Mr. Mabee moved, seconded by Mrs. Greer to approve the resolution for the Marysville Exempted Village Schools to join and participate in an Establishment of a Regional Council of Governments along with the City of Marysville and Union County. The three parties acting through their respective legislative authorities will create a Regional Council of Governments as set forth in Chapter 167 of the Ohio Revised Code. **(Refer to 2011-12 Supplemental Minutes, Item #25, 01/26/12. Resolution #12-02.)**

### **RESOLUTION # 12-02**

WHEREAS, the Board of Union County Commissioners (County) is a subdivision of the State of Ohio and a body politic pursuant to the Ohio Constitution, and Section 301.01 et seq. of the Ohio Revised Code, and;

WHEREAS, the City of Marysville (City) is a Municipal Corporation and a body politic organized pursuant to Article XVIII of the Ohio Constitution and Section 703.01 et seq. of the Ohio Revised Code; and

WHEREAS, the Board of Education of the Marysville Exempted Village School District (School District) is a body politic organized pursuant to Section 3313.02 of the Ohio Revised Code; and

WHEREAS, the County, City and School District have, in recent years, found it necessary to expend increasing levels of resources for technology, including internet, data center, personnel, fiber, VoIP and other automatic data processing services, and;

WHEREAS, the parties have determined that by working together in an innovative and collaborative way, they can bring new technology and a shared services philosophy to the MEMBERS, and better meet the current and future needs of the MEMBERS, and;

WHEREAS, the parties desire to enter into an AGREEMENT in order to collaborate, share resources, reduce costs, centralize supervision and enhance the provision of technology to the respective contracting parties and the public, and;

WHEREAS, the County, City and School District foresee future opportunities to collaborate, to share employees, services and assets and transportation services, to enter into joint and/or cooperative purchasing agreements, to use their joint purchasing power to bargain with suppliers for lower cost supplies, equipment, fuel, energy and services, and to enter into other agreements to benefit each party and thereby being effective stewards of taxpayer dollars; and,

WHEREAS, the County of Union, City of Marysville, and Marysville Exempted School District are bodies politic, and desire to enter into a Council of Governments (COUNCIL) pursuant to Chapter 167 of the Ohio Revised Code, the purpose of the Council shall be to coordinate and integrate data processing services as defined herein, and for such other lawful purposes as the MEMBERS shall determine from time to time;

NOW THEREFORE, in consideration of the mutual promises and covenants herein, the parties agree as follows:

**ARTICLE I. ESTABLISHMENT OF A REGIONAL COUNCIL OF GOVERNMENTS**

1.1 The parties acting through their respective legislative authorities do hereby create a Regional Council of Governments which shall have all the powers, duties and privileges as set forth in Chapter 167 of the Ohio Revised Code.

**Roll call: Mabee, aye; Greer, aye; Devine, aye; Lassiter, aye; Powers, aye. Motion passed 5-0**



See Saturday's Journal-Tribune  
for a story about  
Larry Zimmerman's reflections on  
his career with Marysville Schools



Monarch wrestlers  
remain unbeaten  
in OCC  
(See page 6)

Saturday: Dusting of snow 30/36 but falling  
Sunday: Snow showers and wind 22/28  
Monday: Partly cloudy 19/38  
Tuesday: Increasing clouds 28/47  
Wednesday: Showers and warmer 35/51  
Thursday: More rain 36/45



# Marysville Journal-Tribune

If it's for the good of Marysville and Union County ... We're for it!

161st Year of Publication

FRIDAY, JANUARY 27, 2012

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75 Cents

## City, county, schools pool resources

### Entities join Council of Governments

By RYAN HORNS

Thursday night Marysville Mayor John Gore gave his first state of the city address, full of thoughts on the strong financial future that lies ahead.

But he said increased collaboration could bring even more prosperity in 2012.

"In the words of Henry Ford, 'Coming together is a beginning. Keeping together is progress. Working together is success,'" Gore said. "I have made it my priority to continue in that spirit and look for even more ways that we may collaborate."

After his speech, Gore introduced a resolution to city council members, creating the Union County Council of Governments, an official partner-

ship between Union County, Marysville and the Marysville Exempted School District.

With construction of the new fire and police/court facilities in the works, Gore said the first immediate need was focusing on information technology connectivity. He said Navin Elementary school is situated across the street from construction of the new fire station, so the lines for technology were already

there to tap into.

Over the past eight months, Gore said the city has met approximately 25 times with Marysville Schools Superintendent Larry Zimmerman and county commissioners to look at working together and sharing resources.

He said the Council of Governments allows the entities to manage the IT collaboration.

Gore asked that council

members pass the resolution so the new group could start applying for available grants to help fund future projects. Council ultimately passed the resolution unanimously.

Across town Thursday night, the Marysville School Board passed a similar resolution. The Union County Commissioners also passed

The full text of the  
Marysville State of the  
City Address can be found  
at [www.marysvillejt.com](http://www.marysvillejt.com)

their version earlier that day.

"We're worked very hard on this," Union County Commissioner Gary Lee said. "It is truly a win-win (situation)."

He said the timing of applying for available grants is now

(Please see City on page 2)

## UCSO honors staffers

From J-T staff reports

Deputy Rich Crabtree and communications supervisor Rose Robinson have been honored as employees of the year at the Union County Sheriff's Office.

Sheriff Jamie Patton made the announcement Wednesday.

"Rich and Rose are two very

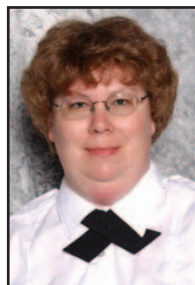
important members of the Union County Sheriff's Office. They are very deserving of this honor, and I am proud of the fact that they serve our community wholeheartedly," said Patton.

Patton also recognized Deputy Pete Lenhardt with a life-saving award involving a stroke victim and Deputy Shawn Golden for earning his Master Evidence Technician certification through the Ohio Peace Officer Training Academy.

Presentations also were



CRABTREE



ROBINSON

## District considers more severance packages

By CHAD WILLIAMSON

Marysville schools may be revisiting the idea of employee severance packages.

The severance packages have been used in past years as the schools worked to trim more than 40 staff positions from the district due to budget constraints.

"I wouldn't have thought a year ago that we'd be putting this back out there," Marysville Superintendent Larry Zimmerman said.

The idea behind the plan is to offer a monetary incentive to district staff who are eligible for retirement incentives. The district saves money in the long run by getting high salaried teachers out of the district and then replacing them with younger teachers who are lower on the pay schedule or simply not replacing the positions at all.

Zimmerman said the severance program was more successful than anticipated last year.

Zimmerman acknowledged that there is an issue of losing the experience of the veteran teachers. He also noted that staff members were told last year that the program would not be perpetual and would not be offered again.

But the superintendent recalled that some staff members debated the idea before eventually deciding not to take advantage of the program. He said with more time to study the offer, he believes some of those staffers would opt in for this round.

He added that allowing older teachers the option to leave avoids the district-wide stress that layoffs would create.

Zimmerman said the sooner



Marysville School Board President Jeff Mabey, left, shares a humorous moment as he reads a proclamation honoring outgoing superintendent Larry Zimmerman, right. Zimmerman will be retiring next Friday after 40 years with the district, the last 15 serving as superintendent.

the board would act on the idea, the sooner employees could be made offers, leaving them more time to decide.

He said something would have to be done by March in order for the district to begin rehiring positions in April.

Board member Doug Lasiter said he would like to see

the financial impact of the program before moving forward. Treasurer Cindy Ritter said there is no way to know the impact without knowing how many staff members would take the buyout.

Ritter noted that if just four teachers take the retirement incentive, it would save the district \$300,000 if they are not replaced. Zimmerman noted that layoffs, which tend to impact less experienced

teachers first, would take the elimination of seven positions to see that kind of savings.

He also noted that even another round of retirement incentives won't keep the district solvent past the next few years.

"This won't cure you forever," he said.

Board president Jeff Mabey said he too would like to see a financial projection from

the plan, hoping some rough numbers for interested staffers could be used.

In anticipation of receiving those numbers, Mabey set a special meeting for Feb. 9 for a possible vote on the plan.

The meeting also served as the last meeting for Zimmerman, who will retire Friday, Feb. 3, after 40 years of service in the district, the last 15 as superintendent.

(Please see Schools on page 2)

For further discussion on this topic, visit  
[www.My2CentsWorth.biz](http://www.My2CentsWorth.biz)

## Economy grew 2.8 percent in fourth quarter; best in 2011

WASHINGTON (AP) — The U.S. economy grew at a 2.8 percent annual rate in the final three months of last year, the fastest growth in 2011.

Americans spent more on cars and trucks, and companies restocked their shelves at the strongest pace in nearly two years. But growth in the October-December quarter — and all of last year — was held back by the biggest annual government spending cuts in four decades.

The Commerce Department said Friday that the economy grew just 1.7 percent last year, roughly half of the growth in 2010 and the worst since the recession.

Most economists expect businesses to ease up on

restocking in the first three months of the year. That should slow first-quarter growth. And consumers may cut back on spending if their wages continue to lag inflation.

In the final three months of last year, consumer spending grew at a 2 percent annual rate. That's up modestly from the third quarter.

Much of the growth was powered by a 14.8 percent surge in sales of autos and other long-lasting manufactured goods.

Incomes, which have been weak all year because of high unemployment, grew at a modest 0.8 percent annual rate. That followed two straight quarters of declining

(Please see Economy on page 2)



### Triad names court

Triad High School announced the court for the Sweethearts Dance. The king and queen will be crowned between the reserve and varsity boys basketball games tonight. The Sweetheart Dance will be held immediately following the game until 11 p.m. The court includes, front row, from left, freshman Lindsay Holiday, sophomore Makayla Stewart, junior Grace McDaniel and senior queen candidates Michelle Benedum, Sarah Current and Kelsey Funderburgh; and back row, freshman Chaz Adams, sophomore Trey McIntyre, junior Derick Byrd, senior king candidates Andrew Butz, Cole Smith and Justin Lake.

(Photo submitted)

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OBITUARIES

DIANA S. UTHER

Diana Sue Uther, 47, of Lancaster, died peacefully Wednesday, Jan. 25, 2012, at Fairfield Medical Center after an extended illness.

She graduated from Fairbanks Local Schools and graduated from Bowling Green State University with a B.S. degree in biological science.

She married Henry H. Uther on Aug. 29, 1987, and has lived in Lancaster for 24 years. She was employed by the Fairfield County Health Department as a sanitarian for 16 years.

She enjoyed many hobbies, including, gardening, landscaping, camping, hiking and photographing scenes and animals in nature areas over all of the United States.

She was a member of First United Methodist Church.

She was born in Urbana, a daughter of Charles R. and Virginia R. Leopard, who survive in Milford Center. She was preceded in death by a stillborn baby sister.

She also is survived by her husband of Lancaster; many aunts, uncles, nieces, nephews and other relatives; and good friends.

A funeral service will be held Monday at 1:30 p.m. at the Frank E. Smith Funeral Home, 405 N. Columbus St., Lancaster, with the Rev. Robert McDowell officiating. Burial will follow the service. Friends may call Sunday from 2 to 4 and 6 to 8 p.m. at the funeral home.

Memorial contributions may be given to First United Methodist Church, 163 E. Wheeling St., Lancaster OH 43130.

Those who wish to send condolences and sign the online register may visit [www.funeralhome.com](http://www.funeralhome.com).

FUNERALS

**Bumgarner, Louise J.:** Calling hours will be today from 4 to 7 p.m. at Ingram Funeral Home, where funeral services will be held Saturday at 10:30 a.m. Burial will follow at Dublin Cemetery.

**Hirth, Roy Adam:** Calling hours will be today from 1 to 4 and 6 to 8 p.m. at Ferguson Funeral Home, Plain City, where the funeral will be held Saturday at 10 a.m. Burial will be at the St. Paul Lutheran Church Cemetery, Milford Center.

UCSO

(Continued from page 1)

made to employees who earned Years of Service Awards, Safe Driving Awards and NRA Shooting Awards.

Crabtree was named Deputy of the Year for 2011. He has been with the sheriff's office since February 1999 and is currently a deputy in the patrol division and is assigned as the public safety officer for Liberty and Taylor townships. In addition to his public safety duties, he also serves as a crisis negotiator and a CPR, AED, and first aid instructor for the sheriff's office.

"Deputy Crabtree was selected by the awards committee for his positive personality, his creative approach to problem solving, his motivation, and his productivity," according to a release from the sheriff's office. "Deputy Crabtree makes it a point to maintain

good working relationships with the townships that he serves and represents the sheriff's office in a very positive way."

Robinson was tabbed as the Dispatcher of the Year. In addition to her 9-1-1 dispatching and supervision duties, Robinson also serves as a member of the UCSO Special Events Committee that helps raise funds for local charities.

She has been with the sheriff's office since November 1994.

"She was selected by the awards committee for her dedication to UCSO, her proactive problem solving ability, and for her willingness to help other members of the sheriff's office," according to the release. "She is considered a 'go to person' in the communications division."

Economy

(Continued from page 1)

incomes.

Consumer spending is important because it makes up 70 percent of economic activity.

Business restocking, which can vary widely from quarter to quarter, was the greatest contributor to growth in the October-December period. It added nearly 2 percentage points to the gross domestic product, or GDP.

Government spending at all levels fell at an annual rate of 4.6 percent in the fourth quarter and 2.1 percent for the year — the biggest decline since 1971. Sweeping federal defense cuts at the beginning and end of 2011 were a major factor.

The economy is measured GDP, which covers everything from haircuts to hotel bookings to jet fighter planes. Friday's estimate was the first of three for the fourth quarter.

Paul Ashworth, an economist at Capital Economics, said growth is likely to slow in the first three months of this year to below 2 percent. That's largely because business restocking will slow.

"Overall, the pickup in growth doesn't look half as good when you realize that most of it was due to inventory accumulation," Ashworth said.

But not all economists agree that the first quarter of this year will be weak.

Ian Shepherdson, an economist at High Frequency Economics, said business investment in capital goods

should be stronger, consumer spending firmer and government activity less of a drag.

Other data show the economy ended 2011 on a strong note. Companies invested more in equipment and machinery in December. The unemployment rate fell to 8.5 percent last month — the lowest level in nearly three years — after the sixth straight month of solid hiring.

People are buying more cars, and consumer confidence is rising. Even the depressed housing market has shown enough improvement to make some economists predict a turnaround has begun.

Still, many economists worry that a recession in Europe could dampen demand for U.S. manufactured goods, which would slow growth. And without more jobs and better pay, consumer spending is likely to stagnate.

The Federal Reserve signaled this week that a full recovery could take at least three more years. In response, it said it would probably not increase its benchmark interest rate until late 2014 at the earliest — a year and a half later than it had previously said.

The central bank also slightly reduced its outlook for growth this year, from as much as 2.9 percent forecast in November down to 2.7 percent. The Fed sees unemployment falling as low as 8.2 percent this year.

St. Louis hosts first big parade on Iraq War's end

ST. LOUIS (AP) — Since the Iraq War ended there has been little fanfare for the veterans returning home. No ticker-tape parades. No massive, flag-waving public celebrations.

So, two friends from St. Louis decided to change that. They sought donations, launched a Facebook page, met with the mayor and mapped a route. On Saturday, hundreds of veterans are expected to march in downtown St. Louis in the nation's first big welcome home parade since the last troops left Iraq in December.

"It struck me that there was this debate going on as to whether there should or shouldn't be a parade," said Tom Appelbaum, one of the organizers. "Instead of waiting around for somebody somewhere to say, 'Yes, let's have a parade,' we said, 'Let's just do it.'"

Appelbaum, a 46-year-old lawyer, and Craig Schneider, a 41-year-old school technology coordinator, said they were puzzled by the lack of celebrations marking the war's end. But, they wondered, if St. Louis could host thousands of people for a parade after their beloved Cardinals won the World Series, why couldn't there be a party for the troops who put their lives on the line? The effort got help with

donations from two corporations with St. Louis connections — \$10,000 from Anheuser-Busch and \$7,500 from the Mayflower moving company. Individual donations have boosted the project's total budget to about \$35,000. By comparison, more than \$5 million was spent two decades ago on New York's welcome-home parade for Gulf War veterans who helped drive Iraqi forces out of Kuwait.

Ticker-tape salutes to returning troops are part of the American culture, including parades in many cities honoring veterans of World War I and World War II.

Since the end of the latest Iraq War, there have only been small events at military posts, gatherings of families at airports and a low-key appearance by President Barack Obama at Fort Bragg, N.C., a base that endured more than 200 deaths from fighting in the war.

"Many communities across the country are finding ways to recognize the service and sacrifice of our troops and their families," said Maj. Chris Perrine, a spokesman for the Defense Department. "We are certainly encouraged by that and grateful for it."

Celebrating the end of the Iraq War isn't as simple as the outpourings after the world

Wars, said Wayne Fields, professor of English and American Culture Studies at Washington University in St. Louis. With 91,000 troops still fighting the war on terrorism in Afghanistan, many Iraq veterans could be redeployed — suggesting to some that it's premature to celebrate their homecoming.

"We're not celebrating the end of a war the way we were with V-E Day or V-J Day (after World War II)," Fields said. "Part of what this is trying to do is recognize the special service of those who were there even though we can't declare a victory over a clearly identified enemy."

In May 2003, President George W. Bush landed on an aircraft carrier to hail the end of major combat operations in Iraq. Behind him during that speech was a banner that read, "Mission Accomplished," yet U.S. troops remained in Iraq for 8 1/2 more years.

Even some of the festivities in St. Louis will serve as a reminder that Bush launched the Iraq War as part of the larger war on terror following the Sept. 11, 2001, attacks.

As part of the weekend, a "Reading of the Fallen" will begin at 9:11 p.m. Friday at Soldiers Memorial downtown. It will continue until the names of the approximate 6,500

Americans killed since the attacks are read.

"Veterans have sacrificed so much for the safety and well-being of St. Louisans," Mayor Francis Slay said. "This is a chance to demonstrate our appreciation for them."

City officials agreed to waive permit fees and allow use of streets for the parade from the heart of downtown along Market Street to Union Station, the former train station that is now a shopping center and hotel. A "Resource Village" will be set up there that will include food, music and entertainment but will also connect returning vets with organizations to help ease transition to civilian life.

Organizers expect about 100 parade entries — floats, marching bands, first-responder, veterans groups. Appelbaum said that while the parade marks the end of the Iraq War, any military personnel involved in post-Sept. 11 conflicts are welcome.

Appelbaum has no idea how many people will turn out to cheer on the troops but said response has been overwhelming despite the lack of any substantial marketing.

"It's significant that this is strictly a grassroots effort, and coming out of the heartland of the U.S., I think it really says something," he said.

Schools

(Continued from page 1)

During the meeting, pupils in the leadership program at Raymond Elementary sang a song, presented cards and spoke about Zimmerman's leadership for the district. One young girl spoke of how much he meant to the district before giving him a hug.

The board approved a proclamation honoring Zimmerman for his accomplishments, after which he reflected on the changes in education over the years. As the board moved on to other business Zimmerman wiped tears from his eyes.

In other business, the board:

- Discussed state legislation which could impact the school calendar in the future. The board also approved the calendar for next year with a start date of Aug. 21 and an end date of May 30. Winter break will be Dec. 22 through Jan. 4 and spring break will be March 24 through March 31.
- Voted 5-0 to participate in the Regional Council of Governments, which will allow the district, City of Marysville and Union County to collaborate for such services as purchasing and IT.
- Learned that the work of the district's insurance committee will save Marysville \$330,000 this year and more than \$900,000 next year.
- Approved hiring Zimmerman on an as-needed basis at a rate of \$86 per hour.
- Approved several lists of supplemental contracts, district volunteers and substitutes.

BIRTHS

Memorial Hospital of Union County  
Candace Cooper, a daughter, Jan. 23  
Brittany and Charles "Joe" Wilson, a daughter, Jan. 23

City

(Continued from page 1)

critical to bringing the collaborative plans together.

"When you bring the city of Marysville, Marysville schools and Union County together, the residents of Marysville win on all three," Gore said. "Everybody benefits, everybody saves long term."

He said there is a projected \$900,000 savings over the next five years from their efforts.

"We have a lot of things in our future that we are talking about doing. We've already started talking with the engineer's office about equipment sharing. There are a lot of things going on," Gore said.

He said Marysville IT Director Scott Brock has already worked closely with both the county and schools to make the concept possible. He offered praise for their combined expertise.

"They have done all the work," Gore said.

On Wednesday, the

school/county/city group met with a representative from the Ohio Department of Development about applying for grants.

Gore said the representative confirmed that out of more than 2,000 communities also gearing up for IT sharing, Marysville sits high on the list in terms of the groundwork already being laid out to begin. He said it could help their chances at securing grants.

Gore joked that the biggest issue in the formation of the Council of Governments was dealing with the legal aspects. He said the attorneys insist upon a "pre-nup."

"In case 10 years from now, whoever is in the seat decides that they don't want to play. We need to decide how we're going to end this. So we kind of laugh about the pre-nup," he said.

The resolution council passed helps clean up that issue, he said, and bylaws will be drawn up later.

"I want to applaud the hard

work that has been done," councilwoman Tracy Richardson said. "I think this has great potential for us."

Noting the months of work that have already gone into the planning, she also asked that more reporting come to council from those meetings.

"A lot of this stuff hasn't really been shared openly because we just didn't know where we were. It has all been in the planning stages," Gore said.

He said that more information will be readily available in the future, now that plans are in place. He also explained that the Council of Governments has no taxing authority and is basically just a management team.

Gore assured Richardson that there could be as many as six people representing all three entities involved in the future meetings. Those individuals will help keep everyone up to date on progress.

POLICE BEAT

According to police reports:

Thursday at 10:38 a.m. an employee from the Union County Board of Developmental Disabilities reported being assaulted in November. The employee did not want charges filed.

The Marysville Police K-9 Unit assisted the Union County Sheriff's Office on a canine sniff of a vehicle stopped on Industrial Parkway near Scottslawn Road Thursday at 12:59 p.m. The search revealed syringes hidden in the sock of a person inside, who admitted to using them for a heroin addiction. Charges are under review through the sheriff's office.

A man reported stopping a fight between two women Thursday at 2:45 p.m. in the 600 block of North Main

Street. Charges against the two women are under investigation.

An employee at a business on Coleman's Crossing Boulevard reported Thursday at 4:56 p.m. that a customer drove off without paying for \$59 in gasoline.

According to sheriff's reports:

Thursday at 7:43 a.m. a deputy and units from Northern Union County Fire and EMS District responded to the 13000 block of Bethlehem Claibourne Road for a report of a vehicle roll-over into a field. The driver was not injured.

Thursday at 9:15 a.m. the Union County Humane Society reported to deputies that five live animal traps were stolen from the area of South Mill Street in Milford Center. An investigation is pending.

A deputy responded to a residence in the 13000 block of U.S. 36 Thursday at 3:14 p.m. for a report of approximately \$13,000 worth of property that was stolen. Items included several checks, debit cards, a Ford

van and miscellaneous household goods. An investigation is pending.

According to OSP reports:  
No Union County injury crash or arrest reports.

FIRE RUNS

**Wednesday:**  
11:40 a.m. - A gas leak was investigated at 311 Sorensen Drive.  
6:42 p.m. - Crews were canceled en route to 14694 Gandy Eddy Road.  
10:48 p.m. - An odor of smoke was investigated at 650 Timberview Drive.

**Thursday:**  
6:44 p.m. - Crews investigated a system malfunction at 441 Allenby Drive.  
7:33 p.m. - An odor of smoke was investigated at 15383 Scottslawn Road.

MEDIC RUNS

**Wednesday:**  
8:11 a.m. - To Catalpa Place  
9:50 a.m. - Delaware Avenue  
10:20 a.m. - To Allenby Drive  
12:45 p.m. - To Collins Avenue  
3:21 p.m. - To Milcrest Drive  
4:29 p.m. - To Windsor Drive  
7:24 p.m. - To Fifth Street  
8:42 p.m. - To Coventry Way  
11:57 p.m. - To Meadows Drive

**Thursday:**  
6:39 a.m. - To Fourth Street  
9:06 p.m. - To Milcrest Drive

Kindergarten Registration for Marysville Schools



Will your child be five years of age by September 30? Please call your residential school today to schedule a required appointment for kindergarten registration.  
Edgewood 642-7801 Mill Valley 642-3822  
Navin 578-0138 Northwood 644-8106  
Raymond 246-2861

If you are unsure of your residential school, please call 937-644-8105

**For those families interested in our tuition-based All-Day, Every Day Program, please call to make your appointment right away.**

The date and time of your call - or email - to schedule your appointment will be used to determine the order your child's name is placed on the enrollment list.





**Mary Taylor, CPA**  
Auditor of State





**CITY OF MARYSVILLE  
UNION COUNTY**

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FOR THE YEAR ENDED DECEMBER 31, 2008**

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# Mary Taylor, CPA

## Auditor of State

### INDEPENDENT ACCOUNTANTS' REPORT

City of Marysville  
Union County  
125 East Sixth Street  
Marysville, Ohio 43040

To the City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marysville, Union County, Ohio (the City), as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marysville, Union County, Ohio, as of December 31, 2008 and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Coleman's Crossing TIF, and City Gate TIF 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 November 16, 2009 on our consideration of the City'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.

A handwritten signature in black ink that reads "Mary Taylor". The script is cursive and fluid, with the first letters of each name being capitalized and prominent.

**Mary Taylor, CPA**  
Auditor of State

November 16, 2009

**CITY OF MARYSVILLE  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(UNAUDITED)**

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The discussion and analysis of the City of Marysville's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2008. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

**Financial Highlights**

Key financial highlights for 2008 are as follows:

- In total, net assets increased \$7,228,624. Net assets of governmental activities decreased \$346,423, which represents a 1.13 percent decrease from 2007. Net assets of business-type activities increased \$7,575,047 or 18.11 percent from 2007.
- Total assets of governmental activities decreased \$960,513, which represents a 1.67 percent decrease from 2007. Total liabilities of governmental activities decreased \$614,090, or 2.29 percent. Both decreases are attributable to decreases in cash, debt activity, and borrowed resources for economic development and street infrastructure improvements.
- Total assets of business-type activities increased \$5,033,487 which represents a 2.16 percent increase from 2007. Total liabilities of business-type activities decreased \$2,541,560, or 1.33 percent. Both differences are attributable primarily to the continued construction costs of a new sanitary sewer plant, trunk interceptor sewer, and transmission lines from the existing plant as well as payments made on the outstanding debt for these capital improvement projects.
- In total, cash and cash equivalents decreased \$72,671,281 or 56.42 percent. Total cash and cash equivalents of governmental activities decreased \$1,662,784 or 17.33 percent, while cash and cash equivalents in business-type activities decreased \$72,604,093 or 60.90 percent. The decrease in governmental activities cash and cash equivalents was due to completion of capital improvement projects for street infrastructure as well as the expenditure of General Fund carryover cash balances to finance operations. The decrease in business type activities cash and cash equivalents was due to borrowed monies which were used in 2008 for capital improvement projects mentioned above.
- Overall, the book value of capital assets increased by \$78,023,133. Total capital assets from governmental activities decreased by \$24,696 or 0.06 percent. Capital assets from business-type activities increased by \$78,047,739 or 70.14 percent. These increases were due to increased investment in capital assets including approximately \$1,000,000 in City Gate TIF capital improvements and construction in progress on the Water Reclamation Facility (wastewater treatment plant), trunk interceptor sewer, and wastewater treatment pump station.

**Using the Annual Financial Report**

This annual report consists of a series of financial statements and notes to the financial statements. These statements are organized so the reader can understand the City of Marysville as a financial whole or as an entire operating entity. The statements then proceed to provide a detailed look at specific financial conditions.

The statement of net assets and statement of activities provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what monies remain for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in a single column.

**CITY OF MARYSVILLE  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(UNAUDITED)**

---

**Reporting the City of Marysville as a Whole**

Statement of Net Assets and Statement of Activities

While this report contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2008?" The statement of net assets and the statement of activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting system used by private sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net assets and the changes in those assets. The change in net assets is important because it identifies whether the financial position of the City has improved or diminished for the City as a whole. However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of the City's capital assets will also need to be evaluated.

In the statement of net assets and the statement of activities, the City is divided into two types of activities:

- **Governmental Activities** - Most of the City's services are reported as governmental activities including police, fire, administration, and all departments with the exception of business-type activities (sanitation, wastewater treatment, water services, and storm-water management).
- **Business-Type Activities** - These services have a charge based upon usage. The City charges fees to recoup the cost of the entire operation of the Water Plant and Wastewater Treatment Plant as well as all capital expenses associated with these facilities. The City also charges fees to recoup the cost of disposal of solid waste, leaf and brush removal and also a fee to provide for improvements to the City's storm-water removal system.

**Reporting the City of Marysville's Most Significant Funds**

Fund Financial Statements

Fund financial statements provide detailed information about the City's major funds. Based on restrictions on the use of monies, the City has established many funds which account for the multitude of services provided to our residents; however, fund financial statements focus on the City's most significant funds. The City of Marysville's major funds are the General Fund, the Coleman's Crossing TIF Fund, the City Gate TIF Fund, the Debt Service Fund, and the Sewer and Water enterprise funds.

**Governmental Funds** - Most of the City's activities are reported in governmental funds, which focus on how monies flow into and out of those funds and the year-end balances available for spending in the future periods. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general governmental operations and the basic services provided. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future on services provided to residents. The relationships between governmental activities reported in the statement of net assets and the statement of activities and the governmental fund statements are reconciled in the financial statements.

**Enterprise Funds** - When the City charges customers for the services it provides, these services are generally reported in enterprise funds. Enterprise funds use the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

**CITY OF MARYSVILLE  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(UNAUDITED)**

**The City of Marysville as a Whole**

The statement of net assets reviews the City as a whole. The following table is a summary of the City's net assets for 2008 and 2007.

	Net Assets (In Thousands)					
	Governmental Activities		Business-Type Activities		Total	
	2008	2007 *	2008	2007 *	2008	2007 *
<b>Assets</b>						
Current and Other Assets	\$13,636.5	\$14,572.4	\$48,935.0	\$121,949.3	\$62,571.5	\$136,521.6
Capital Assets, Net	42,766.6	42,791.3	189,325.7	111,277.9	232,092.3	154,069.2
Total Assets	56,403.1	57,363.7	238,260.7	233,227.2	294,663.8	290,590.8
<b>Liabilities</b>						
Current and Other Liabilities	4,495.2	17,981.6	7,428.3	37,016.9	11,923.5	54,998.5
Long-Term Liabilities						
Due within One Year	13,157.0	1,013.8	1,511.4	1,483.2	14,668.4	2,497.0
Due in More Than One Year	8,494.8	7,765.7	179,909.6	152,890.8	188,404.4	160,656.5
Total Liabilities	26,147.0	26,761.1	188,849.3	191,390.9	214,996.3	218,152.0
<b>Net Assets</b>						
Invested in Capital Assets Net of Related Debt	21,116.9	19,705.5	30,514.1	24,488.1	51,631.0	44,193.6
Restricted for:						
Capital Projects	611.5	1,351.2	0.0	0.0	611.5	1,351.2
Debt Service	199.0	69.7	0.0	0.0	199.0	69.7
Other Purposes	3,198.2	2,937.9	0.0	0.0	3,198.2	2,937.9
Sewer Reserve	0.0	0.0	0.0	0.0	0.0	0.0
Sewer Replacement and Improvement	0.0	0.0	16,441.3	80,846.6	16,441.3	80,846.6
Water Replacement and Improvement	0.0	0.0	16,235.3	26,507.9	16,235.3	26,507.9
Unrestricted	5,130.5	6,538.3	(13,779.4)	(90,006.3)	(8,648.9)	(83,468.0)
Total Net Assets	\$30,256.1	\$30,602.6	\$49,411.3	\$41,836.3	\$79,667.5	\$72,438.8

\* - As restated. See Note 22 to the basic financial statements.

Total governmental activity assets decreased \$960,513. Equity in pooled cash and cash equivalents for governmental activities decreased \$1,662,784. The decrease in cash and equivalents was due to completion of the City Gate development and a planned reduction of General Fund carryover cash balances to enable debt reduction and capital improvements.

Total assets of the City's business type activities increased \$5,033,487. The largest increases were in Capital Assets (\$78,047,739) with a corresponding decrease in Cash and Cash Equivalents (\$72,604,093) as the City continued construction in progress capital improvement projects (Water Reclamation Facility (wastewater treatment plant), pump station, and transmission lines).



**CITY OF MARYSVILLE  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(UNAUDITED)**

Table 2 shows the changes in net assets for the year ended December 31, 2008.

Changes in Net Assets  
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2008	2007 *	2008	2007 *	2008	2007 *
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$1,704.4	\$1,998.4	\$15,559.3	\$16,657.4	\$17,263.7	\$18,655.8
Operating Grants, Contributions, and Interest	1,355.9	1,082.9	8.8	0.0	1,364.7	1,082.9
Capital Grants and Contributions	465.6	447.8	3,612.3	515.2	4,077.9	963.0
General Revenues						
Property Taxes	1,890.0	2,238.1	0.0	0.0	1,890.0	2,238.1
Municipal Income Taxes	8,286.8	8,053.8	0.0	0.0	8,286.8	8,053.8
Payments in Lieu of Taxes	823.1	0.0	1,021.5	0.0	1,844.6	0.0
Grants and Entitlements	702.0	588.9	0.0	0.0	702.0	588.9
Other	892.7	1,296.9	0.0	4,937.4	892.7	6,234.3
Total Revenues	16,120.5	15,706.8	20,201.9	22,110.0	36,322.4	37,816.8
<b>Program Expenses</b>						
General Government	2,802.3	2,520.1	0.0	0.0	2,802.3	2,520.1
Security of Persons and Property						
Police	3,550.3	3,116.8	0.0	0.0	3,550.3	3,116.8
Fire	3,345.9	3,270.8	0.0	0.0	3,345.9	3,270.8
Other	926.8	608.6	0.0	0.0	926.8	608.6
Public Health Services	516.1	524.2	0.0	0.0	516.1	524.2
Leisure Time Activities	340.3	372.6	0.0	0.0	340.3	372.6
Transportation	3,146.7	2,962.3	0.0	0.0	3,146.7	2,962.3
Community Environment	995.3	1,000.6	0.0	0.0	995.3	1,000.6
Interest and Fiscal Charges	843.2	1,459.0	0.0	0.0	843.2	1,459.0
Sanitation	0.0	0.0	1,139.3	1,161.0	1,139.3	1,161.0
Sewer	0.0	0.0	6,766.6	8,795.4	6,766.6	8,795.4
Water	0.0	0.0	4,169.1	4,566.2	4,169.1	4,566.2
Stormwater	0.0	0.0	551.9	373.8	551.9	373.8
Total Expenses	16,466.9	15,835.0	12,626.9	14,896.4	29,093.8	30,731.4
Increase (Decrease) in Net Assets	(346.4)	(128.2)	7,575.0	7,213.6	7,228.6	7,085.4
Net Assets Beginning of Year	30,602.6	30,730.8	41,836.3	34,622.7	72,438.9	65,353.5
Net Assets End of Year	\$30,256.1	\$30,602.6	\$49,411.3	\$41,836.3	\$79,667.5	\$72,438.9

\* - As restated. See Note 22 to the basic financial statements.

**CITY OF MARYSVILLE  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(UNAUDITED)**

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**Governmental Activities**

Several revenue sources fund governmental activities, with income taxes generally being the biggest contributor. The income tax rate of 1 percent was enacted in 1968. The income tax revenue for 2008 (accrual basis) was approximately \$8.29 million. General revenues from grants and entitlements, such as local government funds, are also a large revenue generator. With the combination of property tax, income tax and intergovernmental receipts comprising approximately 86 percent of all general revenues in the governmental activities, the City monitors each of these revenue sources very closely for fluctuations.

The City has historically experienced an increase in income tax collections of approximately 8 percent per year (cash receipts). On a cash basis, the City's income tax receipts increased approximately \$440,239 (5.59%) between 2008 and 2007. On an accrual basis the City's income tax receipts increased \$232,952 (2.89%) between 2008 and 2007.

Security of persons and property, general government, and transportation are the major activities of the City, comprising approximately 83.63 percent of total governmental expenses.

Although the City has worked diligently to increase its income tax base, it still continues to strive to provide better service at a lower cost. The ability of the City to continue to provide quality services without income tax increases rests on City management's ability to keep these costs in line.

**Business-Type Activities**

The City's business-type activities are its sanitation, sewer, water, and storm-water departments. The water and wastewater treatment plants provide services to a resident base in excess of 18,000. The City also provides wastewater treatment for the Village of Milford Center and several small unincorporated areas outside the City limits. The wastewater treatment plant generated operating revenues of \$7,630,582 and had operating expenses of \$3,500,412. The water plant generated operating revenues of \$6,312,969 and had operating expenses of \$3,286,764. The City's goal is to cover the costs of operations as well as building a cash balance in these funds equivalent to one-third of the department's annual operating budget. The City is also generating funds for additional capital expansion to ensure continued capacity and capacity improvements for future growth and development.

**The City's Funds**

The City's governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds on the modified accrual basis of accounting had total revenues and other financing sources of \$32,545,125 and expenditures and other financing uses of \$35,153,037.

The General Fund had a net change in fund balance of (\$1,131,100) due primarily to transfers out of \$2,999,061 to primarily finance debt payments and improvements.

The Coleman's Crossing TIF and City Gate TIF funds had net changes in fund balance of \$3,509 and \$456 respectively due to rollovers of Tax Increment Financing notes.

The Debt Service Fund decreased \$772,736 due to transfers from the General Fund to make annual debt payments and the accrual of a Bond Anticipation Note liability paid by the City in 2009 and not refinanced.

The Sewer and Water funds had increases in net assets of \$5,091,946 and \$2,549,796 respectively due primarily to the continued construction costs of a new sanitary sewer plant, trunk interceptor sewer, and transmission lines from the existing plant as well as payments made on the outstanding debt for these capital improvement projects.

**CITY OF MARYSVILLE  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(UNAUDITED)**

**General Fund Budgeting Highlights**

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During the course of 2008, the City amended its General Fund budget numerous times. All recommendations for a budget change come from the City Finance Director to City Council for review and approval. With the General Fund supporting many of the major activities such as the City's police and fire departments, as well as most general government activities, the General Fund is monitored closely to prevent possible revenue shortfalls or overspending by individual departments.

For the General Fund, original and final budgeted revenues were \$15,204,870. Original budgeted expenditures were \$15,964,406 and final budgeted expenditures were \$17,701,187, which were increased primarily to account for needed transfers out.

**Capital Assets and Debt Administration**

**Capital Assets**

Capital Assets at December 31, 2008  
(Net of Depreciation, in Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	\$1,272.9	\$1,272.9	\$4,142.2	\$4,142.2	\$5,415.1	\$5,415.1
Buildings	1,941.0	1,943.8	5,048.3	5,285.3	6,989.3	7,229.1
Improvements Other than Buildings	964.7	1,049.2	5,128.6	5,285.6	6,093.3	6,334.8
Computers and Computer Equipment	181.0	133.3	6.4	19.3	187.4	152.6
Furniture and Equipment	607.4	442.9	735.6	642.5	1,343.0	1,085.4
Vehicles	1,608.1	1,574.4	699.7	725.5	2,307.8	2,299.9
Infrastructure						
Bridges	116.0	119.9	0.0	0.0	116.0	119.9
Roads	21,524.4	22,045.3	0.0	0.0	21,524.4	22,045.3
Storm Sewer	2,061.2	2,134.5	0.0	0.0	2,061.2	2,134.5
Sewer Lines	0.0	0.0	9,393.7	9,761.8	9,393.7	9,761.8
Water Lines	0.0	0.0	15,681.9	16,018.8	15,681.9	16,018.8
Other	7,077.1	7,285.2	0.0	0.0	7,077.1	7,285.2
Construction in Progress	5,412.8	4,789.9	148,489.3	69,396.8	153,902.1	74,186.7
<b>Totals</b>	<b>\$42,766.6</b>	<b>\$42,791.3</b>	<b>\$189,325.7</b>	<b>\$111,277.9</b>	<b>\$232,092.3</b>	<b>\$154,069.2</b>

**CITY OF MARYSVILLE  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(UNAUDITED)**

**Capital Assets and Debt Administration (Continued)**

The decrease noted in governmental funds was due primarily to depreciation expense, reduced funding for capital improvements and the completion of construction projects tied to economic development. The increase seen in the business-type activities is due to construction costs for improvements in the sewer and water funds. During 2008 construction continued on a new wastewater treatment facility as well as construction of an up-ground reservoir. The City's new wastewater treatment facility, sewer transmission lines, force main, and pump station are anticipated to be completed and operational by the end of the first quarter 2009 and the reservoir to be completed and operational in 2009 as well. For more information on the City's capital assets, see Note 9 to the basic financial statements.

**Debt**

At December 31, 2008, the City of Marysville had approximately \$203.9 million in bonds, notes, claims, judgments, and compensated absences outstanding, \$15.47 million of which was due within one year.

Outstanding Debt at December 31, 2008  
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Notes	\$14,080.0	\$15,030.0	\$28,365.0	\$28,565.0	\$42,445.0	\$43,595.0
General Obligation Bonds	7,550.9	8,022.6	1,934.1	2,334.9	9,485.0	10,357.5
Mortgage Revenue Bonds	0.0	0.0	150,827.4	151,754.4	150,827.4	151,754.4
OPWC Loans	0.0	0.0	49.6	57.5	49.6	57.5
Compensated Absences and Capital Leases	820.9	756.9	244.9	227.2	1,065.8	984.1
<b>Total</b>	<b>\$22,451.8</b>	<b>\$23,809.5</b>	<b>\$181,421.0</b>	<b>\$182,939.0</b>	<b>\$203,872.8</b>	<b>\$206,748.5</b>

The general obligation bonds supported by governmental activities were for multiple City improvements financed with bond anticipation notes during the late 1990s. Many of these projects were for the extension of infrastructure and services to the large annexation of land in 1998. These monies were also used to refurbish several City streets (Grove Street, Raymond Road) and for the construction of the Public Service Center. These bonds will be repaid by the general operating revenues (income and property taxes) of the City.

The general obligation bonds supported by business-type activities were for plant expansion and renovation of the water and sewer utilities. The mortgage revenue bonds were issued primarily for (1) refinancing the purchase of the water treatment plant, vehicles, and related infrastructure from the Ohio Water Company in 1991, (2) refinancing the expansion of the wastewater treatment plant in 1992, (3) infrastructure expansion required by the large annexation of land in 1998, and (4) construction of a Water Reclamation Facility and trunk sewer in 2006 through 2008. These bonds are paid by water and sewer revenues collected from the City's utility customers for provision of water for consumption and wastewater treatment.

The City's legal debt margin was \$22,695,602 at December 31, 2008.

For more information on the City's debt obligations, see Notes 16 and 17 to the basic financial statements.

**CITY OF MARYSVILLE  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(UNAUDITED)**

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**The Future**

The City of Marysville continues to work diligently to increase revenues and decrease costs to put the City on more stable footing. Between 1990 and 2000, the City of Marysville grew from a community of 9,500 to a community approaching 16,000 residents and the growth has continued with current population estimates showing the City in excess of 18,000 residents.

The City has made a commitment not to borrow additional monies for assets with a short useful life. As funding becomes available the City hopes to replace the fire station with a new facility and refurbish the existing building to house other City departments.

The City has worked hard to refinance the debt load and roll short-term notes into favorable interest rate notes. This move from short-term debt to long-term bonds will reduce the volatility often experienced with reissuing short-term notes at varying interest rates and also commits the City to making scheduled principal payments. This will ensure we begin the process of repaying the City's obligations.

In conclusion, the City of Marysville has committed itself to financial excellence in the coming years. Our commitment to the residents of the City of Marysville should always be full disclosure of the financial position of the City.

**Contacting the City's Finance Department**

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the City's finances and to reflect the City's accountability for the monies it receives. Questions about this report or additional financial information needs should be directed to John Morehart, City Finance Director, 125 East Sixth Street, Marysville, Ohio, 43040, (937) 642-6015, or e-mail at [jmorehart@marysvilleohio.org](mailto:jmorehart@marysvilleohio.org).

**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF NET ASSETS  
DECEMBER 31, 2008**

	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$7,932,937	\$42,264,047	\$50,196,984
Cash and Cash Equivalents with Fiscal Agent	-	4,346,411	4,346,411
Property Taxes Receivable	1,595,596	-	1,595,596
Municipal Income Taxes Receivable	1,564,688	-	1,564,688
Accounts Receivable	262,361	1,365,254	1,627,615
Payments in Lieu of Taxes Receivable	970,798	738,508	1,709,306
Special Assessments Receivable	208,605	-	208,605
Interest Receivable	15,116	51,899	67,015
Due from Other Governments	996,279	-	996,279
Prepaid Items	90,091	168,825	258,916
Land	1,272,981	4,142,235	5,415,216
Construction in Progress	5,412,757	148,489,316	153,902,073
Depreciable Capital Assets, Net	36,080,906	36,694,159	72,775,065
<b>Total Assets</b>	<b>56,403,115</b>	<b>238,260,654</b>	<b>294,663,769</b>
<u>Liabilities</u>			
Accrued Wages Payable	167,867	47,965	215,832
Accounts Payable	235,752	222,347	458,099
Contracts Payable	192,725	1,304,616	1,497,341
Due to Other Governments	389,288	55,201	444,489
Accrued Interest Payable	155,375	957,698	1,113,073
Retainage Payable	48,749	4,840,484	4,889,233
Deferred Revenue	2,505,436	-	2,505,436
Notes Payable	800,000	-	800,000
Long-Term Liabilities:			
Due Within One Year	13,157,009	1,511,446	14,668,455
Due in More than One Year	8,494,775	179,909,556	188,404,331
<b>Total Liabilities</b>	<b>26,146,976</b>	<b>188,849,313</b>	<b>214,996,289</b>
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt	21,116,933	30,514,074	51,631,007
Restricted for:			
Capital Projects	611,540	-	611,540
Debt Service	198,980	-	198,980
Other Purposes	3,198,216	-	3,198,216
Sewer Replacement and Improvement	-	16,441,313	16,441,313
Water Replacement and Improvement	-	16,235,326	16,235,326
Unrestricted	5,130,470	(13,779,372)	(8,648,902)
<b>Total Net Assets</b>	<b>\$30,256,139</b>	<b>\$49,411,341</b>	<b>\$79,667,480</b>

See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Program Revenues					Net (Expense) Revenue and Change in Net Assets	
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest	Governmental Activities	Business-Type Activities	Total
<u>Governmental Activities</u>							
General Government	\$2,802,315	\$0	\$47,600	\$0	(\$2,754,715)	\$0	(\$2,754,715)
Security of Persons and Property:							
Police	3,550,345	27,436	108,723	-	(3,414,186)	-	(3,414,186)
Fire	3,345,910	726,060	12,090	-	(2,607,760)	-	(2,607,760)
Other	926,801	717,943	68,359	-	(140,499)	-	(140,499)
Public Health Services	516,104	51,108	-	-	(464,996)	-	(464,996)
Leisure Time Activities	340,268	181,849	-	-	(158,419)	-	(158,419)
Transportation	3,146,685	-	1,018,350	-	(2,128,335)	-	(2,128,335)
Community Environment	995,303	-	100,777	465,554	(428,972)	-	(428,972)
Interest and Fiscal Charges	843,246	-	-	-	(843,246)	-	(843,246)
Total Governmental Activities	16,466,977	1,704,396	1,355,899	465,554	(12,941,128)	-	(12,941,128)
<u>Business-Type Activities</u>							
Sanitation	1,139,329	1,122,553	-	-	-	(16,776)	(16,776)
Sewer	6,766,573	7,630,582	-	3,206,397	-	4,070,406	4,070,406
Water	4,169,129	6,312,969	-	405,956	-	2,549,796	2,549,796
Stormwater Assessment	551,882	493,176	8,787	-	-	(49,919)	(49,919)
Total Business-Type Activities	12,626,913	15,559,280	8,787	3,612,353	-	6,553,507	6,553,507
Total	29,093,890	17,263,676	1,364,686	4,077,907	(12,941,128)	6,553,507	(6,387,621)
<u>General Revenues</u>							
Property Taxes Levied For:							
General Purposes					1,640,014	-	1,640,014
Police Pension					124,984	-	124,984
Fire Pension					124,984	-	124,984
Payments in Lieu of Taxes					823,062	1,021,540	1,844,602
Other Local Taxes					159,316	-	159,316
Municipal Income Taxes					8,286,787	-	8,286,787
Grants and Entitlements not Restricted to Specific Programs					701,953	-	701,953
Interest					376,615	-	376,615
Other Revenues					356,990	-	356,990
Total General Revenues					12,594,705	1,021,540	13,616,245
Change in Net Assets					(346,423)	7,575,047	7,228,624
Net Assets Beginning of Year - As Restated					30,602,562	41,836,294	72,438,856
Net Assets End of Year					\$30,256,139	\$49,411,341	\$79,667,480

See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2008**

	General Fund	Coleman's Crossing TIF Fund	City Gate TIF Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>						
Equity in Pooled Cash and Cash Equivalents	\$4,384,738	\$17,027	\$456	\$146,847	\$3,383,869	\$7,932,937
Receivables:						
Property Taxes	1,382,816	-	-	-	212,780	1,595,596
Municipal Income Taxes	1,564,688	-	-	-	-	1,564,688
Accounts	44,234	-	-	-	218,127	262,361
Payments in Lieu of Taxes	-	663,071	307,727	-	-	970,798
Special Assessments	1,097	-	-	207,508	-	208,605
Interest	14,958	-	-	-	158	15,116
Interfund	127,422	-	-	-	-	127,422
Due from Other Governments	374,879	-	-	-	621,400	996,279
Prepaid Items	72,067	-	-	-	18,024	90,091
Total Assets	<u>7,966,899</u>	<u>680,098</u>	<u>308,183</u>	<u>354,355</u>	<u>4,454,358</u>	<u>13,763,893</u>
<u>Liabilities and Fund Balance</u>						
<u>Liabilities</u>						
Accounts Payable	108,666	-	-	-	127,086	235,752
Contracts Payable	-	-	-	-	192,725	192,725
Retainage Payable	-	-	-	-	48,749	48,749
Accrued Wages Payable	155,473	-	-	-	12,394	167,867
Due to Other Governments	374,250	-	-	-	15,038	389,288
Interfund Payable	-	-	-	-	127,422	127,422
*	-	-	-	800,000	-	800,000
Deferred Revenue	<u>2,314,788</u>	<u>663,071</u>	<u>307,727</u>	<u>207,508</u>	<u>695,817</u>	<u>4,188,911</u>
Total Liabilities	<u>2,953,177</u>	<u>663,071</u>	<u>307,727</u>	<u>1,007,508</u>	<u>1,219,231</u>	<u>6,150,714</u>
<u>Fund Balance</u>						
Reserved for Encumbrances	381,782	-	-	8,000	573,963	963,745
Unreserved, Reported in:						
General Fund	4,631,940	-	-	-	-	4,631,940
Special Revenue Funds	-	17,027	456	-	2,433,006	2,450,489
Debt Service Fund	-	-	-	(661,153)	-	(661,153)
Capital Projects Funds	-	-	-	-	228,158	228,158
Total Fund Balance	<u>5,013,722</u>	<u>17,027</u>	<u>456</u>	<u>(653,153)</u>	<u>3,235,127</u>	<u>7,613,179</u>
Total Liabilities and Fund Balance	<u>\$7,966,899</u>	<u>\$680,098</u>	<u>\$308,183</u>	<u>\$354,355</u>	<u>\$4,454,358</u>	<u>\$13,763,893</u>

See Accompanying Notes to the Basic Financial Statements



**CITY OF MARYSVILLE  
UNION COUNTY**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2008**

Total Governmental Fund Balance	\$7,613,179
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Amounts reported for governmental activities in the  
statement of net assets are different due to:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	42,766,644
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Other long-term assets are not available to pay for current-  
period expenditures and, therefore, are deferred in the funds:

Property Taxes	61,906	
Municipal Income Taxes	701,304	
Charges for Services	134,670	
Special Assessments	207,508	
Intergovernmental Revenue	571,787	
Misc. Revenue	6,300	
Total	<hr/>	1,683,475

Long-term liabilities, including accrued interest payable and  
bonds and notes payable, are not due and payable in the current  
period and, therefore, are not reported in the funds:

Accrued Interest Payable	(155,375)	
Notes Payable	(13,280,000)	
Compensated Absences Payable	(802,073)	
Capital Leases Payable	(18,808)	
General Obligation Bonds Payable	(7,550,903)	
Total	<hr/>	<hr/> (21,807,159)

Net Assets of Governmental Activities	<hr/> <hr/> \$30,256,139
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See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	General Fund	Coleman's Crossing TIF Fund	City Gate TIF Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<u>Revenues</u>						
Property Taxes	\$1,643,908	\$0	\$0	\$0	\$250,568	\$1,894,476
Other Local Taxes	159,316	-	-	-	-	159,316
Municipal Income Taxes	8,358,849	-	-	-	-	8,358,849
Payments in Lieu of Taxes	-	560,548	262,483	-	-	823,031
Special Assessments	-	-	-	20,618	-	20,618
Charges for Services	534,669	-	-	-	383,153	917,822
Fees, Licenses, and Permits	297,536	-	-	-	65,375	362,911
Fines and Forfeitures	428,218	-	-	-	174,610	602,828
Intergovernmental	915,325	-	-	-	1,556,938	2,472,263
Interest	373,885	-	-	-	2,730	376,615
Other Revenues	58,334	-	-	-	15,295	73,629
Total Revenues	12,770,040	560,548	262,483	20,618	2,448,669	16,062,358
<u>Expenditures</u>						
Current:						
General Government	2,386,491	-	-	6,957	115,061	2,508,509
Security of Persons and Property:						
Police	3,225,631	-	-	-	161,587	3,387,218
Fire	2,892,267	-	-	-	517,784	3,410,051
Other	650,704	-	-	-	43,625	694,329
Leisure Time Activities	263,906	-	-	-	-	263,906
Transportation	-	-	-	-	1,394,077	1,394,077
Public Health Services	488,671	-	-	-	210	488,881
Community Environment	506,705	182,458	85,438	-	194,411	969,012
Capital Outlay	479,994	-	-	-	1,954,016	2,434,010
Debt Service:						
Principal Retirement	14,363	7,005,000	5,225,000	3,250,000	-	15,494,363
Interest and Fiscal Charges	1,384	329,695	180,304	469,237	-	980,620
Total Expenditures	10,910,116	7,517,153	5,490,742	3,726,194	4,380,771	32,024,976
Excess of Revenues Over (Under) Expenditures	1,859,924	(6,956,605)	(5,228,259)	(3,705,576)	(1,932,102)	(15,962,618)
<u>Other Financing Sources (Uses)</u>						
Bond Anticipation Notes Issued	-	7,005,000	5,075,000	1,200,000	-	13,280,000
Proceeds from Sale of Fixed Assets	8,037	-	-	-	-	8,037
Premium on Issuance of Bond Anticipation Notes	-	34,114	24,715	7,840	-	66,669
Transfers In	-	-	129,000	1,725,000	1,274,061	3,128,061
Transfers Out	(2,999,061)	(79,000)	-	-	(50,000)	(3,128,061)
Total Other Financing Sources (Uses)	(2,991,024)	6,960,114	5,228,715	2,932,840	1,224,061	13,354,706
Net Change in Fund Balance	(1,131,100)	3,509	456	(772,736)	(708,041)	(2,607,912)
Fund Balance Beginning of Year	6,144,822	13,518	-	119,583	3,943,168	10,221,091
Fund Balance End of Year	\$5,013,722	\$17,027	\$456	(\$653,153)	\$3,235,127	\$7,613,179

See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2008**

Net Change in Fund Balance - Total Governmental Funds (\$1,807,912)

*Amounts reported for governmental activities in the  
statement of activities are different due to:*

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period. (2,384)

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on disposal of assets:

Loss on Sale of Capital Assets (22,342)

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

Intergovernmental Receivable	(37,964)	
Municipal Income Taxes Receivable	(72,062)	
Property Taxes Receivable	(4,494)	
Charges for Services	134,670	
Miscellaneous Revenue	6,300	
Special Assessments Receivable	(20,618)	
		5,832

Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of activities. 15,494,363

Note proceeds are other financing sources in the governmental funds, but the issuance increases the long-term liabilities in the statement of activities. (13,280,000)

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 122,655

Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt in the statement of net assets.

Bond Premium 21,706

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

Compensated Absences Payable (78,341)

Change in Net Assets of Governmental Activities \$453,577

See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (NON-GAAP BASIS) AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues</u>				
Property Taxes	\$1,712,211	\$1,712,211	\$1,643,908	(\$68,303)
Other Local Taxes	115,000	115,000	166,596	51,596
Municipal Income Taxes	8,032,839	8,032,839	8,317,558	284,719
Charges for Services	1,930,593	1,930,593	1,508,957	(421,636)
Fees, Licenses, and Permits	284,600	284,600	296,513	11,913
Fines and Forfeitures	476,500	476,500	464,144	(12,356)
Intergovernmental	1,879,877	1,879,877	900,189	(979,688)
Interest	700,250	700,250	441,166	(259,084)
Contributions and Donations	23,000	23,000	16,963	(6,037)
Other Revenues	50,000	50,000	31,862	(18,138)
Total Revenues	15,204,870	15,204,870	13,787,856	(1,417,014)
<u>Expenditures</u>				
Current:				
General Government	4,309,462	4,714,278	4,156,796	557,482
Security of Persons and Property:				
Police	3,101,088	3,302,505	3,036,712	265,793
Fire	3,147,693	3,280,988	3,077,213	203,775
Other	616,825	662,687	586,100	76,587
Leisure Time Activities	333,605	334,458	270,590	63,868
Community Environment	1,441,199	1,476,858	625,814	851,044
Public Health Services	627,534	718,413	544,979	173,434
Total Expenditures	13,577,406	14,490,187	12,298,204	2,191,983
Excess of Revenues Over Expenditures	1,627,464	714,683	1,489,652	774,969
<u>Other Financing Sources (Uses)</u>				
Proceeds on Sale of Fixed Assets	-	-	8,037	8,037
Transfers Out	(2,387,000)	(3,211,000)	(3,126,483)	84,517
Total Other Financing Sources (Uses)	(2,387,000)	(3,211,000)	(3,118,446)	92,554
Net Change in Fund Balance	(759,536)	(2,496,317)	(1,628,794)	867,523
Fund Balance Beginning of Year	4,778,784	4,778,784	4,778,784	-
Prior Year Encumbrances Appropriated	756,519	756,519	756,519	-
Fund Balance End of Year	<u>\$4,775,767</u>	<u>\$3,038,986</u>	<u>\$3,906,509</u>	<u>\$867,523</u>

See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (NON-GAAP BASIS) AND ACTUAL  
COLEMAN'S CROSSING TIF FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues</u>				
Payments in Lieu of Taxes	<u>\$658,500</u>	<u>\$658,500</u>	<u>\$560,548</u>	<u>(\$97,952)</u>
Total Revenues	<u>658,500</u>	<u>658,500</u>	<u>560,548</u>	<u>(97,952)</u>
<u>Expenditures</u>				
Debt Service:				
Other Debt Service	226,000	226,000	182,458	43,542
Principal Retirement	7,005,000	7,005,000	7,005,000	-
Interest and Fiscal Charges	<u>297,000</u>	<u>297,000</u>	<u>296,886</u>	<u>114</u>
Total Expenditures	<u>7,528,000</u>	<u>7,528,000</u>	<u>7,484,344</u>	<u>43,656</u>
Excess of Revenues Under Expenditures	<u>(6,869,500)</u>	<u>(6,869,500)</u>	<u>(6,923,796)</u>	<u>(54,296)</u>
<u>Other Financing Sources (Uses)</u>				
Bond Anticipation Notes Issued	6,950,000	6,950,000	7,006,305	56,305
Transfers Out	<u>(79,000)</u>	<u>(79,000)</u>	<u>(79,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>6,871,000</u>	<u>6,871,000</u>	<u>6,927,305</u>	<u>56,305</u>
Net Change in Fund Balance	1,500	1,500	3,509	2,009
Fund Balance Beginning of Year	<u>13,518</u>	<u>13,518</u>	<u>13,518</u>	<u>-</u>
Fund Balance End of Year	<u>\$15,018</u>	<u>\$15,018</u>	<u>\$17,027</u>	<u>\$2,009</u>

See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (NON-GAAP BASIS) AND ACTUAL  
CITY GATE TIF FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues</u>				
Payments in Lieu of Taxes	\$0	\$262,483	\$262,483	\$0
Total Revenues	-	262,483	262,483	-
<u>Expenditures</u>				
Debt Service:				
Other Debt Service	-	85,500	85,438	62
Principal Retirement	5,214,500	5,225,000	5,225,000	-
Interest and Fiscal Charges	250,000	250,000	155,589	94,411
Total Expenditures	5,464,500	5,560,500	5,466,027	94,473
Excess of Revenues Under Expenditures	(5,464,500)	(5,298,017)	(5,203,544)	94,473
<u>Other Financing Sources</u>				
Bond Anticipation Notes Issued	5,464,500	5,464,500	5,075,000	(389,500)
Transfers In	-	-	129,000	129,000
Total Other Financing Sources	5,464,500	5,464,500	5,204,000	(260,500)
Net Change in Fund Balance	-	166,483	456	(166,027)
Fund Balance Beginning of Year	-	-	-	-
Fund Balance End of Year	\$0	\$166,483	\$456	(\$166,027)

See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF NET ASSETS  
ENTERPRISE FUNDS  
DECEMBER 31, 2008**

	Sewer	Water	Other Enterprise Funds	Total
<u>Assets</u>				
<u>Current Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$2,981,580	\$5,681,368	\$924,460	\$9,587,408
Accounts Receivable	679,008	545,496	140,750	1,365,254
Payments In Lieu of Taxes Receivable	738,508	-	-	738,508
Accrued Interest	44,646	7,253	-	51,899
Prepaid Items	62,747	103,199	2,879	168,825
Total Current Assets	4,506,489	6,337,316	1,068,089	11,911,894
<u>Restricted Assets</u>				
Equity in Pooled Cash and Cash Equivalents	16,441,313	16,235,326	-	32,676,639
Cash and Cash Equivalents with Fiscal Agents	4,036,138	310,273	-	4,346,411
Total Restricted Assets	20,477,451	16,545,599	-	37,023,050
<u>Non-Current Assets</u>				
Land	2,479,735	1,662,500	-	4,142,235
Construction in Progress	134,297,424	14,191,892	-	148,489,316
Depreciable Capital Assets, Net	17,478,293	18,717,924	497,942	36,694,159
Total Non-Current Assets	154,255,452	34,572,316	497,942	189,325,710
Total Assets	179,239,392	57,455,231	1,566,031	238,260,654
<u>Liabilities</u>				
<u>Current Liabilities</u>				
Accrued Wages Payable	21,873	20,546	5,546	47,965
Accounts Payable	108,835	93,840	19,672	222,347
Contracts Payable	1,183,854	120,762	-	1,304,616
Due to Other Governments	24,391	23,356	7,454	55,201
Retainage Payable	4,220,062	620,422	-	4,840,484
Accrued Interest Payable	802,051	155,647	-	957,698
Capital Leases Payable	271	-	-	271
Compensated Absences Payable	57,926	57,742	9,838	125,506
Ohio Public Works Commission Loan Payable	7,927	-	-	7,927
General Obligation Bonds Payable	209,433	201,382	-	410,815
Mortgage Revenue Bonds Payable	309,489	657,438	-	966,927
Total Current Liabilities	6,946,112	1,951,135	42,510	8,939,757
<u>Non-Current Liabilities</u>				
Notes Payable	26,593,650	1,771,350	-	28,365,000
Compensated Absences Payable	51,514	63,392	4,233	119,139
Ohio Public Works Commission Loans Payable	41,639	-	-	41,639
General Obligation Bonds Payable	563,223	960,039	-	1,523,262
Mortgage Revenue Bonds Payable	119,047,703	30,812,813	-	149,860,516
Total Non-Current Liabilities	146,297,729	33,607,594	4,233	179,909,556
Total Liabilities	153,243,841	35,558,729	46,743	188,849,313
<u>Net Assets</u>				
Invested in Capital Assets, Net of Related Debt	19,888,100	10,128,032	497,942	30,514,074
Restricted for:				
Sewer Replacement and Improvement	16,441,313	-	-	16,441,313
Water Replacement and Improvement	-	16,235,326	-	16,235,326
Unrestricted (Deficit)	(10,333,862)	(4,466,856)	1,021,346	(13,779,372)
Total Net Assets	\$25,995,551	\$21,896,502	\$1,519,288	\$49,411,341

**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Sewer	Water	Other Enterprise Funds	Total
<u>Operating Revenues</u>				
Charges for Services	\$6,892,709	\$5,616,399	\$1,593,913	\$14,103,021
Tap-In Fees	706,531	627,217	-	1,333,748
Other Revenues	31,342	69,353	30,603	131,298
Total Operating Revenues	7,630,582	6,312,969	1,624,516	15,568,067
<u>Operating Expenses</u>				
Personal Services	1,213,372	1,182,708	423,303	2,819,383
Contractual Services	923,495	562,597	956,699	2,442,791
Materials and Supplies	486,290	723,013	159,143	1,368,446
Other Expenses	98,126	68,369	74,603	241,098
Depreciation	779,129	750,077	77,463	1,606,669
Total Operating Expenses	3,500,412	3,286,764	1,691,211	8,478,387
Operating Income / (Loss)	4,130,170	3,026,205	(66,695)	7,089,680
<u>Non-Operating Revenues (Expenses)</u>				
Interest Revenue	3,206,397	405,956	-	3,612,353
Payments in Lieu of Taxes	1,021,540	-	-	1,021,540
Interest Expense	(3,266,161)	(882,365)	-	(4,148,526)
Total Non-Operating Revenues (Expenses)	961,776	(476,409)	-	485,367
Change in Net Assets	5,091,946	2,549,796	(66,695)	7,575,047
Net Assets Beginning of Year - As Restated	20,903,605	19,346,706	1,585,983	41,836,294
Net Assets End of Year	<u>\$25,995,551</u>	<u>\$21,896,502</u>	<u>\$1,519,288</u>	<u>\$49,411,341</u>

See Accompanying Notes to the Basic Financial Statements



**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF CASH FLOWS  
ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Sewer	Water	Other Enterprise Funds	Total
Increases (Decreases) in Cash and Cash Equivalents				
<u>Cash Flows from Operating Activities</u>				
Cash Received from Customers	\$7,316,242	\$5,897,132	\$1,610,831	\$14,824,205
Cash Received from Tap-In Fees	706,531	627,217	0	1,333,748
Cash Received from Other Revenues	31,341	73,107	30,603	135,051
Cash Payments for Personal Services	(1,192,161)	(1,162,014)	(428,262)	(2,782,437)
Cash Payments to Suppliers	(1,418,388)	(1,379,223)	(1,179,910)	(3,977,521)
Cash Payments for Other Expenses	(98,127)	(76,676)	(74,603)	(249,406)
Net Cash Provided by (Used for) Operating Activities	5,345,438	3,979,543	(41,341)	9,283,640
<u>Cash Flows from Capital and Related Financing Activities</u>				
Principal Paid on General Obligation Bonds	(181,000)	(219,000)	0	(400,000)
Interest Paid on General Obligation Bonds	(33,412)	(40,427)	0	(73,839)
Principal Paid on Mortgage Revenue Bonds	(230,000)	(625,000)	0	(855,000)
Interest Paid on Mortgage Revenue Bonds	(5,576,245)	(1,530,118)	0	(7,106,363)
Principal Paid on Bond Anticipation Notes	(26,700,230)	(1,864,770)	0	(28,565,000)
Interest Paid on Bond Anticipation Notes	(1,074,951)	(83,681)	0	(1,158,632)
Principal Paid on OPWC Loans	(7,927)	0	0	(7,927)
Principal Paid on Capital Leases	(3,298)	(329)	0	(3,627)
Interest Paid on Capital Leases	(271)	(17)	0	(288)
Bond Anticipation Notes Issued	26,593,650	1,771,350	0	28,365,000
Premium on Issuance of Debt	142,837	9,778	0	152,615
Debt Issuance Costs	(128,162)	(12,388)	0	(140,550)
Proceeds From Sale of Fixed Assets	0	2,056	0	2,056
Acquisition of Fixed Assets	(64,521,925)	(11,874,736)	(85,696)	(76,482,357)
Cash Received from Payments in Lieu of Taxes	283,032	0	0	283,032
Net Cash Used for Capital and Related Financing Activities	(71,437,902)	(14,467,282)	(85,696)	(85,990,880)
<u>Cash Flows from Investing Activities</u>				
Interest	3,630,542	472,605	0	4,103,147
Net Cash Provided by Investing Activities	3,630,542	472,605	0	4,103,147
Net Decrease in Cash and Cash Equivalents	(62,461,922)	(10,015,134)	(127,037)	(72,604,093)
Cash and Cash Equivalents Beginning of Year - As Restated	85,920,953	32,242,101	1,051,497	119,214,551
Cash and Cash Equivalents End of Year	<u>\$23,459,031</u>	<u>\$22,226,967</u>	<u>\$924,460</u>	<u>\$46,610,458</u>
<u>Reconciliation of Operating Income / (Loss) to Net Cash Provided by (Used for) Operating Activities</u>				
Operating Income / (Loss)	\$4,130,170	\$3,026,205	(\$66,695)	\$7,089,680
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>				
Depreciation	779,129	750,077	77,463	1,606,669
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	423,533	280,654	16,918	721,105
(Increase) Decrease in Prepaid Items	(7,506)	(55,949)	313	(63,142)
Increase (Decrease) in Accounts Payable	(1,097)	(42,138)	(64,039)	(107,274)
Increase (Decrease) in Contracts Payable	0	0	(342)	(342)
Increase (Decrease) in Retainage Payable	0	0	0	0
Increase (Decrease) in Accrued Wages Payable	4,510	3,897	(35)	8,372
Increase (Decrease) in Due to Other Governments	2,731	3,570	893	7,194
Increase (Decrease) in Compensated Absences Payable	13,968	13,227	(5,817)	21,378
Net Cash Provided by (Used for) Operating Activities	<u>\$5,345,438</u>	<u>\$3,979,543</u>	<u>(\$41,341)</u>	<u>\$9,283,640</u>

See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUNDS  
DECEMBER 31, 2008**

	<u>Agency</u>
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$20,144
Cash and Cash Equivalents in Segregated Accounts	<u>151,330</u>
 Total Assets	 <u><u>171,474</u></u>
 <u>Liabilities:</u>	
Undistributed Assets	<u>171,474</u>
 Total Liabilities	 <u><u>\$171,474</u></u>

See Accompanying Notes to the Basic Financial Statements

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**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008**

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**NOTE 1 - REPORTING ENTITY**

The City of Marysville is a charter municipal corporation founded in 1837, with the charter adopted by the electors on December 1, 1960, and most recently updated on November 7, 2006. The City may exercise all powers of home rule granted under Article XVIII, Section 3 of the Ohio Constitution not in conflict with applicable general laws of Ohio.

The City operates under a council/mayor/administrator form of government. Services provided include general administration as well as police, fire, ambulance, municipal court, engineering, planning and zoning, street maintenance and repair, parks and recreation, a cemetery, and sanitation, sewer, water, and storm-water utilities.

**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 City consists of all funds, departments, boards, and agencies that are not legally separate from the City. For the City of Marysville, this includes the Marysville Municipal Court and all departments and activities that are directly operated by the elected City officials.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board; and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. There were no component units of the City of Marysville in 2008.

The City is associated with the Marysville/Union County Joint Recreation District, the Union County Community Improvement Corporation, the Mid-Ohio Regional Planning Commission and the Marysville/Union County Port Authority; each is a jointly governed organization. These organizations are more fully described in Note 19 to the basic financial statements.

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

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to generally accepted accounting principles (GAAP) as prescribed in the statements issued by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. The City 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 enterprise funds provided they do not conflict with or contradict GASB pronouncements. The City has elected not to apply FASB pronouncements issued after November 30, 1989 to its governmental and business-type activities and enterprise funds.

**A. Basis of Presentation**

The City'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.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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

**A. Basis of Presentation (Continued)**

**Government-Wide Financial Statements**

The statement of net assets and the statement of activities display information about the City 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 City 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 City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. 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 earned on grants that is required to be used to support a particular program. Revenues not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the City.

**Fund Financial Statements**

During the year, the City segregates transactions related to certain City 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 City 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. Non-major funds are aggregated and presented in a single column.

**B. Fund Accounting**

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

**Governmental Funds**

Governmental funds are those through which most governmental functions of the City 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 General Fund, Coleman's Crossing Tax Incremental Financing (TIF) Fund, the City Gate TIF Fund, and the Debt Service Fund, are the City'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 City for any purpose provided it is expended or transferred according to city charter and/or the general laws of Ohio.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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

**B. Fund Accounting (Continued)**

Coleman's Crossing TIF Fund - The Coleman's Crossing TIF Fund is a special revenue fund used to account for the debt proceeds used for and the payments in lieu of tax receipts realized by the development of the Coleman's Crossing area. These proceeds will be utilized to repay the debt issued for completion of this project.

City Gate TIF Fund - The City Gate TIF Fund is a special revenue fund used to account for the debt proceeds used for and the payments in lieu of tax receipts realized by the development of the City Gate area. These proceeds will be utilized to repay the debt issued for completion of this project.

Debt Service Fund - The Debt Service Fund is utilized by the City to accumulate resources for repayment of the City's debt related to governmental activities. Revenues of this fund include a transfer of general operating monies from the General Fund of the City as well as debt proceeds utilized to refund debt issued in prior years.

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

**Proprietary Funds**

Proprietary funds focus on the changes in net assets, financial position, and cash flows. The City's proprietary funds are enterprise funds.

Enterprise Funds - 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 are the City's major enterprise funds:

Sewer Fund - The sewer fund accounts for the provision of wastewater collection and treatment service to residents and commercial users within the City service area.

Water Fund - The water fund accounts for the provision of water treatment and distribution to residential and commercial users within the City service area.

In addition the City provides solid waste disposal service to residents and certain commercial users within the City. The City has also established a storm-water utility to provide resources for the improvement of the City's surface water drainage system. These utilities are accounted for in a Sanitation Fund and a Storm-Water Assessment Fund.

**Fiduciary Funds**

Fiduciary funds focus on net assets and changes in net assets. There are four categories of fiduciary funds: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are not available to support the City's own programs. The City did not have any trust funds in 2008. The City's agency funds, which account for fees charged by the law library, municipal court operations, and unclaimed funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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

**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 City are included on the statement of net assets.

**Fund Financial Statements**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance 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. Therefore, governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

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

**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; proprietary 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 Non-Exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On 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 City, available means expected to be received within sixty days after year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, payments in lieu of taxes, municipal income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes and payments in lieu of taxes are recognized in the year for which the taxes are levied. Revenue from municipal income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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

D. Basis of Accounting (Continued)

Revenues - Exchange and Non-Exchange Transactions (Continued)

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 City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from a non-exchange transaction 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: municipal income taxes, charges for services, fines and forfeitures, state-levied locally shared taxes (including gasoline tax), grants, and interest.

Deferred Revenues

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

Property taxes and payments in lieu of taxes for which there was an enforceable legal claim at December 31, 2008, but were levied to finance 2009 operations, have been recorded as deferred revenue. Municipal income taxes and 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 also reflected as deferred revenue.

Expenses/Expenditures

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

E. Budgets

An annual appropriated budget is legally required to be prepared for all funds of the City, other than agency funds. City Council passes appropriations at the department/object level. City Council must approve any budget revisions that alter the appropriations at the legal level of budgetary control. The following procedures are used by the City in establishing the budgetary data reported in the basic financial statements:

Tax Budget

Unless specifically waived by the County Budget Commission, a budget of estimated revenues and expenditures for all funds, other than agency funds, is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. If the requirement to file this tax budget is waived by the County Budget Commission, other financial documentation may be requested for review of the City's financial status.



**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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

**E. Budgets (Continued)**

**Estimated Resources**

The County Budget Commission reviews estimated revenues and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The County Budget Commission certifies its actions to the City by October 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered balances from the preceding year. The certificate of estimated resources may be further amended during the year if the Finance Director determines, and the County Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported in the budgetary statements as "original" represent the amounts in the amended official certificate of estimated resources in place at the time original appropriations were adopted. The amounts reported in the budgetary statements as "final" reflect the amounts in the final amended official certificate of estimated resources issued during 2008.

**Appropriations**

A temporary appropriations ordinance to control expenditures may be passed on or about January 1 of each year, for the period January 1 to March 31. An annual appropriations ordinance must be passed by April 1 of each year, for the period January 1 to December 31. The appropriations ordinance may be supplemented during the year, by City Council action, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. During the year, numerous supplemental appropriations ordinances were passed by City Council. The amounts reported as the original budgeted amounts in the statement of budgetary comparisons reflect the first appropriated budget that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts in the statement of budgetary comparisons represent the final appropriation amounts passed during the year, including all amendments and modifications.

**Lapsing of Appropriations**

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding year and are not re-appropriated.

**Encumbrances**

As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the fund financial statements, encumbrances outstanding at year-end are reported as a reservation of fund balance for subsequent-year expenditures of governmental funds. A reserve for encumbrances is not reported on the government-wide financial statements.

**F. Cash and Investments**

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

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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

**F. Cash and Investments (Continued)**

Cash and cash equivalents that are held separately within departments of the City, and not included in the City Treasury, are recorded as "Cash and Cash Equivalents in Segregated Accounts".

The City utilizes financial institutions as trustees to service its mortgage revenue bonded debt as principal and interest payments come due. Money held by trustees is invested in mutual funds and is presented as "Cash and Cash Equivalents with Fiscal Agents".

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

Interest earnings are allocated to City funds according to State statutes, grant requirements, or debt related restrictions. Interest revenue credited to the General Fund during 2008 was \$373,885, which includes \$322,515 assigned from other City funds.

For purposes of the statement of cash flows and for presentation on the balance sheet/statement of net assets, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents.

**G. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2008, are recorded as prepaid items using the consumption method. This includes recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

**H. Restricted Assets**

Restricted assets should be reported when restrictions on asset use change the nature or normal understanding of the availability of the asset. Restricted assets represent certain resources segregated from other resources of the City to comply with various covenants established by bond financing agreements. These assets are generally held in separate accounts of the City or by a trustee. The various covenants place restrictions on the use of these resources, require minimum balances to be maintained in certain accounts, and establish annual amounts to be accumulated for specific purposes. Restricted assets also represent cash held as retainage for contractors.

**I. Capital Assets**

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

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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

I. Capital Assets (Continued)

All capital assets are capitalized at cost (or estimated historical 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 City maintains a capitalization threshold of one thousand dollars (\$1,000). The City's infrastructure consists of streets, bridges, storm and sanitary sewer lines, and water lines. Improvements are capitalized. Interest incurred during the construction of fund capital assets is also capitalized.

All capital assets are depreciated, except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacements. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings	40 years	40 years
Improvements Other Than Buildings	15 years	15 years
Computers and Computer Equipment	5 to 10 years	5 to 10 years
Furniture and Equipment	5 to 10 years	5 to 10 years
Vehicles	5 to 10 years	10 years
Infrastructure	40 years	40 years

J. Inter-fund Receivables/Payables

On the fund financial statements, receivables and payables resulting from short-term inter-fund loans are classified as "Inter-fund Receivables/Payables". Inter-fund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net assets. The only inter-fund balances which remain on the government-wide statement of net assets are those between governmental and business-type activities. These amounts are reflected as "Internal Balances". There was one outstanding inter-fund receivable/payable at December 31, 2008 for monies advanced from the General Fund to the Collins Avenue Pavement Project Fund (an other-governmental fund) in anticipation of Community Development Block Grant receipts. Once these grant monies are received in 2009, the monies advanced from the General Fund will be returned by the Collins Avenue Pavement Project Fund.

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 City will compensate the employees for the benefits through paid time off or some other means. The City 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 City 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 City's termination policy. The City records a liability for accumulated unused sick leave for all employees with ten or more years of service with the City.

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

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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

**K. Compensated Absences (Continued)**

On the fund financial statements for governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using available expendable resources. These amounts are recorded in the account "Compensated Absences Payable" in the fund from which the employees who have accumulated unpaid leave are paid. The non-current portion of the liability is not reported. For enterprise funds, the entire amount of compensated absences is reported as a fund liability.

**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 funds 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, contractually required pension contributions and 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. Notes, capital leases, and bonds are recognized as liabilities on the fund financial statements when due.

**M. Fund Balance Reserves**

The City 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. Encumbrances are recorded as a reservation of fund balance.

**N. 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 the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The City'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.

Restricted for other purposes represents balances of state and federal grants in special revenue funds.

The City's sewer and water enterprise funds have restricted net assets relative to those resources necessary to comply with various covenants of bond financing agreements.

Of the City's restricted net assets of \$36,685,375, \$4,008,736 was restricted by enabling legislation.

**O. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the City, these revenues are charges for services for sanitation, sewer, water, and storm-water utility services. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund.

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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

**P. Capital Contributions**

Contributions of capital in the enterprise fund financial statements arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction.

**Q. Inter-fund Transactions**

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as inter-fund transfers. Inter-fund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in enterprise funds. 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. Neither of these types of transactions occurred during 2008.

**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 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance 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 and major Special Revenue Funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

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).

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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**NOTE 3 - BUDGETARY BASIS OF ACCOUNTING (Continued)**

The adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General and major Special Revenue Funds are as follows:

Net Changes in Fund Balance			
	General Fund	Coleman's Crossing TIF Fund	City Gate TIF Fund
GAAP Basis	(\$1,131,000)	\$3,509	\$456
<u>Increases (Decreases) Due To</u>			
Revenue Accruals	1,017,816	0	0
Expenditure Accruals	(1,031,802)	0	0
Encumbrances Outstanding At Year-End (Budget Basis)	(483,708)	0	0
Budget Basis	(\$1,628,794)	\$3,509	\$456

**NOTE 4 - DEPOSITS AND INVESTMENTS**

State statutes classify monies held by the City into three categories.

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts, including passbook accounts.

Protection of the City'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 Finance Director by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be deposited or invested in the following securities:

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;

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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**NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)**

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;
5. 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; and
6. The State Treasurer's investment pool (STAR Ohio).

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State as to which there is no default of principal, interest, or coupons; and
3. Obligations of the City.

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 City, 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.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements".

**Cash on Hand**

At year-end, the City had \$4,437 in undeposited cash on hand which is included on the statement of net assets as part of "Equity in Pooled Cash and Cash Equivalents".

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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**NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)**

Deposits

At year-end, the carrying amount of the City's deposits was \$11,984,729 and the bank balance was \$13,519,013. Of the bank balance, \$200,000 was covered by federal depository insurance. The remaining balance of \$13,319,013 was collateralized with securities held in single financial institution collateral pools in the name of the respective depository bank and pledged as a pool of collateral against all of the public moneys it holds.

Investments

The City's investments are categorized to give an indication of the level of risk assumed by the City at year-end. Category 1 includes investments that are insured or registered for which the securities are held by the City or the City's agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name. Mutual funds and STAR Ohio are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

	Carrying/Fair Value	Weighted Average Maturity (Years)
Mutual Funds	12,855,670	N/A
Negotiable Certificates of Deposit	1,128,095	<1 year
Negotiable Certificates of Deposit	198,277	1-3 years
Federal Home Loan Bank	2,103,280	1-3 years
Federal Farm Credit Bank	764,923	1-3 years
Federal Home Loan Mortgage Corporation	500,000	<1 year
Federal Home Loan Mortgage Corporation	2,344,539	1-3 years
Federal Home Loan Mortgage Corporation	999,360	>3 years
Federal National Mortgage Association	1,046,780	<1 year
Federal National Mortgage Association	6,298,127	1-3 years
First American Government Obligation Fund	1,110,889	<1 year
STAR Ohio	12,235,782	N/A
Total	<u>\$41,585,722</u>	

Interest rate risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City limits its investments to mutual funds, negotiable CD's, U.S. Government Agency Securities and STAR Ohio. Investments in U.S. Government Agency Securities and negotiable certificates of deposit were rated AAA by Standard and Poor's. Investments in STAR Ohio were rated AAAM by Standard & Poor's. Mutual funds were not rated.



**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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**NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)**

Concentration of credit risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment policy allows investments in money market accounts, certificates of deposit or within financial institutions within the State of Ohio as designated by the Federal Reserve Board. The City has invested 36.5% of its investments in U.S. Government Securities, 30.9% in mutual funds, 29.4% in STAR Ohio, and 3.2% in negotiable certificates of deposit.

Custodial credit risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. For deposits, custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a policy for custodial credit risk.

All of the City's investments are either insured and registered in the name of the City or at least registered in the name of the City.

**NOTE 5 - PROPERTY TAXES**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Real property tax revenues received in 2008 represent the collection of 2007 taxes. For 2008, real property taxes were levied after October 1, 2007, on the assessed values as of January 1, 2007, the lien date. These taxes will be collected in and are intended to finance 2009 operations. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. All property is required to be revalued every six years. The last revaluation was completed in 2007. Real property taxes are payable annually or semiannually. The first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes for 2008 were levied after October 1, 2008, on the assessed values as of December 31, 2007. These taxes will be collected in and are intended to finance 2009 operations. Public utility real property is assessed at 35 percent of true value; tangible personal property is currently assessed at varying percentages of true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

Tangible personal property tax revenues received in 2008 (other than public utility property) represent the collection of 2008 taxes. For 2008, tangible personal property taxes were levied after October 1, 2007, on the true value as of December 31, 2006. Tangible personal property is currently assessed at 25 percent of true value. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or 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, including the City of Marysville. The County Auditor periodically remits to the City its portion of the taxes collected. Accrued property taxes receivable represents delinquent taxes outstanding and real property, public utility property, and tangible personal property taxes which were measurable as of December 31, 2008, and for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31 and are not intended to finance 2008 operations.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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**NOTE 5 - PROPERTY TAXES (Continued)**

The full tax rate for all City operations for the year ended December 31, 2008, was \$4.50 per \$1,000 of assessed value. The assessed values of real, public utility, and tangible personal property upon which 2008 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Estate	
Agricultural/Residential	\$ 273,408,780
Commercial/Industrial	114,671,280
Public Utility Real	30,440
Public Utility Personal	8,459,020
Tangible Personal	16,077,780
Total Assessed Value	<u>\$ 412,647,300</u>

**NOTE 6 - MUNICIPAL INCOME TAXES**

The City levies an income tax of 1 percent on all income earned within the City as well as on incomes of residents earned outside the City. Prior to January 1, 2005, the City allowed a credit of up to 50 percent of the tax paid to another municipality, not to exceed the amount owed for incomes of residents earned outside the City. Effective January 1, 2005 this credit was repealed making the tax owed by all residents of the City a full 1% of earned income. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City on a monthly or quarterly basis depending on the amount being withheld. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. Income tax revenues and expenditures for collecting, administering, and enforcing the tax are recorded in the General Fund. Filing is required and returns are due by April 15.

**NOTE 7 - RECEIVABLES**

Receivables at December 31, 2008, consisted of interest; taxes; payments in lieu of taxes, accounts (billings for user charged services, including unbilled utility services); special assessments; and intergovernmental receivables arising from grants, entitlements, and shared revenues. All receivables are considered fully collectible.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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**NOTE 7 – RECEIVABLES (Continued)**

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
General Fund	
State of Ohio – Homestead and Rollback	\$70,801
Local Government Assistance	200,285
Estate Tax/Liquor Permits	23,098
Marysville Schools – School Resource Officer	17,095
Union County and Marysville Municipal Court - Fines and Forfeitures	39,182
Union County Law Library	10,650
Ohio Bureau of Worker's Compensation – Safety Reimbursement	2,062
City of Marysville - FSA Reimbursement	1,224
Community Development Block Grant - Formula Grant	<u>10,482</u>
Total General Fund	<u>374,879</u>
Nonmajor Special Revenue Funds	
Police Pension – State of Ohio	
State of Ohio	5,473
Fire Pension	
State of Ohio	5,473
FEMA Fund	
FEMA Reimbursement	58,180
Street Construction and Repair	
Gas Tax	220,149
Motor Vehicle License Tax	207,354
Mandatory Drug Fine	
Marysville Municipal Court/Union County	600
DUI Alcohol Education and Enforcement	
Marysville Municipal Court/Union County	228
State Highway Improvement	
Gas Tax	18,544
Motor Vehicle License Tax	16,812
Court Computer Research	
Marysville Municipal Court/Union County	2,186
Court Computerization	
Marysville Municipal Court/Union County	2,187
Court Special Projects	
Marysville Municipal Court/Union County	4,355
Court Probation Fine	
Marysville Municipal Court/Union County	2,224
CHIP Grant Fund	
State of Ohio – CHIP Grant Proceeds	77,085

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

**NOTE 7 – RECEIVABLES (Continued)**

Municipal Court Local Interlock	
Marysville Municipal Court/Union County	550
Total Nonmajor Special Revenue Funds	621,400
Total Governmental Activities	\$996,279
Total All Funds	\$996,279

**NOTE 8 – INTER-FUND TRANSFERS**

Inter-fund transfers for the year ended December 31, 2008 consisted of the following:

		Transfer From		
		General Fund	Coleman's Crossing TIF Fund	Other Governmental Funds
Transfer To	City Gate TIF Fund	\$0	\$79,000	\$50,000
	Debt Service	1,725,000	0	0
	Other Governmental		0	
	Funds	1,274,061		0
	Total	\$2,999,061	\$79,000	\$50,000

Transfers were made from the General Fund to provide funds for operating and debt retirement purposes. Transfers were made from the Coleman's Crossing TIF Project and City Gate TIF Project Capital Projects Fund (other-governmental fund) to the City Gate TIF Special Revenue Fund for debt retirement purposes.

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

**NOTE 9 - CAPITAL ASSETS**

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

	Balance at 12/31/2007	Additions	Reductions	Balance at 12/31/2008
Governmental Activities				
Nondepreciable Capital Assets				
Land	\$1,272,981	\$0	\$0	\$1,272,981
Construction in Progress	4,789,882	1,501,855	(878,980)	5,412,757
Subtotal	<u>6,062,863</u>	<u>1,501,855</u>	<u>(878,980)</u>	<u>6,685,738</u>
Depreciable Capital Assets				
Buildings	3,554,033	96,801	0	3,650,834
Improvements Other Than Buildings	2,091,963	33,692	0	2,125,655
Computers and Computer Equipment	251,476	99,043	(24,487)	326,032
Furniture and Equipment	1,064,746	296,566	(49,279)	1,312,033
Vehicles	3,352,321	311,737	0	3,664,058
Infrastructure				
Bridges	157,288	0	0	157,288
Roads	65,144,422	1,033,268	0	66,177,690
Storm Sewers	2,932,297	0	0	2,932,297
Other	8,022,722	0	0	8,022,722
Subtotal	<u>86,571,268</u>	<u>1,871,107</u>	<u>(73,766)</u>	<u>88,368,609</u>
Less: Accumulated Depreciation				
Buildings	(1,610,280)	(99,605)	0	(1,709,885)
Improvements Other Than Buildings	(1,042,797)	(118,166)	0	(1,160,963)
Computers and Computer Equipment	(118,169)	(48,779)	21,940	(145,008)
Furniture and Equipment	(621,842)	(112,296)	29,484	(704,654)
Vehicles	(1,777,940)	(278,011)	0	(2,055,951)
Infrastructure				
Bridges	(37,355)	(3,932)	0	(41,287)
Roads	(43,099,118)	(1,554,126)	0	(44,653,244)
Storm Sewers	(797,755)	(73,307)	0	(871,062)
Other	(737,535)	(208,114)	0	(945,649)
Total Accumulated Depreciation	<u>(49,842,791)</u>	<u>(2,496,336)</u>	<u>51,424</u>	<u>(52,287,703)</u>
Total Depreciable Capital Assets, Net	<u>36,728,477</u>	<u>(625,229)</u>	<u>(22,342)</u>	<u>36,080,906</u>
Governmental Activities Capital Assets, Net	<u>\$42,791,340</u>	<u>\$876,626</u>	<u>(\$901,322)</u>	<u>\$42,766,644</u>

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

**NOTE 9 - CAPITAL ASSETS (Continued)**

Depreciation expense was charged to governmental programs as follows:

General Government	\$305,579
Security of Persons and Property	
Police	115,255
Fire	133,764
Other	9,750
Public Health	19,679
Transportation	1,810,045
Community Environment	25,777
Leisure Time Activities	76,487
Total Depreciation Expense	<u>\$2,496,336</u>

	Balance at 12/31/2007	Additions	Reductions	Balance at 12/31/2008
Business-Type Activities				
Land	\$4,142,235	\$0	\$0	\$4,142,235
Construction in Progress	69,396,849	79,092,467	0	148,489,316
Subtotal	73,539,084	79,092,467	0	152,631,551
Depreciable Capital Assets				
Buildings	9,757,973	0	0	9,757,973
Improvements Other Than Buildings	5,607,501	0	0	5,607,501
Computers and Computer Equipment	113,571	0	0	113,571
Furniture and Equipment	1,198,991	206,412	(1,594)	1,403,809
Vehicles	1,364,536	104,725	(35,845)	1,433,416
Infrastructure				
Sewer Lines	15,015,983	0	0	15,015,983
Water Lines	23,618,135	256,769	0	23,874,904
Subtotal	56,676,690	567,906	(37,439)	57,207,157
Less: Accumulated Depreciation				
Buildings	(4,472,705)	(236,888)	0	(4,709,593)
Improvements Other Than Buildings	(321,938)	(156,961)	0	(478,899)
Computers and Computer Equipment	(94,302)	(12,900)	0	(107,202)
Furniture and Equipment	(556,454)	(113,326)	1,528	(668,252)
Vehicles	(638,989)	(124,795)	30,035	(733,749)
Infrastructure				
Sewer Lines	(5,254,147)	(368,135)	0	(5,622,282)
Water Lines	(7,599,358)	(593,663)	0	(8,193,021)
Total Accumulated Depreciation	(18,937,893)	(1,606,668)	31,563	(20,512,998)
Total Depreciable Capital Assets, Net	37,738,797	(1,038,762)	(5,876)	36,694,159
Business-Type Activities Capital Assets, Net	<u>\$111,277,881</u>	<u>\$78,053,705</u>	<u>(\$5,876)</u>	<u>\$189,325,710</u>

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

**NOTE 9 - CAPITAL ASSETS (Continued)**

In accordance with Financial Accounting Standards Board Statement No. 62, the City capitalizes the net effect of interest expense and related interest revenue on the portion of the tax-exempt debt issued from the Sewer and Water Funds. Interest costs in fiscal year 2008 were \$5,683,597 for the Sewer Fund and \$1,105,059 for the Water Fund, of which \$3,096,479 and \$754,317 respectively, has been capitalized. Interest costs not capitalized are expensed.

**NOTE 10 - RESTRICTED NET ASSETS**

The following amounts, which are reflected on the statement of net assets, are restricted for various purposes.

	Governmental Activities	Business- Type Activities
<u>Assets:</u>		
Equity in Pooled Cash and Cash Equivalents	\$3,548,199	\$32,676,639
Cash and Cash Equivalents with Fiscal Agent	0	4,346,411
Accounts Receivable	218,127	0
Due From Other Governments	621,400	0
Accrued Interest	158	0
Prepaid Items	18,024	0
Property Taxes Receivable	212,780	0
Special Assessments Receivable	1,178,306	0
Total Restricted Assets	5,796,994	37,023,050
Less Liabilities Payable from Restricted Assets	1,788,258	4,346,411
Restricted Net Assets	<u>\$4,008,736</u>	<u>\$32,676,639</u>

**NOTE 11 - RISK MANAGEMENT**

The City 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. During 2008, the City contracted for the following insurance coverage:

Type of Coverage	Coverage Limit	Deductible
Buildings	\$ 23,541,842	\$ 5,000
Personal Property	3,857,487	5,000
Employee Benefit Liability	1,000,000	1,000
Wrongful Acts	3,000,000	1,000
Law Enforcement	3,000,000	2,000
Automobile Liability	3,000,000	-
Medical Malpractice	3,000,000	-
Stop Gap	3,000,000	-
Appeal/Bail/Property Release Bonds	Unlimited	-
Electronic Data Processing	25,000 – 263,899	500
Pollution Liability Benefits	55,000 – 3,000,000	-

Settled claims have not exceeded this commercial coverage in any of the past three years, and there has not been any significant reduction in coverage from the prior year.

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

**NOTE 12 - CONTRACTUAL COMMITMENTS**

At December 31, 2008, the City had contractual commitments as follows:

Company	Project	Amount Remaining on Contract
AT Grade	Wading Pool Replacement Design Bid	\$ 104,200
Beaver Excavating Company	Upground Reservoir Improvements	438,668
Chemco Systems LP	Lime Slaker	99,404
Columbus Construction	CHIP Construction Grants	34,397
CT Consultants	Road Widening	130,420
CT Consultants	Waterline Project	59,958
Delaware Developers	CHIP Construction Grants	15,770
Delta Construction	CHIP Construction Grants	35,555
DLZ	Engineering Services – Trunk Sewer, Pump Station Elimination, South-West Trunk Sewer	2,554,841
East Manufacturing	Dump Bed Trailer	98,769
Elite Excavation Company	Upground Reservoir raw water piping installation	14,162
Environmental Management	Uni-Gateway/Delaware Ave Landscaping Improvements	16,007
George J. Igel and Company	Sewer Force Main	20,000
Jones and Henry	Union County Sewer System Review	63
Kirk Brothers	Crosses Run Pump Station	1,320,811
Kirk Brothers	Dam & Raw Water Pump Station	2,874,058
Kokosing Construction	Water Reclamation Facility and Effluent Line	4,623,379
Malcolm Pirnie	Engineering Services – Water Reclamation Facility	344,934
Nickolas Savco & Sons, Inc.	Collins Avenue Pavement Rehabilitation	199,016
Obermeyer Hydro	Inflatable Dam for Reservoir	43,427
Ohio Technical Services	CHIP Construction Grants	28,808
Pomante Construction	CHIP Construction Grants	12,050
Strawser Paving	2008 Pavement Maintenance	174,521
Super Excavators, Inc.	Trunk Interceptor Sewer	1,686,910
Tri-County Aluminum Services	CHIP Construction Grants	4,835



**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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**NOTE 13 - DEFINED BENEFIT PENSION PLANS**

**A. Ohio Public Employees Retirement System**

The City contributes to the Ohio Public Employees Retirement System (the "System"). The System administers three separate pension plans: the Traditional Pension Plan (TP) – a cost-sharing multiple-employer defined benefit pension plan; the Member-Directed Plan (MD) – a defined contribution plan; and the Combined Plan (CO) – a cost-sharing multiple employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

Authority to establish and amend benefits is established by Chapter 145 of the Ohio Revised Code. The System issues a stand-alone publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Ohio Public Employees Retirement System, Attn: Finance Director, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (800) 222-7377.

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations and the City is required to contribute 14 percent; 7 percent was the portion used to fund pension obligations for the period January 1 through December 31, 2008. Contributions are authorized by State statute. The contribution rates are determined actuarially. The City's contributions to the System for the years ended December 31, 2008, 2007, and 2006 were \$689,728, \$643,465, and \$615,269 respectively; 92.63 percent has been contributed for 2008 and 100 percent has been contributed for 2007 and 2006. The unpaid contribution for 2008, in the amount of \$50,867, is recorded as a liability.

**B. Ohio Police and Fire Pension Fund**

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Plan members are required to contribute 10 percent of their annual covered salary, while employers are required to contribute 19.5 percent for police officers and 24 percent for firefighters. The City's contributions to OP&F for the years ended December 31, 2008, 2007, and 2006 were \$780,249, \$726,838, and \$742,484 respectively; 73.28 percent has been contributed for 2008 and 100 percent has been contributed for 2007 and 2006. The unpaid contribution for 2008, in the amount of \$208,469, is recorded as a liability.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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**NOTE 14 - POSTEMPLOYMENT BENEFITS**

**A. Ohio Public Employees Retirement System**

The Ohio Public Employees Retirement System (the "System") maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program, and Medicare Part B premium reimbursement to qualifying members of both the Traditional and Combined Plans (age and service retirees with ten or more years of qualifying Ohio service credit enrolled in the Traditional or Combined Plans). Members of the Member-Defined Plan do not qualify for ancillary benefits, including post-employment health care coverage.

Health care coverage for disability benefit and qualified survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45. A portion of each employer's contribution to the System is set aside for the funding of postretirement health care based on authority granted by State statute. The 2008 employer contribution rate for local government employers was 14 percent of covered payroll; 7 percent was the portion used to fund health care for the period January 1 through December 31, 2008. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

OPEB are advance funded on an actuarially determined basis using the individual entry age actuarial cost method. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. Significant actuarial assumptions include a rate of return on investments of 6.5 percent, an annual increase in active employee total payroll of 4 percent compounded annually, and an additional increase in total payroll of .50 percent to 6.3 percent based on additional pay increases. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 0.50 percent to 4 percent for the next 7 years. In subsequent years (8 and beyond) health care costs were assumed to increase at 4 percent annually.

OPEB are financed through employer contributions and investment earnings. At December 31, 2008, the total number of active contributing participants in the Traditional and Combined Plans was 363,503. The number of active contributing participants for both plans used in the December 31, 2007 actuarial valuation was 364,076. As of December 31, 2007, the latest information available, the actuarial value of net assets available for future OPEB payments was \$12.8 billion. The actuarially accrued liability and the unfunded actuarial liability were \$29.8 billion and \$17 billion, respectively. The City's actual contributions for 2008 which were used to fund OPEB were \$344,864.

On September 9, 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 skyrocketing health care costs. Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses.

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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**NOTE 14 - POSTEMPLOYMENT BENEFITS (Continued)**

**B. Ohio Police and Fire Pension Fund**

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing multiple employer defined postemployment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents. An eligible dependent child is any child under the age of eighteen, whether or not the child is attending school, or under the age of twenty-two if attending school full-time or on a two-thirds basis.

The health care coverage provided by the retirement system is considered an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide healthcare coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code. The Ohio Revised Code provides that health care costs paid from the funds of OP&F shall be included in the employer's contribution rate. The total police employer contribution rate was 19.5 percent of covered payroll and the firefighter employer contribution rate was 24 percent of covered payroll.

Health care funding and accounting is on a pay-as-you-go basis. A percentage of covered payroll, as defined by the Board, is used to pay retiree health care expenses. The Board defined allocation was 6.75% of covered payroll in 2008 and 6.75% of covered payroll in 2007. In addition, since July 1, 1992, most retirees and survivors have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions. The Ohio Revised Code provides for contribution requirement of the participating employers and of plan members to the OP&F (defined benefit pension plan). Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an Internal Revenue Service Code Section 115 trust and one for Medicare Part B reimbursements administered as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees. The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree healthcare benefits. The Board defined allocation to the health care plan was 6.75% of covered payroll in 2008 and 2007. The amount of employer contributions allocated to the healthcare plan each year is subject to the trustees' primary responsibility to ensure that pension benefits are adequately funded and also is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the healthcare plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. The number of participants eligible to receive health care benefits as of December 31, 2007, the date of the last actuarial valuation available, are 14,295 for police and 10,583 for firefighters.

The City's actual contributions to OP&F for the year ended December 31, 2008 that were used to fund post-employment benefits were \$121,907 for police and \$120,245 for firefighters. The Fund's total health care expense for the year ended December 31, 2007, (the latest information available) was \$93,205,319, which was net of member contributions of \$56,031,875.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

**NOTE 15 - COMPENSATED ABSENCES**

The criteria for determining vacation and sick leave components is derived from negotiated agreements and State laws.

City employees earn vacation at various rates depending upon length of service and standard work week. Current policy permits vacation to be carried forward to the following year with some limitations. Employees are paid for 100 percent of accrued but unused vacation leave upon termination. Sick leave is earned at various rates as defined by City policy and union contracts. Current policy permits sick leave to be accumulated without limit. Non-union employees earn sick leave at a rate of four and six-tenths hours for every eighty hours worked or six and nine-tenths hours for twenty-four shifts. Upon retirement non-union employees shall receive one-fourth of accrued but unused sick leave up to four hundred eighty hours.

Union employees earn sick leave at various rates depending on the union. Upon retirement certain police employees receive payment for one-third of accrued but unused sick leave to a limit in accordance with State law. Certain fire employees receive payment for one-fourth of accrued but unused sick leave up to four hundred eighty hours.

**NOTE 16 - LONG-TERM OBLIGATIONS**

The City's long-term obligations activity for the year ended December 31, 2008, was as follows:

	Balance December 31, 2007	Additions	Reductions	Balance December 31, 2008	Amounts Due in One Year
<b><u>Governmental Activities</u></b>					
Anticipation Notes:					
2007 Street Improvement Notes	\$ 1,800,000	\$0	\$ 1,800,000	\$0	\$0
2007 Street Improvement Notes	1,000,000	0	1,000,000	0	0
2007 Tax Increment Financing	7,005,000	0	7,005,000	0	0
2007 Tax Increment Financing	5,225,000	0	5,225,000	0	0
2008 Street Improvement Notes	0	1,200,000	0	1,200,000	0
2008 Tax Increment Financing	0	7,005,000	0	7,005,000	7,005,000
2008 Tax Increment Financing	0	5,075,000	0	5,075,000	5,075,000
Total Anticipation Notes	15,030,000	13,280,000	15,030,000	13,280,000	12,080,000
General Obligation Bonds:					
2000 Various Purpose	1,340,000	0	425,000	915,000	445,000
2007 Various Purpose Refunding Bonds	6,395,000	0	25,000	6,370,000	30,000
Premium	287,609	0	21,706	265,903	21,706
Total G.O. Bonds	8,002,609	0	471,706	7,550,903	496,706
Other Long-Term Obligations:					
Compensated Absences Payable	723,732	802,073	723,732	802,073	568,989
Capital Leases Payable	33,171	0	14,363	18,808	11,314
Total Other Long-Term Obligations	756,903	802,073	738,095	820,881	580,303
Total Governmental Activities	\$23,809,512	\$14,082,073	\$16,239,801	\$21,651,784	\$13,157,009

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

	Balance December 31, 2007	Additions	Reductions	Balance December 31, 2008	Amounts Due in One Year
<b>Business-Type Activities</b>					
Anticipation Notes:					
2007 Water and Sewer Acquisition Notes	3,815,001	0	3,815,001	0	0
2007 Wastewater Treatment System Notes	23,000,000	0	23,000,000	0	0
2007 Trunk Sewer and Wastewater Notes	1,750,000	0	1,750,000	0	0
2008 Water and Sewer Acquisition Notes	0	3,615,000	0	3,615,000	0
2008 Wastewater Treatment System Notes	0	24,750,000	0	24,750,000	0
Total Anticipation Notes	28,565,001	28,365,000	28,565,001	28,365,000	0
General Obligation Bonds:					
2004 Various Improvement Refunding Premium	2,330,000 4,892	0 0	400,000 815	1,930,000 4,077	410,000 815
Total General Obligation Bonds	2,334,892	0	400,815	1,934,077	410,815
Mortgage Revenue Bonds:					
2002 Water System Mortgage Rev	3,144,583	0	150,000	2,994,583	155,000
Discount on Sale of Bonds	(41,759)	0	(2,784)	(38,975)	(2,784)
2003 Water System Mortgage Rev	7,604,373	0	425,000	7,179,373	435,000
Premium on Sale of Bonds	77,360	0	5,951	71,409	5,951
2006 Sewer System Mortgage Revenue	85,446,922	0	230,000	85,216,922	240,000
Premium on Sale of Bonds	2,101,774	0	55,310	2,046,464	55,310
2007 Sewer System Mortgage Revenue	31,555,000	0	0	31,555,000	0
Premium on Sale of Bonds	552,985	0	14,179	538,806	14,179
2007 Water System Mortgage Revenue	21,335,000	0	50,000	21,285,000	65,000
Discount on Sale of Bonds	(21,868)	0	(729)	(21,139)	(729)
Total Mortgage Revenue Bonds	151,754,370	0	926,927	150,827,443	966,927
OPWC Loans:					
Ohio Public Works Commission Wastewater Treatment Plant Loan	44,753	0	5,967	38,786	5,967
Ohio Public Works Commission Sanitary Sewer Loan	12,740	0	1,960	10,780	1,960
Total OPWC Loans	57,493	0	7,927	49,566	7,927

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

Other Long-Term Obligations:

Compensated Absences Payable	223,267	244,645	223,267	244,645	125,506
Capital Leases Payable	3,964	0	3,693 *	271	271
Total Other Long-Term Obligations	227,231	244,645	226,960	244,916	125,777
Total Business-Type Activities	<u>\$182,938,987</u>	<u>\$28,609,645</u>	<u>\$30,127,630</u>	<u>\$181,421,002</u>	<u>\$1,511,446</u>

\*Of this total amount, \$3,627 was for principal payments and \$66 was a reduction due to the cancellation of a lease during 2008.

According to State statute, notes can be issued in anticipation of bond proceeds, special assessment bond proceeds and levies, or for up to 50 percent of anticipated revenue collections. All of the City's bond anticipation notes are backed by the full faith and credit of the City of Marysville and have a maturity of one year or less.

Governmental Activities – Bond Anticipation Notes

Street Improvement Notes

The 2007 Street Improvement Notes of \$1,800,000 bearing a rate of 4.25% and the 2007 Street Improvement Notes of \$1,000,000 bearing a rate of 4.25% matured on March 6, 2008 and May 16, 2008 respectively in part from the 2008 Street Improvement Notes of \$2,000,000 bearing a rate of 2.00%. These notes were issued to finance various City street improvements. These notes will be retired from the City's Debt Service Fund. On March 5, 2009, the City paid \$800,000 against the note and refinanced \$1,200,000 into a new bond. Therefore, the \$2,000,000 liability outstanding at December 31, 2008 is split with \$1,200,000 presented as a long-term liability and \$800,000 presented as a fund liability in the financial statements. The activity related to the short-term obligation portion of the bond anticipation note is presented in Note 17.

Coleman's Crossing Tax Increment Financing Notes

The 2007 Coleman's Crossing Tax Increment Financing Notes of \$7,500,000 bearing a rate of 4.25% matured on September 11, 2008 from the 2008 Coleman's Crossing Tax Increment Financing Notes of \$7,500,000 bearing a rate of 2.75%. These notes were issued to finance certain public improvements within the Coleman's Crossing Tax Increment Financing District. These notes will be retired from the City's Coleman's Crossing TIF Fund.

City Gate Tax Increment Financing Notes

The 2007 City Gate Tax Increment Financing Notes of \$5,225,000 bearing a rate of 4.00% matured on September 11, 2008 in part from the 2008 City Gate Tax Increment Financing Notes of \$5,075,000 bearing a rate of 2.75%. These notes were issued to finance certain public improvements within the City Gate Tax Increment Financing District. These notes will be retired from the City's City Gate TIF Fund.

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

Governmental Activities General Obligation Bonds

General obligation bonds consist of bonds issued in 2000 for various utility and other capital improvement projects throughout the City.

2000 Various Improvement

The Various Improvement general obligation bonds are serial bonds. The bonds maturing on or after December 1, 2010, are subject to early redemption, at the sole option of the City, either in whole on any date or in part on any interest payment date, on or after December 1, 2010, in multiples of \$5,000, at the following redemption prices plus accrued interest:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
December 1, 2010 through November 30, 2011	101 percent
December 1, 2011 and thereafter	100 percent

Bonds bear an interest rate from 5.00 to 5.40%. These bonds will be retired from the City's Debt Service Fund.

2007 Various Improvement Refunding Bonds

The Various Improvement general obligation bonds are serial bonds issued for the purpose of advance refunding a portion of the 2000 Various Improvement Bonds issued November 1, 2000 (\$6,225,000). The refunding was undertaken for the purpose of reducing interest rates and debt service on the prior bonds. This transaction resulted in a savings to the City of \$271,360. The 2007 bonds are not subject to redemption prior to maturity. The bonds mature on December 1, 2007 through December 1, 2017, and December 1, 2020 in the amount of \$6,515,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. The amount of \$6,673,981 from the 2007 bonds was placed in an escrow fund to defease the 2000 bonds which will be redeemed each June 1 and December 1 annually between 2007 and 2010. Bonds bear an interest rate from 4.00 to 5.00%. These bonds will be retired from the City's Debt Service Fund. \$6,936,810 was outstanding as of December 31, 2008.

Compensated Absences Payable

The compensated absences liability will be paid from the fund from which the employees' salaries are paid. These funds include the General Fund, Street Construction and Repair special revenue fund, and the Sanitation, Sewer, Water, and Stormwater enterprise funds.

Capital Leases Payable

Capital lease obligations will be paid from the fund that maintains custody of the related asset.

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

Business-Type Activities – Bond Anticipation Notes

Water and Sewer Acquisition Notes

The 2007 Water and Sewer Acquisition Notes of \$3,815,000 bearing a rate of 4.50% matured on January 24, 2008 in part from the 2008 Water and Sewer Acquisition Notes of \$3,615,000 bearing a rate of 3.50%. These notes were issued to finance the cost of acquiring certain improvements of a sewage collection system and certain improvements of a water supply and distribution system. These notes will be retired from the City's Water and Sewer funds.

Wastewater Treatment System and Trunk Sewer Notes

The 2007 Wastewater Treatment System Notes of \$23,000,000 bearing a rate of 4.13% and the 2007 Trunk and Sewer Wastewater Notes of \$1,750,000 bearing a rate of 4.25% matured on June 5, 2008 from the 2008 Wastewater Treatment System Notes of \$24,750,000 bearing a rate of 2.50%. These notes were issued to finance the cost of acquiring certain improvements of a sewage collection system and trunk line. These notes will be retired from the Sewer Fund.

Business-Type Activities General Obligation Bonds

The general obligation bonds are liabilities of the Sewer and Water enterprise funds and pledge their respective revenues for repayment. The bonds also pledge the full faith and credit and taxing ability of the City in the event that enterprise funds' revenues are not sufficient to meet the principal and interest requirements.

2004 Various Purpose Refunding Bonds

The Various Purpose Refunding general obligation bonds are serial bonds issued to currently refund \$3,714,000, including a call premium of \$29,000, of outstanding various purpose general obligation bonds issued in 1992 and 1994. The refunding was undertaken for the purpose of reducing interest rates and debt service on the prior bonds. This transaction resulted in a savings to the City of \$367,615. The 2004 bonds are not subject to redemption prior to maturity. The bonds mature on December 1, 2004, through December 1, 2013, in the amount of \$3,810,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. The amount of \$3,714,000 from the 2004 bonds was placed in an escrow fund to defease the 1992 and 1994 bonds which were then optionally redeemed on June 1, 2004. \$2,120,225 was outstanding as of December 31, 2008. Bonds bear an interest rate from 5.00 to 5.50%. These bonds will be retired from the City's Water and Sewer funds.

Mortgage Revenue Bonds

Mortgage revenue bonds are special obligations of the City secured by a mortgage upon all assets of the respective system. These bonds are payable solely from the gross revenues of the sewer and water systems after provisions for reasonable operating and maintenance expenses. The bond indentures have certain restrictive covenants and principally require that bond reserve funds be maintained and charges for services to customers are of sufficient amounts to satisfy the obligations under the indenture agreements. In addition, special provisions exist regarding covenant violations, redemptions of principal, and maintenance of properties.

Fund assets, whose uses are restricted, are presented as restricted assets on the statement of net assets.

Restricted Assets Held by City	
Sewer Replacement and Improvement	\$ 16,913,818
Water Replacement and Improvement	16,235,326



**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

2002 Water System Mortgage Revenue Bonds

The Water System Mortgage Revenue Bonds are term bonds which have annual mandatory sinking fund redemption requirements. The bonds mature December 1, 2003 through December 1, 2022, in the amount of \$3,820,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. Bonds bear an interest rate from 2.40 to 5.10%. These bonds will be retired from the City's Water Fund.

2003 Water System Mortgage Revenue Refunding Bonds

The Water System Mortgage Revenue Refunding Bonds were issued to currently refund the City's Series 1993 water system mortgage revenue bonds. The refunding was undertaken for the purpose of reducing interest rates and debt service on the prior bonds. This transaction resulted in a savings to the City of \$667,605. The refunding bonds are term bonds which have annual mandatory sinking fund redemption requirements. The term bonds mature on December 1, 2004, through December 1, 2021, in the amount of \$9,155,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. The serial bonds maturing on or after December 1, 2013, are subject to early redemption, at the sole option of the City, either in whole on any date or in part on any interest payment date, on or after December 1, 2013, in multiples of \$5,000, at a redemption price equal to 100 percent of the principal plus accrued interest. The amount of \$8,908,850 from the 2003 bonds was placed in an escrow fund along with \$847,750 from the debt service reserve fund to defease the 1993 bonds which were then redeemed on December 1, 2003 in their entirety. Bonds bear an interest rate from 2.00 to 4.50%. These bonds will be retired from the City's Water Fund.

2006 Sewer System Mortgage Revenue Refunding Bonds

The Sewer System Mortgage Revenue Bonds are term bonds issued to advance refund \$13,345,000, including a call premium of \$693,172, of mortgage revenue bonds issued in 2005 and to currently refund \$55,000,000 of outstanding mortgage revenue bond anticipation notes issued in 2005 and to provide additional resources for constructing and installing certain sewer treatment system improvements. The bonds maturing on or after December 1, 2016, are subject to early redemption, at the sole option of the City, either in whole or in part on any date, on or after December 1, 2016 at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest. The Series 2006 Bonds maturing December 1, 2031, December 1, 2036, and December 1, 2046 are subject to mandatory sinking fund redemption prior to stated maturity. The amount of \$13,410,965 from the 2006 bonds was placed in an escrow fund to defease the 2005 bonds. Bonds bear an interest rate from 4.00 to 5.25%. These bonds will be retired from the City's Sewer Fund.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

Mortgage Revenue Bonds (Continued)

2007 Sewer System Mortgage Revenue Bonds

The Sewer System Mortgage Revenue Bonds are a combination of serial bonds maturing December 1, 2012 through December 1, 2023 and term bonds maturing December 1, 2027, December 1, 2037, and December 1, 2047, issued to provide funds for the acquisition, construction, expansion, rehabilitation, and improvement of the City's municipal wastewater collection and treatment system. The series 2007 bonds maturing after December 1, 2017 are subject to early redemption, at the sole option of the City, either in whole or in part on any date, on or after December 1, 2017 at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest. The Series 2007 Bonds maturing December 1, 2027, December 1, 2037, and December 1, 2047 are subject to mandatory sinking fund redemption prior to stated maturity. Bonds bear an interest rate from 4.00 to 5.00%. These bonds will be retired from the City's Sewer Fund.

2007 Water System Mortgage Revenue Bonds

The Water System Mortgage Revenue Bonds are a combination of serial bonds maturing December 1, 2008 through December 1, 2025 and term bonds maturing December 1, 2027, December 1, 2032, and December 1, 2038, issued to provide funds for the acquisition, construction, expansion, rehabilitation, and improvement of the City's municipal water system. The series 2007 bonds maturing after December 1, 2017 are subject to early redemption, at the sole option of the City, either in whole or in part on any date, on or after December 1, 2017 at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest. The Series 2007 Bonds maturing December 1, 2027, December 1, 2032, and December 1, 2038 are subject to mandatory sinking fund redemption prior to stated maturity. Bonds bear an interest rate from 3.75 to 5.00%. These bonds will be retired from the City's Sewer Fund.

Fund assets, whose uses are restricted under the bond indenture, are presented as restricted assets on the statement of net assets. Restricted assets relating to the sewer mortgage revenue bonds at December 31, 2008, were as follows:

Restricted Assets Held by the Trustee

Mortgage Revenue Bond Current Debt Service	\$12,384
Mortgage Revenue Bond Reserve Fund	4,023,754

Restricted assets relating to the water mortgage revenue bonds at December 31, 2008, were as follows:

Restricted Assets Held by the Trustee

Mortgage Revenue Bond Current Debt Service	\$6,404
Mortgage Revenue Bond Reserve Fund	303,870

Pledged Revenues – In connection with the mortgage revenue bonds previously discussed, the City has pledged future customer revenues, net of specified operating expenses, to repay this debt. Pledged revenues of a given year may also include specified portions of cash balances carried over from the prior year. The bonds are payable, through their final maturities, solely from net revenues applicable to the respective water and sewer funds. The interest and principal remaining to be paid on these bonds is \$320,161,131.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

Ohio Public Works Commission Loans

The City assumed two Ohio Public Works Commission (OPWC) loans previously held by Union County as part of an asset purchase agreement for the sewer lines and lift stations south of the City limits. These loans were originally twenty year, zero percent interest loans borrowed by Union County in 1994 and 1995 to provide sewage system improvements and replacements as follows:

1994	Jerome Industrial Park Sanitary Sewer Replacement	\$ 39,200
1995	Kimberly Woods Wastewater Treatment Plant Replacement	\$ 119,340

The City assumed the January 1, 2006 balance on the loans with the same payment terms (0% interest) and the following principal balances:

2006	Jerome Industrial Park Sanitary Sewer Replacement	\$ 16,660
2006	Kimberly Woods Wastewater Treatment Plant Replacement	\$ 56,687

The City's overall legal debt margin was \$22,695,602 at December 31, 2008.

Principal and interest requirements to retire general obligation bonds, and mortgage revenue bonds at December 31, 2008, were as follows:

Year	Governmental-Type Activities General Obligation Bonds				Business-Type Activities General Obligation Bonds	
	2000 Various Improvement		2007 Various Purpose Refunding		2004 Various Improvement Refunding	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	445,000	45,750	30,000	276,550	410,000	63,840
2010	470,000	23,500	30,000	275,350	420,000	51,540
2011	0	0	520,000	274,150	435,000	38,310
2012	0	0	540,000	253,350	325,000	23,955
2013	0	0	570,000	231,750	340,000	12,580
2014-2018	0	0	3,195,000	799,150	0	0
2019-2020	0	0	1,485,000	112,250	0	0
Totals	<u>\$915,000</u>	<u>\$69,250</u>	<u>\$6,370,000</u>	<u>\$2,222,550</u>	<u>\$1,930,000</u>	<u>\$190,225</u>

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

Year	2002 Water System Mortgage Revenue Improvement		2003 Water System Mortgage Revenue Refunding		2007 Water System Mortgage Revenue Improvement	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	155,000	145,360	435,000	291,018	65,000	982,831
2010	165,000	138,695	450,000	279,056	75,000	980,394
2011	170,000	131,435	465,000	265,106	100,000	977,581
2012	180,000	123,870	480,000	249,994	110,000	973,831
2013	185,000	115,590	495,000	233,193	125,000	969,706
2014-2018	1,075,000	434,848	2,825,000	813,428	895,000	4,758,895
2019-2023	1,064,583	138,725	2,029,373	179,211	2,390,000	4,502,745
2024-2028	0	0	0	0	4,540,000	3,700,057
2029-2033	0	0	0	0	5,755,000	2,486,375
2034-2038	0	0	0	0	7,230,000	1,004,850
Totals	<u>\$2,994,583</u>	<u>\$1,228,523</u>	<u>\$7,179,373</u>	<u>\$2,311,006</u>	<u>\$21,285,000</u>	<u>\$21,337,265</u>

Year	2006 Sewer System Mortgage Revenue Improvement		2007 Sewer System Mortgage Revenue Improvement	
	Principal	Interest	Principal	Interest
2009	240,000	4,133,625	0	1,473,497
2010	250,000	4,124,025	0	1,473,498
2011	710,000	4,114,025	0	1,473,497
2012	765,000	4,087,400	315,000	1,473,498
2013	985,000	4,058,713	330,000	1,460,897
2014-2018	5,690,000	19,516,765	1,850,000	7,096,488
2019-2023	7,205,000	18,005,202	2,255,000	6,693,857
2024-2028	9,265,000	15,943,514	2,770,000	6,180,363
2029-2033	11,850,000	13,352,690	3,480,000	5,464,125
2034-2038	15,125,000	10,085,615	4,445,000	4,502,375
2039-2043	19,120,000	6,084,514	5,640,000	3,315,262
2044-2047	14,011,922	1,330,951	10,470,000	1,609,063
Totals	<u>\$85,216,922</u>	<u>\$104,837,039</u>	<u>\$31,555,000</u>	<u>\$42,216,420</u>

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

Year	2006	
	Ohio Public Works	
	Commission	Loans
	Principal	
2009	7,927	
2010	7,927	
2011	7,927	
2012	7,927	
2013	7,927	
2014-2015	9,931	
Totals	<u>\$49,566</u>	

**NOTE 17 – SHORT TERM OBLIGATION**

A summary of the short-term note transactions for the Debt Service Fund for the year ended December 31, 2008 follows:

Types / Issues	Balance 12/31/07	Issued	Retired	Balance 12/31/08
2008 Street Improvement Notes	\$0	\$800,000	\$0	\$800,000

On March 6, 2008, the City issued 2.00 % Street Improvement Bond Anticipation Notes, Series 2008, in the amount of \$2,000,000. These notes were issued to repay the 2007 Street Improvement Notes of \$1,800,000 and the 2007 Street Improvement Notes of \$1,000,000 to finance various street improvements. On March 5, 2009, the City paid \$800,000 against the note and refinanced \$1,200,000 into a new bond. Therefore, the \$2,000,000 liability outstanding at December 31, 2008 is split with \$1,200,000 presented as a long-term liability and \$800,000 presented as a fund liability in the financial statements. The activity related to the long-term obligation portion of the bond anticipation note is presented in Note 16.

**NOTE 18 - CAPITAL LEASES - LESSEE DISCLOSURE**

The City has entered into capitalized leases for equipment. The leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. New capital leases are reflected in the accounts "Capital Outlay" and "Inception of Capital Lease" in the funds making the lease payments. Capital lease payments are reflected as debt service expenditures on the Statement of Revenues, Expenditures, and Changes in Fund Balance for the governmental funds. Capital lease payments are reflected as a reduction of the liability for the enterprise funds. Assets, consisting of equipment, have been capitalized, in the amount of \$64,714 in the governmental funds and \$13,934 in the enterprise funds. These amounts represent the present value of the minimum lease payments at the time of acquisition. Principal payments in 2008 were \$14,363 and \$3,627, in governmental and enterprise funds, respectively.

	Governmental Activities	Business-Type Activities
Property under Capital Lease	\$64,714	\$13,934
Less Accumulated Depreciation	(48,754)	(13,663)
Total December 31, 2008	<u>\$15,960</u>	<u>\$271</u>

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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**NOTE 18 - CAPITAL LEASES - LESSEE DISCLOSURE (Continued)**

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2008.

<u>Year</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2009	11,941	274
2010	7,624	0
Total	19,565	274
Less Amount Representing Interest	(757)	(3)
Present Value of Net Minimum Lease Payments	<u>\$18,808</u>	<u>\$271</u>

**NOTE 19 - JOINTLY GOVERNED ORGANIZATIONS**

Marysville/Union County Joint Recreation District

The Marysville/Union County Joint Recreation District (the District) is a jointly governed organization involving the City of Marysville, Union County, and Paris Township. The District was established for acquiring, developing, operating, and maintaining a sports complex and bicycle/walking trail in Union County. The District's Board of Trustees consists of seven members, three appointed by the Mayor of Marysville, three appointed by the County Commissioners, and one appointed by the Paris Township Board of Trustees.

Union County Community Improvement Corporation

The Union County Community Improvement Corporation (the Corporation), a non-profit corporation, was established to assist in the financing of economic and industrial development in Union County. It is the responsibility of the Corporation to provide building, zoning, and land controls for the County, townships, and municipal corporations. The Board of Trustees consists of not less than three nor more than twenty-five trustees as such number is fixed by the members from time to time. Two-fifths of the Board of Trustees are composed of appointed or elected officers of such political subdivisions. The Corporation can issue its own debt and is not fiscally dependent on the City. The City of Marysville does not have an ongoing financial interest and/or responsibility with this organization.

Mid-Ohio Regional Planning Commission

The City is a participant in the Mid-Ohio Regional Planning Commission (MORPC), a jointly governed organization. MORPC is composed of 74 representatives appointed by member governments who make up the commission, the policy-making body of MORPC, and the oversight board. MORPC is a voluntary association of local governments in central and south-central Ohio and a regional planning agency whose membership includes 42 political subdivisions in and around Franklin, Ross, Fayette, Delaware, Pickaway, Madison, Licking, and Fairfield counties, Ohio. The purpose of the organization is to improve the quality of life for member communities by improving housing conditions, to promote and support livability/sustainability measures as a means of addressing regional growth challenges, and to administer and facilitate the availability of regional environmental infrastructure program funding to the full advantage of MORPC's members.

Marysville/Union County Port Authority

The Marysville/Union County Port Authority (the Authority) is a jointly governed organization involving the City of Marysville and Union County. The Authority was established to enhance, foster, aid, provide or promote transportation, economic development, housing, recreation, education, governmental operations, culture, research, and the creation and preservation of jobs and employment opportunities in Union County. The Authority's Board of Trustees consists of seven members, three appointed by the Mayor of Marysville with the advice and consent of City Council, three appointed by the County Commissioners, and one appointed by the Mayor of Marysville with the advice and consent of the City Council and the County Commissioners.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

**NOTE 20 - CONTINGENT LIABILITIES**

The City is party to legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. The City management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

For the period January 1, 2008, to December 31, 2008, the City received 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 City believes such disallowances, if any, would be immaterial.

**NOTE 21 - SUBSEQUENT EVENTS**

On January 23, 2009, the City issued bond anticipation notes, in the amount of \$3,490,000 to retire notes previously issued, in the amount of \$3,615,000 for the acquisition of water lines, sewer lines, pumping stations, and related equipment from Union County, Ohio. The notes have an interest rate of 2.75 percent and mature on January 22, 2010.

On March 5, 2009, the City issued general obligation bond anticipation notes, in the amount of \$1,200,000, to retire notes previously issued, in the amount of \$2,000,000 for various street resurfacing projects. The notes have an interest rate of 2.75 percent and mature on March 4, 2010.

On June 3, 2009, the City issued wastewater improvement bond anticipation notes, in the amount of \$24,750,000, to retire notes previously issued, in the amount of \$24,750,000 for various wastewater improvement projects. The notes have an interest rate of 1.50 percent and mature on June 2, 2010.

On October 20, 2009, the City issued Tax Increment Financing (TIF) Notes in the amounts of \$7,005,000 and \$4,975,000, to retire notes previously issued, in the amounts of \$7,005,000 and \$5,075,000 respectively for TIF projects. The notes have interest rates of 3.0 percent and 3.5 percent respectively and mature on September 1, 2010.

**NOTE 22 – RESTATEMENT OF PRIOR YEAR NET ASSETS AND CHANGE IN ACCOUNTING PRINCIPLES**

**Restatement of Prior Year Net Assets**

Certain previously reported net assets have been restated to reflect correction of error related to capitalization of interest and interest earnings. These restatements had the following effect on previously reported net assets:

	Government- Type Activities	General Fund	Business-Type Activities	Sewer Fund	Water Fund
Net Assets/Fund Balance, December 31, 2007	\$30,606,051	\$6,148,311	\$ 39,598,270	\$18,494,071	\$ 19,518,216
Restatements:					
Capitalization of Interest			1,290,285	1,357,392	(67,107)
Interest Revenue	(3,489)	(3,489)	947,739	1,052,142	(104,403)
Net Assets/Fund Balance, Restated, January 1, 2008	\$30,602,562	\$6,144,822	\$ 41,836,294	\$20,903,605	\$19,346,706

CITY OF MARYSVILLE  
UNION COUNTY

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

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**NOTE 22 – RESTATEMENT OF PRIOR YEAR NET ASSETS AND CHANGE IN ACCOUNTING PRINCIPLES (Continued)**

Change in Accounting Principles

During 2008, the City has implemented *Governmental Accounting Standards Board (GASB) Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions"*, *GASB Statement No. 49, "Accounting and Financial Reporting for Pollution Remediation Obligations"*, and *GASB Statement No. 50, "Pension Disclosures"*.

*GASB Statement No. 45* improves the relevance and usefulness of financial reporting by requiring systematic, accrual-basis measurement and recognition of OPEB costs over a period that approximates employees' years of service and providing information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan. An OPEB liability at transition was determined in accordance with this Statement for both the OPERS and the OP&F postemployment healthcare plans in the amount of \$344,864 and \$242,152, respectively, which are the same as the previously reported liabilities.

*GASB Statement No. 49* provides guidance on how to calculate and report the costs and obligations associated with pollution cleanup efforts. The implementation of this statement did not result in any change to the financial statements.

*GASB Statement No. 50* requires employers contributing to defined benefit pension plans to include the legal or contractual maximum contribution rates in the notes to the financial statements. The implementation of this statement did not result in any change to the financial statements.

**NOTE 23 – ACCOUNTABILITY**

At December 31, 2008, the Debt Service Fund had a deficit fund balance of \$653,153. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.



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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**

City of Marysville  
Union County  
125 East Sixth Street  
Marysville, Ohio 43040

To the City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marysville, Union County, Ohio (the City) as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 16, 2009. 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*.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City'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 City's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the City's internal control over financial reporting.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City'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 City's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider findings 2008-001 and 2008-002 described in the accompanying schedule of findings to be significant deficiencies in internal control over financial reporting.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. We believe findings number 2008-001 and 2008-002 are also material weaknesses.

We also noted certain internal control matters that we reported to the City's management in a separate letter dated November 16, 2009.

### **Compliance and Other Matters**

As part of reasonably assuring whether the City'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*.

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

We intend this report solely for the information and use of the management and the City Council. 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

November 16, 2009

**CITY OF MARYSVILLE  
UNION COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2008**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2008-001**

**Bank Reconciliation - Significant Deficiency / Material Weakness**

Strong monitoring practices of City financial activities are the responsibility of the finance department and City Council and are essential to ensure proper financial reporting. A bank to book reconciliation should be performed monthly and reconciling items should be identified and adjusted at the time the reconciling item or error is discovered. Reconciliations should include all bank accounts and book balances. Additionally, the Finance Department and City Council should review the bank to book reconciliation and monthly financial reports of financial activity of the City to ensure reconciliations are accurate.

The City did not properly account for the cash basis value of investments in monthly bank to book reconciliations throughout the fiscal year and failed to properly recognize accrued interest and gains/losses on investments in addition to untimely posting of monthly investment earnings. These items resulted in required adjustments to the financial statements of \$496,934 including \$195,730 in prior period restatements (See Finding 2008-002).

We recommend the City perform bank to book reconciliations on a timely basis, ensuring the utilization of the proper cash basis value of all investments. In this process all reconciling items or errors should be identified and included on the face of the reconciliation. Postings of corrections should be made to the City's books in a timely basis. Any unreconciled balances should be researched in order to find the known source of the error.

**Officials' Response:**

The finance department of the City of Marysville (City) prides itself on providing accurate and timely financial information, including timely bank reconciliations. The department does in fact prepare a monthly cash reconciliation which is used to compare banking activity to the City's financial ledger activities.

The investment valuation issue described in paragraph two (2) above arose due primarily to the difference in reporting methods used by the City and by the depository. The City reported the investments utilizing a cash value. This value was calculated using the original investment amount (cash deposited) in the segregated accounts plus gross interest earnings reported by the depository less amounts withdrawn for contract payments. Accrued interest paid at the purchase of the investment was not netted against the gross interest earned while the investment was owned by the City. Conversely, the depository issued reports which detailed these investments at market value. This market value fluctuates monthly. The difference in reporting methods (cash versus market value) impacted the City's ability to effectively identify accrued interest and investment earnings.

The City's manner of accounting for these investments has been consistent since 2006 with no significant deficiencies noted in prior audits. However, the following steps have been implemented to address the items as identified in Finding 2008-001:

1. The Finance Department has reconciled each of the investment accounts to the depository balance and has made the required interest adjustments identified above.
2. The Finance Department performs a monthly comparison of the cash basis carrying amount of each investment account against the reported market value. The cash basis financial statements will not be adjusted for market fluctuations while the investment is held, but will be adjusted upon the sale or redemption of the individual investment.
3. The Finance Department will adjust the general purpose financial statements in the annual conversion process to ensure the reported investments are carried at market value as reported by the depository.

**CITY OF MARYSVILLE  
UNION COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2008  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2008-002**

**Financial Reporting – Significant Deficiency / Material Weakness**

Sound financial reporting is the responsibility of the City's Finance Department and the City Council and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

The City utilizes the SSI accounting system and currently has monitoring controls over daily cash-basis transactions entered into the system. At year-end the cash basis information from the accounting system is converted into the financial statements reported under Accounting Principles Generally Accepted in the United States of America. Accrual information is prepared by the City generated into financial statements.

The following audit adjustments / reclassifications / restatements were made to the financial statements and, where applicable, to the City's accounting records:

- Adjustment of Notes Payable to Non-Current / Long Term Liabilities Due in More Than One Year due to rollover of notes extending financing beyond one year for \$26,593,650 in the Sewer Fund, \$1,771,350 in the Water Fund, \$28,365,000 for Business Type Activities overall and \$1,200,000 for Governmental Type Activities. Additionally \$12,080,000 of Notes Payable were taken to Non-Current / Long Term Liabilities Due in Less Than One Year, associated with Tax Increment Financing Notes.
- \$800,000 of Notes Payable accrued to the Debt Service Fund as a short term liability, due to portion of the liability paid by the City and not refinanced beyond a year.
- Reclassification of \$283,032 of Payment in Lieu of Taxes revenue in the Sewer Fund from Charge for Service revenue.
- Reclassification of \$738,508 of Special Assessments Receivable to Payments in Lieu of Taxes Receivable in the Sewer Fund on the Enterprise Funds Statement of Net Assets.
- Adjustment to decrease Cash of and Cash Equivalents of \$496,934, including prior period restatement of \$195,730 due to unrecognized accrued interest and gains/losses on investments.
- Adjustment to increase Capital Assets of \$5,141,081, including prior period restatement of \$687,210, due to unrecognized capitalization of interest on enterprise capital assets.

The following aggregated differences/reclassifications were immaterial to the overall financial statements of the City and were not posted to the December 31, 2008 Statement of Net Assets and Statement of Activities:

**Governmental Activities:**

- Assets are overstated by \$43,991;
- Liabilities are understated by \$122,846;
- Equity is overstated by \$64,714;
- Revenue are understated by \$265;
- Expenses are understated by \$102,358.

**CITY OF MARYSVILLE  
UNION COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2008  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
--

**FINDING NUMBER 2008-002 (Continued)**

Business-Type Activities:

- Assets are overstated by \$75,848;
- Liabilities are understated by \$836,252;
- Revenues are understated by \$42,883;
- Expenditures are understated by \$954,983.

The following aggregated differences/reclassifications were immaterial to the overall financial statements of the City and were not posted to the December 31, 2008 Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance:

General Fund:

- Assets are understated by \$265;
- Revenues are understated by \$265.

Other Governmental Funds:

- Liabilities are understated by \$122,846;
- Expenditures are understated by \$122,846.

The following aggregated differences/reclassifications were immaterial to the overall financial statements of the City and were not posted to the December 31, 2008 Statement of Net Assets and Statement of Revenues, Expenses, and Changes in Net Assets:

Sewer Fund:

- Assets are understated by \$73,673;
- Liabilities are understated by \$492,094;
- Revenues are understated by \$42,883;
- Expenses are understated by \$461,304.

Water Fund:

- Assets are overstated by \$149,521;
- Liabilities are understated by \$344,158;
- Expenses are understated by \$493,679.

Failure of controls over the posting of financial transactions and financial reporting can result in errors and irregularities that may go undetected and decreases the reliability of financial data throughout the year.

We recommend the City enhance or develop new policies and procedures to enhance its controls over recording of financial transactions and financial reporting to help ensure the information accurately reflects the activity of the City and thereby increases the reliability of the financial data throughout the year. We also recommend the City implement additional procedures over the completeness and accuracy of financial information reported within the annual financial report. Such procedures may include review of the financial statements and related components by a member of management with analytical comparisons of the current year annual report to the prior year reports for obvious errors or omissions.

**Officials' response:**

The City's finance department is committed to proper financial reporting and welcomes this opportunity to receive feedback that will continue to assure accurate financial reports prepared by the City. As identified above, six (6) audit adjustments/reclassifications/restatements were made to the financial statements and, where applicable, the City's accounting records. Regarding these six (6) items:

**CITY OF MARYSVILLE  
UNION COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2008  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
--

**FINDING NUMBER 2008-002 (Continued)**

**Officials' response (Continued):**

- It is important to note that items 1-4 were simply reclassification entries that changed the presentation of these amounts on the financial statements but did not change the total amounts reported in the financial statements.
- Of the two items that affected the amounts reported on the financial statements, we respectfully note the following:
  - The first adjustment is an investment valuation issue that has been described in response to Finding 2008-001 and was due primarily to the difference in reporting methods used by the City and by the depository. The City reported the investments utilizing a cash value. This value was calculated using the original investment amount (cash deposited) in the segregated accounts plus gross interest earnings reported by the depository less amounts withdrawn for contract payments. Accrued interest paid at the purchase of the investment was not netted against the gross interest earned while the investment was owned by the City. Conversely, the depository issued reports which detailed these investments at market value. This market value fluctuates monthly. The difference in reporting methods (cash versus market value) impacted the City's ability to effectively identify accrued interest and investment earnings. The City's manner of accounting for these investments has been consistent since 2006 with no significant deficiencies noted in prior audits.
  - The second adjustment was due to interest paid during the construction of utility projects which was booked as a period expense instead of being capitalized in the cost of the project and amortized over the useful life of the asset. Due to the amounts involved (\$5 million dollars over four (4) years on two (2) projects which totaled approximately \$144 million), the City did not consider the interest paid to be a significant cost of the project. It should also be noted that this practice had not been questioned nor identified as incorrect in audits covering the prior 3 accounting periods.
- Finally, it is also important to note that, while this recommendation addresses the reliability of financial reporting throughout the year, with one exception the identified items only impacted amounts converted from the City's cash basis accounting to accrual basis accounting after year-end and did not impact the City's financial reporting throughout the year.

The following steps have been implemented to address the items as identified in Finding 2008-002:

1. The finance department will review its monitoring controls over the conversion process to ensure the items reported in 2008 are not continuing weaknesses
2. The reclassification entries have been noted and the modifications identified by the Auditor of State will be incorporated in future reporting periods.
3. The Finance Department has reconciled each of the investment accounts to the depository balance and has made the required interest adjustments identified above.
4. The Finance Department performs a monthly comparison of the cash basis carrying amount of each investment account against the reported market value. The cash basis financial statements will not be adjusted for market fluctuations while the investment is held, but will be adjusted upon the sale or redemption of the individual investment.
5. The Finance Department will adjust the general purpose financial statements in the annual conversion process to ensure the reported investments are carried at market value as reported by the depository.

CITY OF MARYSVILLE  
UNION COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2008

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2007-001	Financial Reporting recommendation due to adjustments required to the financial statements.	No	Not Corrected – Reissued as 2008-002.







**Mary Taylor, CPA**  
Auditor of State

**CITY OF MARYSVILLE**

**UNION 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  
MARCH 11, 2010**



**Mary Taylor, CPA**  
Auditor of State



**CITY OF MARYSVILLE  
UNION COUNTY**

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**CITY OF MARYSVILLE  
UNION COUNTY**

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# Mary Taylor, CPA

## Auditor of State

### INDEPENDENT ACCOUNTANTS' REPORT

City of Marysville  
Union County  
125 East Sixth Street  
Marysville, Ohio 43040

To the City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Marysville, Union County, Ohio (the City), as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Marysville, Union County, Ohio, as of December 31, 2009 and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General and Coleman's Crossing TIF 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 September 24, 2010, on our consideration of the City'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 City's basic financial statements. The federal awards expenditure schedule is required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. We subjected the federal awards expenditure schedule 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.

A handwritten signature in black ink that reads "Mary Taylor". The script is cursive and fluid, with the first letter of each word being capitalized and prominent.

**Mary Taylor, CPA**  
Auditor of State

September 24, 2010



**CITY OF MARYSVILLE  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(UNAUDITED)**

---

The discussion and analysis of the City of Marysville's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2009. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

**Financial Highlights**

Key financial highlights for 2009 are as follows:

- In total, net assets increased \$6,701,923. Net assets of governmental activities decreased \$256,259, which represents a 0.85 percent decrease from 2008. Net assets of business-type activities increased \$6,958,182 or 14.08 percent from 2008.
- Total assets of governmental activities decreased \$1,102,664, which represents a 1.95 percent decrease from 2008. Total liabilities of governmental activities decreased \$846,405, or 3.24 percent. Both decreases are attributable to decreases in cash, debt activity, and borrowed resources for economic development and street infrastructure improvements.
- Total assets of business-type activities increased \$913,826 which represents a 0.38 percent increase from 2008. Total liabilities of business-type activities decreased \$6,044,056, or 3.20 percent. Both differences are attributable primarily to the continued construction costs of a new sanitary sewer plant, trunk interceptor sewer, and transmission lines from the existing plant as well as payments made on the outstanding debt for these capital improvement projects.
- In total, cash and cash equivalents decreased \$10,927,338 or 4.70 percent. Total cash and cash equivalents of governmental activities decreased \$885,272 or 11.16 percent, while cash and cash equivalents in business-type activities decreased \$10,042,066 or 21.5 percent. The decrease in governmental activities cash and cash equivalents was due to the expenditure of General Fund carryover cash balances to finance operations. The decrease in business type activities cash and cash equivalents was due to borrowed monies which were used in 2009 for capital improvement projects mentioned above.
- Overall, the book value of capital assets increased by \$10,632,442. Total capital assets from governmental activities decreased by \$59,943 or 0.14 percent. Capital assets from business-type activities increased by \$10,692,385 or 5.65 percent. These increases were due to increased investment in capital assets including construction in progress on the Water Reclamation Facility (wastewater treatment plant), trunk interceptor sewer, and wastewater treatment pump station as well as the construction of the new water reservoir, inflatable dam, and pump station.

**Using the Annual Financial Report**

This annual report consists of a series of financial statements and notes to the financial statements. These statements are organized so the reader can understand the City of Marysville as a financial whole or as an entire operating entity. The statements then proceed to provide a detailed look at specific financial conditions.

The statement of net assets and statement of activities provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what monies remain for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in a single column.

**CITY OF MARYSVILLE  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(UNAUDITED)**

---

**Reporting the City of Marysville as a Whole**

Statement of Net Assets and Statement of Activities

While this report contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2009?" The statement of net assets and the statement of activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting system used by private sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net assets and the changes in those assets. The change in net assets is important because it identifies whether the financial position of the City has improved or diminished for the City as a whole. However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of the City's capital assets will also need to be evaluated.

In the statement of net assets and the statement of activities, the City is divided into two types of activities:

- **Governmental Activities** - Most of the City's services are reported as governmental activities including police, fire, administration, and all departments with the exception of business-type activities (sanitation, wastewater treatment, water services, and storm-water management).
- **Business-Type Activities** - These services have a charge based upon usage. The City charges fees to recoup the cost of the entire operation of the Water Plant and Wastewater Treatment Plant as well as all capital expenses associated with these facilities. The City also charges fees to recoup the cost of disposal of solid waste, leaf and brush removal and also a fee to provide for improvements to the City's storm-water removal system.

**Reporting the City of Marysville's Most Significant Funds**

Fund Financial Statements

Fund financial statements provide detailed information about the City's major funds. Based on restrictions on the use of monies, the City has established many funds which account for the multitude of services provided to our residents; however, fund financial statements focus on the City's most significant funds. The City of Marysville's major funds are the General Fund, the Coleman's Crossing TIF Fund, and the Sewer and Water enterprise funds.

**Governmental Funds** - Most of the City's activities are reported in governmental funds, which focus on how monies flow into and out of those funds and the year-end balances available for spending in the future periods. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general governmental operations and the basic services provided. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future on services provided to residents. The relationships between governmental activities reported in the statement of net assets and the statement of activities and the governmental fund statements are reconciled in the financial statements.

**Enterprise Funds** - When the City charges customers for the services it provides, these services are generally reported in enterprise funds. Enterprise funds use the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

**CITY OF MARYSVILLE  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(UNAUDITED)**

**The City of Marysville as a Whole**

The statement of net assets reviews the City as a whole. The following table is a summary of the City's net assets for 2009 and 2008.

Net Assets  
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
<b>Assets</b>						
Current and Other Assets	\$12,593.7	\$13,636.5	\$39,156.7	\$48,935.0	\$51,750.4	\$62,571.5
Capital Assets, Net	42,706.7	42,766.6	200,018.1	189,325.7	242,724.8	232,092.3
Total Assets	55,300.4	56,403.1	239,174.8	233,227.2	294,475.2	294,663.8
<b>Liabilities</b>						
Current and Other Liabilities	3,989.2	4,495.2	2,848.4	7,428.3	6,837.6	11,923.5
Long-Term Liabilities						
Due within One Year	1,207.6	13,157.0	1,605.3	1,511.4	2,812.9	14,668.4
Due in More Than One Year	20,103.8	8,494.8	178,351.5	179,909.6	198,455.3	188,404.4
Total Liabilities	25,300.6	26,147.0	182,805.2	188,849.3	208,105.8	214,996.3
<b>Net Assets</b>						
Invested in Capital Assets						
Net of Related Debt	22,141.2	21,116.9	22,937.9	30,514.1	45,079.1	51,631.0
Restricted for:						
Capital Projects	212.4	611.5	0.0	0.0	212.4	611.5
Debt Service	341.9	199.0	0.0	0.0	341.9	199.0
Other Purposes	2,774.6	3,198.2	0.0	0.0	2,774.6	3,198.2
Sewer Reserve	0.0	0.0	0.0	0.0	0.0	0.0
Sewer Replacement and Improvement	0.0	0.0	76.2	16,441.3	76.2	16,441.3
Water Replacement and Improvement	0.0	0.0	6,704.9	16,235.3	6,704.9	16,235.3
Unrestricted	4,529.8	5,130.5	26,650.5	(13,779.4)	31,180.3	(8,648.9)
Total Net Assets	\$29,999.9	\$30,256.1	\$56,369.5	\$49,411.3	\$86,369.4	\$79,667.5

Total governmental activity assets decreased \$1,102,664. Equity in pooled cash and cash equivalents for governmental activities decreased \$885,272. The decrease in cash and equivalents was a result of reduced income tax receipts and interest earnings due to the downturn in the national and local economies. While the City posted an overall increase in income tax receipts, the increase was lower than initially anticipated.

Total assets of the City's business type activities increased \$889,413. The largest increases were in Capital Assets \$10,692,385 with a corresponding decrease in Cash and Cash Equivalents \$10,042,066 as the City continued construction on various capital improvement projects (Water Reclamation Facility (wastewater treatment plant), pump station, and transmission lines).

**CITY OF MARYSVILLE  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(UNAUDITED)**

Table 2 shows the changes in net assets for the year ended December 31, 2009.

(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$1,790.0	\$1,704.4	\$16,170.4	\$15,559.3	\$17,960.4	\$17,263.7
Operating Grants, Contributions, and Interest	1,010.4	1,355.9	6.9	0.0	1,017.3	1,364.7
Capital Grants and Contributions	1,427.0	465.6	1,386.2	3,612.3	2,813.2	4,077.9
General Revenues						
Property Taxes	1,874.7	1,890.0	0.0	0.0	1,874.7	1,890.0
Municipal Income Taxes	8,347.0	8,286.8	0.0	0.0	8,347.0	8,286.8
Payments in Lieu of Taxes	1,022.1	823.1	982.1	1,021.5	2,004.2	1,844.6
Grants and Entitlements	724.5	702.0	0.0	0.0	724.5	702.0
Other	841.0	892.7	0.0	0	841.0	892.7
<b>Total Revenues</b>	<b>17,036.7</b>	<b>16,120.5</b>	<b>18,545.6</b>	<b>20,201.9</b>	<b>35,582.3</b>	<b>36,322.4</b>
<b>Program Expenses</b>						
General Government	2,890.6	2,802.3	0.0	0.0	2,890.6	2,802.3
Security of Persons and Property						
Police	3,806.3	3,550.3	0.0	0.0	3,806.3	3,550.3
Fire	3,848.9	3,345.9	0.0	0.0	3,848.9	3,345.9
Other	576.6	926.8	0.0	0.0	576.6	926.8
Public Health Services	533.7	516.1	0.0	0.0	533.7	516.1
Leisure Time Activities	357.5	340.3	0.0	0.0	357.5	340.3
Transportation	2,937.7	3,146.7	0.0	0.0	2,937.7	3,146.7
Community Environment	1,592.2	995.3	0.0	0.0	1,592.2	995.3
Interest and Fiscal Charges	882.4	843.2	0.0	0.0	882.4	843.2
Sanitation	0.0	0.0	1,244.2	1,139.3	1,244.2	1,139.3
Sewer	0.0	0.0	5,109.9	6,766.6	5,109.9	6,766.6
Water	0.0	0.0	4,636.2	4,169.1	4,636.2	4,169.1
Stormwater	0.0	0.0	464.1	551.9	464.1	551.9
<b>Total Expenses</b>	<b>17,425.9</b>	<b>16,466.9</b>	<b>11,454.4</b>	<b>12,626.9</b>	<b>28,880.3</b>	<b>29,093.8</b>
 Increase (Decrease) in Net Assets before Transfers	 (389.2)	 (346.4)	 7,091.2	 7,575.0	 6,702.0	 7,228.6
 Transfers	 133.0	 0.0	 (133.0)	 0.0	 0.0	 0.0
 Increase (Decrease) in Net Assets	 (256.2)	 (346.4)	 6,958.2	 7,575.0	 6,702.0	 7,228.6
 Net Assets Beginning of Year	 30,256.1	 30,602.6	 49,411.3	 41,836.3	 79,667.4	 72,438.9
 Net Assets End of Year	 \$29,999.9	 \$30,256.1	 \$56,369.5	 \$49,411.3	 \$86,369.4	 \$79,667.5

**CITY OF MARYSVILLE  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(UNAUDITED)**

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**Governmental Activities**

Several revenue sources fund governmental activities, with income taxes generally being the biggest contributor. The income tax rate of 1 percent was enacted in 1968. The income tax revenue for 2009 (accrual basis) was approximately \$8.35 million. General revenues from grants and entitlements, such as local government funds, are also a large revenue generator. With the combination of property tax, income tax and intergovernmental receipts comprising approximately 85 percent of all general revenues in the governmental activities, the City monitors each of these revenue sources very closely for fluctuations.

The City has historically experienced an increase in income tax collections of approximately 8 percent per year (cash receipts). Even in this difficult economic time, on a cash basis, the City's income tax receipts increased approximately \$68,000 (0.82%) between 2009 and 2008. On an accrual basis the City's income tax receipts increased \$60,239 (0.73%) between 2009 and 2008.

Security of Persons and Property is the primary governmental activity of the City, comprising approximately 47% of total governmental expenditures. General government (16.6%) and transportation (16.9%) are additional significant governmental activities of the City.

Although the City has worked diligently to increase its income tax base, it still continues to strive to provide better service at a lower cost. The ability of the City to continue to provide quality services without income tax increases rests on City management's ability to keep these costs in line.

**Business-Type Activities**

The City's business-type activities are its sanitation, sewer, water, and storm-water departments. The water and wastewater treatment plants provide services to a resident base in excess of 18,000. The City also provides wastewater treatment for the Village of Milford Center and several small unincorporated areas outside the City limits. The wastewater treatment plant generated operating revenues of \$7,590,941 and had operating expenses of \$4,470,601. The water plant generated operating revenues of \$6,827,003 and had operating expenses of \$4,120,475. The City's goal is to cover the costs of operations as well as building a cash balance in these funds equivalent to one-third of the department's annual operating budget. The City is also generating funds for additional capital expansion to ensure continued capacity and capacity improvements for future growth and development.

**The City's Funds**

The City's governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds on the modified accrual basis of accounting had total revenues and other financing sources of \$32,517,501 and expenditures and other financing uses of \$32,984,911.

The General Fund had a net change in fund balance of (\$476,677) due primarily to transfers out of \$2,302,557 to primarily finance debt payments and capital improvements.

The Coleman's Crossing TIF Fund had a net change in fund balance of \$198,837 respectively due to rollovers of Tax Increment Financing notes.

The Sewer and Water funds had increases in net assets of \$4,608,264 and \$2,156,434 respectively due primarily to the continued construction costs of a new sanitary sewer plant, trunk interceptor sewer, and transmission lines from the existing plant as well as payments made on the outstanding debt for these capital improvement projects.

**CITY OF MARYSVILLE  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(UNAUDITED)**

**General Fund Budgeting Highlights**

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During the course of 2009, the City amended its General Fund budget numerous times. All recommendations for a budget change come from the City Finance Director to City Council for review and approval. With the General Fund supporting many of the major activities such as the City's police and fire departments, as well as most general government activities, the General Fund is monitored closely to prevent possible revenue shortfalls or overspending by individual departments.

For the General Fund, original and final budgeted revenues were \$14,688,827. Original budgeted expenditures were \$16,171,390 and final budgeted expenditures were \$16,235,716, which were increased primarily to account for increases in health care costs.

**Capital Assets and Debt Administration**

**Capital Assets**

Capital Assets at December 31, 2009  
(Net of Depreciation, in Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$1,272.9	\$1,272.9	\$4,142.2	\$4,142.2	\$5,415.1	\$5,415.1
Buildings	1,840.1	1,941.0	4,816.1	5,048.3	6,656.2	6,989.3
Improvements Other than Buildings	986.1	964.7	23,437.3	5,128.6	24,423.4	6,093.3
Computers and Computer Equipment	141.4	181.0	8.2	6.4	149.6	187.4
Furniture and Equipment	541.4	607.4	756.1	735.6	1,297.5	1,343.0
Vehicles	1,629.0	1,608.1	705.5	699.7	2,334.5	2,307.8
Infrastructure						
Bridges	112.1	116.0	0.0	0.0	112.1	116.0
Roads	20,219.9	21,524.4	0.0	0.0	20,219.9	21,524.4
Storm Sewer	1,987.9	2,061.2	0.0	0.0	1,987.9	2,061.2
Sewer Lines	0.0	0.0	9,028.4	9,393.7	9,028.4	9,393.7
Water Lines	0.0	0.0	15,274.7	15,681.9	15,274.7	15,681.9
Other	6,876.5	7,077.1	0.0	0.0	6,876.5	7,077.1
Construction in Progress	7,099.4	5,412.8	141,849.6	148,489.3	148,949.0	153,902.1
<b>Totals</b>	<b>\$42,706.7</b>	<b>\$42,766.6</b>	<b>\$200,018.1</b>	<b>\$189,325.7</b>	<b>\$242,724.8</b>	<b>\$232,092.3</b>

**CITY OF MARYSVILLE  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(UNAUDITED)**

**Capital Assets and Debt Administration (Continued)**

The decrease noted in governmental funds was due primarily to depreciation expense, reduced funding for capital improvements and the completion of construction projects tied to economic development. The increase seen in the business-type activities is due to construction costs for improvements in the sewer and water funds. During 2009 construction continued on a new wastewater treatment facility as well as completion of construction of an up-ground reservoir, dam, and pumping station. The City's new wastewater treatment facility, sewer transmission lines, force main, and pump station were completed and became operational by April 1, 2009 although these contracts are still in progress at December 31, 2009 for completion of change orders and "punch-list" items. For more information on the City's capital assets, see Note 9 to the basic financial statements.

**Debt**

At December 31, 2009, the City of Marysville had approximately \$201.2 million in bonds, notes, leases, and compensated absences outstanding, \$2.81 million of which was due within one year.

Outstanding Debt at December 31, 2009  
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Notes	\$12,980.0	\$14,080.0	\$28,240.0	\$28,365.0	\$41,220	\$42,445.0
General Obligation Bonds	7,054.2	7,550.9	1,523.3	1,934.1	8,577.5	9,485.0
Mortgage Revenue Bonds	0.0	0.0	149,860.5	150,827.4	149,860.5	150,827.4
OPWC Loans	0.0	0.0	41.6	49.6	41.6	49.6
Compensated Absences and Capital Leases	1,277.2	820.9	291.3	244.9	1,568.5	1,065.8
Total	<u>\$21,311.4</u>	<u>\$22,451.8</u>	<u>\$179,956.7</u>	<u>\$181,421.0</u>	<u>\$201,268.1</u>	<u>\$203,872.8</u>

The general obligation bonds supported by governmental activities were for multiple City improvements financed with bond anticipation notes during the late 1990s. Many of these projects were for the extension of infrastructure and services to the large annexation of land in 1998. These monies were also used to refurbish several City streets (Grove Street, Raymond Road) and for the construction of the Public Service Center. These bonds will be repaid by the general operating revenues (income and property taxes) of the City.

The general obligation bonds supported by business-type activities were for plant expansion and renovation of the water and sewer utilities. The mortgage revenue bonds were issued primarily for (1) refinancing the purchase of the water treatment plant, vehicles, and related infrastructure from the Ohio Water Company in 1991, (2) refinancing the expansion of the wastewater treatment plant in 1992, (3) infrastructure expansion required by the large annexation of land in 1998, and (4) construction of a Water Reclamation Facility and trunk sewer in 2006 through 2009. These bonds are paid by water and sewer revenues collected from the City's utility customers for provision of water for consumption and wastewater treatment.

The City's legal debt margin was \$21,762,147 at December 31, 2009.

**CITY OF MARYSVILLE  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(UNAUDITED)**

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For more information on the City's debt obligations, see Notes 16 and 17 to the basic financial statements.

**The Future**

The City of Marysville continues to work diligently to increase revenues and decrease costs to put the City on more stable footing. Between 1990 and 2000, the City of Marysville grew from a community of 9,500 to a community approaching 16,000 residents and the growth has continued with current population estimates showing the City in excess of 18,000 residents.

The City has made a commitment not to borrow additional monies for assets with a short useful life. As funding becomes available the City plans to add a second fire station, construct a justice center to house the Police Division and Municipal Court, and to refurbish the existing buildings for the remaining City departments.

The City has worked hard to refinance the debt load and roll short-term notes into favorable interest rate notes. This move from short-term debt to long-term bonds will reduce the volatility often experienced with reissuing short-term notes at varying interest rates and also commits the City to making scheduled principal payments. This will ensure we begin the process of repaying the City's obligations.

In conclusion, the City of Marysville has committed itself to financial excellence in the coming years. Our commitment to the residents of the City of Marysville should always be full disclosure of the financial position of the City.

**Contacting the City's Finance Department**

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the City's finances and to reflect the City's accountability for the monies it receives. Questions about this report or additional financial information needs should be directed to Jenny Chavarria, City Finance Director, 125 East Sixth Street, Marysville, Ohio, 43040, (937) 642-6015, or e-mail at [jchavarria@marysvilleohio.org](mailto:jchavarria@marysvilleohio.org).



**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF NET ASSETS  
DECEMBER 31, 2009**

	Governmental Activities	Business-Type Activities	Total
<b><u>Assets</u></b>			
Equity in Pooled Cash and Cash Equivalents	\$ 7,047,665	\$ 24,295,770	\$ 31,343,435
Investments	-	3,607,122	3,607,122
Property Taxes Receivable	1,518,196	-	1,518,196
Municipal Income Taxes Receivable	1,526,030	-	1,526,030
Accounts Receivable	305,624	1,402,240	1,707,864
Payments in Lieu of Taxes Receivable	1,070,244	1,062,418	2,132,662
Special Assessments Receivable	184,702	-	184,702
Interest Receivable	5	320	325
Due from Other Governments	883,006	-	883,006
Prepaid Items	58,278	123,315	181,593
Restricted Assets: Equity in Pooled cash and cash equivalents	-	4,221,355	4,221,355
Restricted Assets: Cash and Cash Equivalents with Fiscal Agent	-	4,444,145	4,444,145
Land	1,272,981	4,142,235	5,415,216
Construction in Progress	7,099,412	141,849,628	148,949,040
Depreciable Capital Assets, Net	34,334,308	54,026,232	88,360,540
<b>Total Assets</b>	<b>55,300,451</b>	<b>239,174,780</b>	<b>294,475,231</b>
<b><u>Liabilities</u></b>			
Accrued Wages Payable	177,196	55,111	232,307
Accounts Payable	121,751	408,920	530,671
Contracts Payable	348,922	784,748	1,133,670
Due to Other Governments	381,972	54,051	436,023
Accrued Interest Payable	170,959	785,829	956,788
Notes Payable	200,000	-	200,000
Retainage Payable	109,050	759,825	868,875
Deferred Revenue	2,479,333	-	2,479,333
Long-Term Liabilities:			
Due Within One Year	1,207,565	1,605,289	2,812,854
Due in More than One Year	20,103,823	178,351,484	198,455,307
<b>Total Liabilities</b>	<b>25,300,571</b>	<b>182,805,257</b>	<b>208,105,828</b>
<b><u>Net Assets</u></b>			
Invested in Capital Assets, Net of Related Debt	22,141,194	22,937,908	45,079,102
Restricted for:			
Capital Projects	212,355	-	212,355
Debt Service	341,942	-	341,942
Other Purposes	2,774,620	-	2,774,620
Sewer Replacement and Improvement	-	76,255	76,255
Water Replacement and Improvement	-	6,704,888	6,704,888
Unrestricted	4,529,769	26,650,472	31,180,241
<b>Total Net Assets</b>	<b>\$ 29,999,880</b>	<b>\$ 56,369,523</b>	<b>\$ 86,369,403</b>

See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Program Revenues					Net (Expense) Revenue and Change in Net Assets	
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants Contributions and Interest	Governmental Activities	Business-Type Activities	Total
<u>Governmental Activities</u>							
General Government	\$ 2,890,567	\$ 1,991	\$ -	\$ -	\$ (2,888,576)	\$ -	\$ (2,888,576)
Security of Persons and Property:							
Police	3,806,296	10,044	87,345	-	(3,708,907)	-	(3,708,907)
Fire	3,848,940	802,193	39,946	-	(3,006,801)	-	(3,006,801)
Other	576,603	714,518	56,287	-	194,202	-	194,202
Public Health Services	533,704	62,362	-	-	(471,342)	-	(471,342)
Leisure Time Activities	357,477	119,681	-	-	(237,796)	-	(237,796)
Transportation	2,937,757	79,235	806,465	-	(2,052,057)	-	(2,052,057)
Community Environment	1,592,190	-	20,357	1,427,027	(144,806)	-	(144,806)
Interest and Fiscal Charges	882,409	-	-	-	(882,409)	-	(882,409)
Total Governmental Activities	17,425,943	1,790,024	1,010,400	1,427,027	(13,198,492)	-	(13,198,492)
<u>Business-Type Activities</u>							
Sanitation	1,244,236	1,391,143	-	-	-	146,907	146,907
Sewer	5,109,903	7,458,511	-	1,360,816	-	3,709,424	3,709,424
Water	4,636,236	6,816,999	-	25,362	-	2,206,125	2,206,125
Stormwater Assessment	464,076	503,772	6,881	-	-	46,577	46,577
Total Business-Type Activities	11,454,451	16,170,425	6,881	1,386,178	-	6,109,033	6,109,033
Total	\$ 28,880,394	\$ 17,960,449	\$ 1,017,281	\$ 2,813,205	(13,198,492)	6,109,033	(7,089,459)
<u>General Revenues</u>							
Property Taxes Levied For:							
General Purposes					1,627,109	-	1,627,109
Police Pension					123,807		123,807
Fire Pension					123,807		123,807
Payments in Lieu of Taxes					1,022,086	982,141	2,004,227
Other Local Taxes					120,864	-	120,864
Municipal Income Taxes					8,347,026	-	8,347,026
Grants and Entitlements not Restricted to Specific Programs					724,478	-	724,478
Interest					142,515	-	142,515
Contributions and Donations					1,206	-	1,206
Other Revenues					576,343	-	576,343
Transfers					132,992	(132,992)	-
Total General Revenues and Transfers					12,942,233	849,149	13,791,382
Change in Net Assets					(256,259)	6,958,182	6,701,923
Net Assets Beginning of Year					30,256,139	49,411,341	79,667,480
Net Assets End of Year					\$ 29,999,880	\$ 56,369,523	\$ 86,369,403

See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2009**

	General Fund	Coleman's Crossing TIF Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 3,627,564	\$ 216,320	\$ 3,203,781	\$ 7,047,665
Receivables:				
Property Taxes	1,315,710	-	202,486	1,518,196
Municipal Income Taxes	1,526,030	-	-	1,526,030
Accounts	72,147	-	233,477	305,624
Payments in Lieu of Taxes	-	1,070,244	-	1,070,244
Special Assessments	835	-	183,867	184,702
Interest	-	-	5	5
Interfund Receivable	413,224	-	-	413,224
Due from Other Governments	294,739	-	588,267	883,006
Prepaid Items	35,157	-	23,121	58,278
<b>Total Assets</b>	<b>7,285,406</b>	<b>1,286,564</b>	<b>4,435,004</b>	<b>13,006,974</b>
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accounts Payable	49,860	-	71,891	121,751
Contracts Payable	-	-	348,922	348,922
Retainage Payable	-	-	109,050	109,050
Interfund Payable	-	-	413,224	413,224
Accrued Wages Payable	165,176	-	12,020	177,196
Due to Other Governments	368,438	-	13,534	381,972
Notes Payable	-	-	200,000	200,000
Deferred Revenue	2,164,887	1,070,244	873,959	4,109,090
<b>Total Liabilities</b>	<b>2,748,361</b>	<b>1,070,244</b>	<b>2,042,600</b>	<b>5,861,205</b>
<u>Fund Balance</u>				
Reserved for Encumbrances	172,544	-	830,005	1,002,549
Unreserved, Reported in:				
General Fund	4,364,501	-	-	4,364,501
Special Revenue Funds	-	216,320	1,483,536	1,699,856
Debt Service Fund	-	-	(44,723)	(44,723)
Capital Projects Funds	-	-	123,586	123,586
<b>Total Fund Balance</b>	<b>4,537,045</b>	<b>216,320</b>	<b>2,392,404</b>	<b>7,145,769</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 7,285,406</b>	<b>\$ 1,286,564</b>	<b>\$ 4,435,004</b>	<b>\$ 13,006,974</b>

See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2009**

Total Governmental Fund Balance	\$ 7,145,769
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Amounts reported for governmental activities in the statement of net assets are different due to:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	42,706,701
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Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:

Property Taxes	68,713	
Payment in Lieu of Taxes	40,869	
Municipal Income Taxes	612,871	
Charges for Services	147,433	
Special Assessments	183,867	
Intergovernmental Revenue	<u>576,004</u>	
Total		1,629,757

Long-term liabilities, including accrued interest payable and bonds and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds:

Accrued Interest Payable	(170,959)	
Notes Payable	(12,980,000)	
Compensated Absences Payable	(990,078)	
Capital Leases Payable	(287,113)	
General Obligation Bonds Payable	<u>(7,054,197)</u>	
Total		<u>(21,482,347)</u>

Net Assets of Governmental Activities	<u><u>\$ 29,999,880</u></u>
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See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES, AND CANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	General Fund	Coleman's Crossing TIF Fund	Other Governmental Funds	Total Governmental Funds
<u>Revenues</u>				
Property Taxes	\$ 1,621,210	\$ -	\$ 246,706	\$ 1,867,916
Other Local Taxes	120,864	-	-	120,864
Municipal Income Taxes	8,435,459	-	-	8,435,459
Payments in Lieu of Taxes	-	956,394	-	956,394
Charges for Services	523,435	-	592,534	1,115,969
Fees, Licenses, and Permits	352,397	-	10,469	362,866
Fines and Forfeitures	408,485	-	224,453	632,938
Intergovernmental	851,862	-	2,311,840	3,163,702
Interest	142,018	-	497	142,515
Contributions and Donations	750	-	-	750
Other Revenues	77,575	456	98,433	176,464
<b>Total Revenues</b>	<b>12,534,055</b>	<b>956,850</b>	<b>3,484,932</b>	<b>16,975,837</b>
<u>Expenditures</u>				
Current:				
General Government	2,441,499	-	113,940	2,555,439
Security of Persons and Property:				
Police	3,425,545	-	203,140	3,628,685
Fire	2,847,434	-	524,212	3,371,646
Other	747,600	-	35,072	782,672
Leisure Time Activities	144,179	-	131,889	276,068
Transportation	-	-	980,343	980,343
Public Health Services	511,593	-	210	511,803
Community Environment	538,742	239,768	781,614	1,560,124
Capital Outlay	20,650	-	2,285,976	2,306,626
Debt Service:				
Principal Retirement	53,875	12,080,000	1,675,000	13,808,875
Interest and Fiscal Charges	10,307	429,787	448,437	888,531
<b>Total Expenditures</b>	<b>10,741,424</b>	<b>12,749,555</b>	<b>7,179,833</b>	<b>30,670,812</b>
Excess of Revenues Over (Under) Expenditures	1,792,631	(11,792,705)	(3,694,901)	(13,694,975)
<u>Other Financing Sources (Uses)</u>				
Refunding Bond Anticipation Notes Issued	-	11,980,000	1,000,000	12,980,000
Proceeds from Sale of Fixed Assets	33,249	-	928	34,177
Premium on Issuance of Bond Anticipation Notes	-	-	80,396	80,396
Transfers In	-	11,542	2,435,549	2,447,091
Transfers Out	(2,302,557)	-	(11,542)	(2,314,099)
<b>Total Other Financing Sources (Uses)</b>	<b>(2,269,308)</b>	<b>11,991,542</b>	<b>3,505,331</b>	<b>13,227,565</b>
<b>Net Change in Fund Balance</b>	<b>(476,677)</b>	<b>198,837</b>	<b>(189,570)</b>	<b>(467,410)</b>
Fund Balance Beginning of Year (as restated)	5,013,722	17,483	2,581,974	7,613,179
<b>Fund Balance End of Year</b>	<b>\$ 4,537,045</b>	<b>\$ 216,320</b>	<b>\$ 2,392,404</b>	<b>\$ 7,145,769</b>

See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES  
DECEMBER 31, 2009**

Net Change in Fund Balance - Total Governmental Funds	\$	(467,410)
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*Amounts reported for governmental activities in the statement of activities are different due to:*

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.		(59,943)
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The issuance of long-term debt provides current financial resources to governmental funds, but in the Statement of Net Assets, the debt is reported as a liability:		
Capital Lease Additions		(322,180)

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

Intergovernmental Receivable	4,217	
Municipal Income Taxes Receivable	(88,433)	
Payments in Lieu of Taxes	40,869	
Property Taxes Receivable	6,807	
Charges for Services	12,763	
Miscellaneous Revenue	(6,300)	
Special Assessments Receivable	(23,641)	
		(53,718)

Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of activities.		13,808,875
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Note proceeds are other financing sources in the governmental funds, but the issuance increases the long-term liabilities in the statement of activities.		(12,980,000)
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In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(15,584)
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Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt in the statement of net assets.		
Bond Premium		21,706

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated Absences Payable		(188,005)

Change in Net Assets of Governmental Activities	\$	(256,259)
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See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (NON-GAAP BASIS) AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues</u>				
Property Taxes	\$ 1,792,798	\$ 1,792,798	\$ 1,621,210	\$ (171,588)
Other Local Taxes	145,000	145,000	118,309	(26,691)
Municipal Income Taxes	8,464,434	8,464,434	8,385,684	(78,750)
Charges for Services	1,797,690	1,797,690	1,488,155	(309,535)
Fees, Licenses, and Permits	314,348	314,348	328,593	14,245
Fines and Forfeitures	513,000	513,000	447,807	(65,193)
Intergovernmental	951,457	951,457	884,784	(66,673)
Interest	650,100	650,100	156,976	(493,124)
Contributions and Donations	10,000	10,000	750	(9,250)
Other Revenues	50,000	50,000	85,398	35,398
Total Revenues	14,688,827	14,688,827	13,517,666	(1,171,161)
<u>Expenditures</u>				
Current:				
General Government	4,577,259	4,735,545	4,261,137	474,408
Security of Persons and Property:				
Police	3,344,915	3,320,715	2,931,528	389,187
Fire	3,145,539	3,130,181	2,877,898	252,283
Other	725,466	705,245	650,639	54,606
Leisure Time Activities	174,189	173,689	146,141	27,548
Community Environment	655,168	649,388	565,839	83,549
Public Health Services	574,467	574,366	526,548	47,818
Total Expenditures	13,197,003	13,289,129	11,959,730	1,329,399
Excess of Revenues Over Expenditures	1,491,824	1,399,698	1,557,936	158,238
<u>Other Financing Sources (Uses)</u>				
Proceeds on Sale of Fixed Assets	-	-	33,249	33,249
Advances In	-	-	127,422	127,422
Transfers Out	(2,974,387)	(2,946,587)	(2,302,557)	644,030
Total Other Financing Sources (Uses)	(2,974,387)	(2,946,587)	(2,141,886)	804,701
Net Change in Fund Balance	(1,482,563)	(1,546,889)	(583,950)	962,939
Fund Balance Beginning of Year	3,906,509	3,906,509	3,906,509	-
Prior Year Encumbrances Appropriated	483,708	483,708	483,708	-
Fund Balance End of Year	\$ 2,907,654	\$ 2,843,328	\$ 3,806,267	\$ 962,939

See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (NON-GAAP BASIS) AND ACTUAL  
COLEMAN'S CROSSING TIF FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues</u>				
Payments in Lieu of Taxes	\$ 875,000	\$ 875,000	\$ 956,394	\$ 81,394
Total Revenues	875,000	875,000	956,394	81,394
<u>Expenditures</u>				
Debt Service:				
Other Debt Service	430,000	528,511	337,822	190,689
Principal Retirement	12,080,000	12,080,000	12,080,000	-
Interest and Fiscal Charges	332,105	332,105	331,277	828
Total Expenditures	12,842,105	12,940,616	12,749,099	191,517
Excess of Revenues Under Expenditures	(11,967,105)	(12,065,616)	(11,792,705)	272,911
<u>Other Financing Sources</u>				
Refunding Bond Anticipation Notes Issued	12,080,000	12,080,000	11,980,000	(100,000)
Transfers In	10,000	-	11,542	11,542
Total Other Financing Sources	12,090,000	12,080,000	11,991,542	(88,458)
Net Change in Fund Balance	122,895	14,384	198,837	184,453
Fund Balance Beginning of Year	17,483	17,483	17,483	-
Fund Balance End of Year	\$ 140,378	\$ 31,867	\$ 216,320	\$ 184,453

See Accompanying Notes to the Basic Financial Statements



**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF NET ASSETS  
ENTERPRISE FUNDS  
DECEMBER 31, 2009**

	Sewer	Water	Other Enterprise Funds	Total
<u>Assets</u>				
<u>Current Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 8,515,637	\$ 14,615,779	\$ 1,164,354	\$ 24,295,770
Investments	3,607,122	-	-	3,607,122
Accounts Receivable	641,121	599,716	161,403	1,402,240
Payments in Lieu of Taxes Receivable	1,062,418	-	-	1,062,418
Accrued Interest	2	318	-	320
Prepaid Items	56,148	64,977	2,190	123,315
Total Current Assets	13,882,448	15,280,790	1,327,947	30,491,185
<u>Restricted Assets</u>				
Equity in Pooled Cash and Cash Equivalents	24,713	4,196,642	-	4,221,355
Cash and Cash Equivalents with Fiscal Agents	4,140,215	303,930	-	4,444,145
Total Restricted Assets	4,164,928	4,500,572	-	8,665,500
<u>Non-Current Assets</u>				
Land	2,479,735	1,662,500	-	4,142,235
Construction in Progress	141,640,265	-	209,363	141,849,628
Depreciable Capital Assets, Net	16,836,853	36,759,482	429,897	54,026,232
Total Non-Current Assets	160,956,853	38,421,982	639,260	200,018,095
Total Assets	179,004,229	58,203,344	1,967,207	239,174,780
<u>Liabilities</u>				
<u>Current Liabilities</u>				
Accrued Wages Payable	24,397	23,746	6,968	55,111
Accounts Payable	168,225	87,703	152,992	408,920
Contracts Payable	434,948	278,077	71,723	784,748
Due to Other Governments	24,281	23,839	5,931	54,051
Retainage Payable	759,825	-	-	759,825
Accrued Interest Payable	646,412	139,417	-	785,829
Compensated Absences Payable	77,839	71,031	15,750	164,620
Ohio Public Works Commission Loan Payable	7,927	-	-	7,927
General Obligation Bonds Payable	214,533	206,282	-	420,815
Mortgage Revenue Bonds Payable	319,489	692,438	-	1,011,927
Total Current Liabilities	2,677,876	1,522,533	253,364	4,453,773
<u>Non-Current Liabilities</u>				
Notes Payable	26,529,900	1,710,100	-	28,240,000
Compensated Absences Payable	58,447	67,218	1,071	126,736
Ohio Public Works Commission Loans Payable	33,712	-	-	33,712
General Obligation Bonds Payable	372,265	730,182	-	1,102,447
Mortgage Revenue Bonds Payable	118,728,214	30,120,375	-	148,848,589
Total Non-Current Liabilities	145,722,538	32,627,875	1,071	178,351,484
Total Liabilities	148,400,414	34,150,408	254,435	182,805,257
<u>Net Assets</u>				
Invested in Capital Assets, Net of Related Debt	14,827,697	7,470,951	639,260	22,937,908
Restricted for:				
Sewer Replacement and Improvement	76,255	-	-	76,255
Water Replacement and Improvement	-	6,704,888	-	6,704,888
Unrestricted (Deficit)	15,699,863	9,877,097	1,073,512	26,650,472
Total Net Assets	\$ 30,603,815	\$ 24,052,936	\$ 1,712,772	\$ 56,369,523

See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Sewer	Water	Other Enterprise Funds	Total
<u>Operating Revenues</u>				
Charges for Services	\$ 6,843,549	\$ 6,260,088	\$ 1,838,768	\$ 14,942,405
Tap-In Fees	614,451	523,159	-	1,137,610
Other Revenues	132,941	43,756	63,028	239,725
Total Operating Revenues	7,590,941	6,827,003	1,901,796	16,319,740
<u>Operating Expenses</u>				
Personal Services	1,369,994	1,327,915	386,857	3,084,766
Contractual Services	1,457,713	722,643	1,064,098	3,244,454
Materials and Supplies	586,445	991,958	105,009	1,683,412
Other Expenses	288,223	88,238	74,303	450,764
Depreciation	768,226	989,971	78,045	1,836,242
Total Operating Expenses	4,470,601	4,120,725	1,708,312	10,299,638
Operating Income	3,120,340	2,706,278	193,484	6,020,102
<u>Non-Operating Revenues (Expenses)</u>				
Interest Revenue	469,035	15,358	-	484,393
Payments in Lieu of Taxes	982,141	-	-	982,141
Interest Expense	(639,302)	(515,511)	-	(1,154,813)
Total Non-Operating Revenues (Expenses)	811,874	(500,153)	-	311,721
Income before Capital Contributions and Transfers	3,932,214	2,206,125	193,484	6,331,823
Capital Contributions	759,351	-	-	759,351
Transfers Out	(83,301)	(49,691)	-	(132,992)
Change in Net Assets	4,608,264	2,156,434	193,484	6,958,182
Net Assets Beginning of Year	25,995,551	21,896,502	1,519,288	49,411,341
Net Assets End of Year	\$ 30,603,815	\$ 24,052,936	\$ 1,712,772	\$ 56,369,523

See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF CASH FLOWS  
ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Sewer	Water	Other Enterprise Funds	Total
Increases (Decreases) in Cash and Cash Equivalents				
<u>Cash Flows from Operating Activities</u>				
Cash Received from Customers	\$ 6,881,436	\$ 6,205,868	\$ 1,818,115	\$ 14,905,419
Cash Received from Tap In Fees	614,451	523,159	0	1,137,610
Cash Received from Other Revenues	-	32,243	63,028	95,271
Cash Payments for Personal Services	(1,342,183)	(1,330,525)	(383,857)	(3,056,565)
Cash Payments to Suppliers	(1,860,278)	(1,649,908)	(1,032,244)	(4,542,430)
Cash Payments for Other Expenses	(278,657)	(89,751)	(74,446)	(442,854)
Net Cash Provided by Operating Activities	4,014,769	3,691,086	390,596	8,096,451
<u>Cash Flows from Noncapital Financing Activities</u>				
Transfers Out to Other Funds	(83,301)	(49,691)	-	(132,992)
Net Cash Used for Noncapital Financing Activities	(83,301)	(49,691)	-	(132,992)
<u>Cash Flows from Capital and Related Financing Activities</u>				
Principal Paid on General Obligation Bonds	(185,525)	(224,475)	-	(410,000)
Interest Paid on General Obligation Bonds	(28,888)	(34,952)	-	(63,840)
Principal Paid on Mortgage Revenue Bonds	(240,000)	(655,000)	-	(895,000)
Interest Paid on Mortgage Revenue Bonds	(5,594,451)	(1,410,261)	-	(7,004,712)
Principal Paid on Bond Anticipation Notes	(26,598,229)	(1,766,770)	-	(28,364,999)
Interest Paid on Bond Anticipation Notes	(679,822)	(61,665)	-	(741,487)
Principal Paid on OPWC Loans	(7,927)	-	-	(7,927)
Proceeds from US Army Grant	759,351	-	-	759,351
Proceeds From Sale of Fixed Assets	511	-	-	511
Other Debt Expense	-	(121,250)	-	(121,250)
Bond Anticipation Notes Issued	26,529,900	1,710,100	-	28,240,000
Premium on Issuance of Debt	132,430	10,004	-	142,434
Debt Issuance Costs	(102,679)	(8,670)	-	(111,349)
Cash Received from Payment in Lieu of Taxes	658,231	-	-	658,231
Acquisition of Capital Assets	(6,167,357)	(4,211,365)	(150,702)	(10,529,424)
Net Cash Used for Capital and Related Financing Activities	(11,524,455)	(6,774,304)	(150,702)	(18,449,461)
<u>Cash Flows from Investing Activities</u>				
Interest	396,930	22,293	-	419,223
Purchase of Investments	(3,582,409)	-	-	(3,582,409)
Net Cash Provided by (Used for) Investing Activities	(3,185,479)	22,293	-	(3,163,186)
Net Increase (Decrease) in Cash and Cash Equivalents	(10,778,466)	(3,110,616)	239,894	(13,649,188)
Cash and Cash Equivalents Beginning of Year	23,459,031	22,226,967	924,460	46,610,458
Cash and Cash Equivalents End of Year	<u>\$ 12,680,565</u>	<u>\$ 19,116,351</u>	<u>\$ 1,164,354</u>	<u>\$ 32,961,270</u>
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</u>				
Operating Income	\$ 3,120,340	\$ 2,706,278	\$ 193,484	\$ 6,020,102
<u>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities</u>				
Depreciation	768,226	989,971	78,045	1,836,242
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	37,887	(54,220)	(20,653)	(36,986)
(Increase) Decrease in Prepaid Items	6,599	-	689	7,288
Increase (Decrease) in Accounts Payable	59,390	38,222	133,320	230,932
Increase (Decrease) in Contracts Payable	-	(6,137)	-	(6,137)
Increase (Decrease) in Accrued Wages Payable	2,524	3,200	1,422	7,146
Increase (Decrease) in Due to Other Governments	(110)	483	(1,623)	(1,250)
Increase (Decrease) in Compensated Absences Payable	19,913	13,289	5,912	39,114
Net Cash Provided by Operating Activities	<u>\$ 4,014,769</u>	<u>\$ 3,691,086</u>	<u>\$ 390,596</u>	<u>\$ 8,096,451</u>

See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUNDS  
DECEMBER 31, 2009**

	<u>Agency</u>
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$ 22,919
Cash and Cash Equivalents in Segregated Accounts	<u>167,109</u>
 Total Assets	 <u><u>190,028</u></u>
 <u>Liabilities:</u>	
Undistributed Assets	<u>190,028</u>
 Total Liabilities	 <u><u>\$ 190,028</u></u>

See Accompanying Notes to the Basic Financial Statements

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

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**NOTE 1 - REPORTING ENTITY**

The City of Marysville is a charter municipal corporation founded in 1837, with the charter adopted by the electors on December 1, 1960, and most recently updated on November 3, 2009. The City may exercise all powers of home rule granted under Article XVIII, Section 3 of the Ohio Constitution not in conflict with applicable general laws of Ohio.

The City operates under a council/mayor/administrator form of government. Services provided include general administration as well as police, fire, ambulance, municipal court, engineering, planning and zoning, street maintenance and repair, parks and recreation, a cemetery, and sanitation, sewer, water, and storm-water utilities.

**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 City consists of all funds, departments, boards, and agencies that are not legally separate from the City. For the City of Marysville, this includes the Marysville Municipal Court and all departments and activities that are directly operated by the elected City officials.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board; and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. There were no component units of the City of Marysville in 2009.

The City is associated with the Marysville/Union County Joint Recreation District, the Union County Community Improvement Corporation, the Mid-Ohio Regional Planning Commission and the Marysville/Union County Port Authority; each is a jointly governed organization. These organizations are more fully described in Note 19 to the basic financial statements.

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

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to generally accepted accounting principles (GAAP) as prescribed in the statements issued by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. The City 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 enterprise funds provided they do not conflict with or contradict GASB pronouncements. The City has elected not to apply FASB pronouncements issued after November 30, 1989 to its governmental and business-type activities and enterprise funds.

**A. Basis of Presentation**

The City'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.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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

**A. Basis of Presentation (Continued)**

**Government-Wide Financial Statements**

The statement of net assets and the statement of activities display information about the City 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 City 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 City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. 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 earned on grants that is required to be used to support a particular program. Revenues not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the City.

**Fund Financial Statements**

During the year, the City segregates transactions related to certain City 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 City 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. Non-major funds are aggregated and presented in a single column.

**B. Fund Accounting**

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

**Governmental Funds**

Governmental funds are those through which most governmental functions of the City 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 General Fund and Coleman's Crossing Tax Incremental Financing (TIF) Fund are the City'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 City for any purpose provided it is expended or transferred according to city charter and/or the general laws of Ohio.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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

**B. Fund Accounting (Continued)**

Coleman's Crossing TIF Fund - The Coleman's Crossing TIF Fund is a special revenue fund used to account for the debt proceeds used for and the payments in lieu of tax receipts realized by the development of the Coleman's Crossing area. These proceeds will be utilized to repay the debt issued for completion of this project.

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

**Proprietary Funds**

Proprietary funds focus on the changes in net assets, financial position, and cash flows. The City's proprietary funds are enterprise funds.

Enterprise Funds - 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 are the City's major enterprise funds:

Sewer Fund - The sewer fund accounts for the provision of wastewater collection and treatment service to residents and commercial users within the City service area.

Water Fund - The water fund accounts for the provision of water treatment and distribution to residential and commercial users within the City service area.

In addition, the City provides solid waste disposal service to residents and certain commercial users within the City. The City has also established a storm-water utility to provide resources for the improvement of the City's surface water drainage system. These utilities are accounted for in a Sanitation Fund and a Storm-Water Assessment Fund.

**Fiduciary Funds**

Fiduciary funds focus on net assets and changes in net assets. There are four categories of fiduciary funds: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are not available to support the City's own programs. The City did not have any trust funds in 2009. The City's agency funds, which account for fees charged by the law library, municipal court operations, and unclaimed funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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

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 City are included on the statement of net assets.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance 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. Therefore, governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

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

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; proprietary 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 Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On 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 City, available means expected to be received within sixty days after year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, payments in lieu of taxes, municipal income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes and payments in lieu of taxes are recognized in the year for which the taxes are levied. Revenue from municipal income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied.



**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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

D. Basis of Accounting (Continued)

Revenues - Exchange and Non-Exchange Transactions (Continued)

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 City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from a non-exchange transaction 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: municipal income taxes, charges for services, fines and forfeitures, state-levied locally shared taxes (including gasoline tax), grants, and interest.

Deferred Revenues

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

Property taxes and payments in lieu of taxes for which there was an enforceable legal claim at December 31, 2009, but were levied to finance 2010 operations, have been recorded as deferred revenue. Municipal income taxes and 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 also reflected as deferred revenue.

Expenses/Expenditures

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

E. Budgets

An annual appropriated budget is legally required to be prepared for all funds of the City, other than agency funds. City Council passes appropriations at the department/object level. City Council must approve any budget revisions that alter the appropriations at the legal level of budgetary control. The following procedures are used by the City in establishing the budgetary data reported in the basic financial statements.

Tax Budget

Unless specifically waived by the County Budget Commission, a budget of estimated revenues and expenditures for all funds, other than agency funds, is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. If the requirement to file this tax budget is waived by the County Budget Commission, other financial documentation may be requested for review of the City's financial status.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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

**E. Budgets (Continued)**

**Estimated Resources**

The County Budget Commission reviews estimated revenues and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The County Budget Commission certifies its actions to the City by October 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered balances from the preceding year. The certificate of estimated resources may be further amended during the year if the Finance Director determines, and the County Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported in the budgetary statements as "original" represent the amounts in the amended official certificate of estimated resources in place at the time original appropriations were adopted. The amounts reported in the budgetary statements as "final" reflect the amounts in the final amended official certificate of estimated resources issued during 2009.

**Appropriations**

A temporary appropriations ordinance to control expenditures may be passed on or about January 1 of each year, for the period January 1 to March 31. An annual appropriations ordinance must be passed by April 1 of each year, for the period January 1 to December 31. The appropriations ordinance may be supplemented during the year, by City Council action, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. During the year, numerous supplemental appropriations ordinances were passed by City Council. The amounts reported as the original budgeted amounts in the statement of budgetary comparisons reflect the first appropriated budget that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts in the statement of budgetary comparisons represent the final appropriation amounts passed during the year, including all amendments and modifications.

**Lapsing of Appropriations**

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding year and are not re-appropriated.

**Encumbrances**

As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the fund financial statements, encumbrances outstanding at year-end are reported as a reservation of fund balance for subsequent-year expenditures of governmental funds. A reserve for encumbrances is not reported on the government-wide or proprietary financial statements.

**F. Cash and Investments**

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

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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

**F. Cash and Investments (Continued)**

Cash and cash equivalents that are held separately within departments of the City, and not included in the City Treasury, are recorded as "Cash and Cash Equivalents in Segregated Accounts".

The City utilizes financial institutions as trustees to service its mortgage revenue bonded debt as principal and interest payments come due. Money held by trustees is invested in mutual funds and is presented as "Cash and Cash Equivalents with Fiscal Agents".

Investments are reported at fair value. Fair value is based on quoted market prices. 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, 2009.

Interest earnings are allocated to City funds according to State statutes, grant requirements, or debt related restrictions. Interest revenue credited to the General Fund during 2009 was \$142,018, which includes \$126,396 assigned from other City funds.

For purposes of the statement of cash flows and for presentation on the balance sheet/statement of net assets, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents.

**G. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2009, are recorded as prepaid items using the consumption method. This includes recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

**H. Restricted Assets**

Restricted assets should be reported when restrictions on asset use change the nature or normal understanding of the availability of the asset. Restricted assets represent certain resources segregated from other resources of the City to comply with various covenants established by bond financing agreements. These assets are generally held in separate accounts of the City or by a trustee. The various covenants place restrictions on the use of these resources, require minimum balances to be maintained in certain accounts, and establish annual amounts to be accumulated for specific purposes. Restricted assets also represent cash held as retainage for contractors.

**I. Capital Assets**

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

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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

I. Capital Assets (Continued)

All capital assets are capitalized at cost (or estimated historical 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 City maintains a capitalization threshold of one thousand dollars (\$1,000). The City's infrastructure consists of streets, bridges, storm and sanitary sewer lines, and water lines. Improvements are capitalized. Interest incurred during the construction of fund capital assets is also capitalized.

All capital assets are depreciated, except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacements. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings	40 years	40 years
Improvements Other Than Buildings	15 years	15 years
Computers and Computer Equipment	5 to 10 years	5 to 10 years
Furniture and Equipment	5 to 10 years	5 to 10 years
Vehicles	5 to 10 years	10 years
Infrastructure	40 years	40 years

J. Inter-fund Receivables/Payables

On the fund financial statements, receivables and payables resulting from short-term inter-fund loans are classified as "Inter-fund Receivables/Payables". Inter-fund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net assets. The only inter-fund balances which remain on the government-wide statement of net assets are those between governmental and business-type activities. These amounts are reflected 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 City will compensate the employees for the benefits through paid time off or some other means. The City 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 City 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 City's termination policy. The City records a liability for accumulated unused sick leave for all employees with ten or more years of service with the City.

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

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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

**K. Compensated Absences (Continued)**

On the fund financial statements for governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using available expendable resources. These amounts are recorded in the account "Compensated Absences Payable" in the fund from which the employees who have accumulated unpaid leave are paid. The non-current portion of the liability is not reported. For enterprise funds, the entire amount of compensated absences is reported as a fund liability.

**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 funds 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, contractually required pension contributions and 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. Notes, capital leases, and bonds are recognized as liabilities on the fund financial statements when due.

**M. Fund Balance Reserves**

The City 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. Encumbrances are recorded as a reservation of fund balance.

**N. 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 the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The City'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.

Restricted for other purposes represents balances of state and federal grants in special revenue funds.

The City's water enterprise fund has restricted net assets relative to those resources necessary to comply with various covenants of bond financing agreements.

Of the City's restricted net assets of \$10,110,060, \$0 was restricted by enabling legislation.

**O. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the City, these revenues are charges for services for sanitation, sewer, water, and storm-water utility services. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund.

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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

**P. Capital Contributions**

Contributions of capital in the enterprise fund financial statements arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction.

**Q. Inter-fund Transactions**

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as inter-fund transfers. Inter-fund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in enterprise funds. 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. Neither of these types of transactions occurred during 2009.

**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 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance 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 and major Special Revenue Funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

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).

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

**NOTE 3 - BUDGETARY BASIS OF ACCOUNTING (Continued)**

The adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General and major Special Revenue Funds are as follows:

	Net Changes in Fund Balance	
	General Fund	Coleman's Crossing TIF Fund
GAAP Basis	(\$476,677)	\$198,837
<u>Increases (Decreases) Due To</u>		
Revenue Accruals	1,111,033	0
Expenditure Accruals	(983,786)	0
Encumbrances Outstanding At Year-End (Budget Basis)	(234,520)	0
Budget Basis	<u>(\$583,950)</u>	<u>\$198,837</u>

**NOTE 4 - DEPOSITS AND INVESTMENTS**

State statutes classify monies held by the City into three categories.

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts, including passbook accounts.

Protection of the City'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 Finance Director by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be deposited or invested in the following securities:

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;

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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**NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)**

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;
5. 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; and
6. The State Treasurer's investment pool (STAR Ohio).

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State as to which there is no default of principal, interest, or coupons; and
3. Obligations of the City.

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 City, 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.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements".

**Cash on Hand**

At year-end, the City had \$3,144 in undeposited cash on hand which is included on the statement of net assets as part of "Equity in Pooled Cash and Cash Equivalents"



**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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**NOTE 4 - DEPOSITS AND INVESTMENTS** (Continued)

Deposits

At year-end, the carrying amount of the City's deposits was \$3,324,256 and the bank balance was \$3,589,820. Of the bank balance, \$3,518,675 was covered by federal depository insurance. The remaining balance of \$71,145 was collateralized with securities held in single financial institution collateral pools in the name of the respective depository bank and pledged as a pool of collateral against all of the public moneys it holds.

	Carrying/Fair Value	Weighted Average Maturity (Years)
Mutual Funds	19,044,335	N/A
Negotiable Certificates of Deposit	2,976,730	1-3 years
Federal Home Loan Bank	502,970	1-3 years
Federal Farm Credit Bank	756,253	1-3 years
Federal Home Loan Mortgage Corporation	1,327,101	1-3 years
Federal National Mortgage Association	2,001,015	1-3 years
STAR Ohio	9,278,449	N/A
Total	<u>\$35,886,853</u>	

Interest rate risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City limits its investments to mutual funds, negotiable CD's, U.S. Government Agency Securities and STAR Ohio. Investments in U.S. Government Agency Securities and negotiable certificates of deposit were rated AAA by Standard and Poor's. Investments in STAR Ohio were rated AAAM by Standard & Poor's. Mutual funds were not rated.

Concentration of credit risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment policy allows investments in money market accounts, certificates of deposit or within financial institutions within the State of Ohio as designated by the Federal Reserve Board. The City has invested 12.8% of its investments in U.S. Government Securities, 53.1% in mutual funds, 25.9% in STAR Ohio, and 8.3% in negotiable certificates of deposit.

Custodial credit risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. For deposits, custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a policy for custodial credit risk.

All of the City's investments are either insured and registered in the name of the City or at least registered in the name of the City.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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**NOTE 5 - PROPERTY TAXES**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Real property tax revenues received in 2009 represent the collection of 2008 taxes. For 2009, real property taxes were levied after October 1, 2008, on the assessed values as of January 1, 2008, the lien date. These taxes will be collected in and are intended to finance 2010 operations. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. All property is required to be revalued every six years. The last revaluation was completed in 2007. Real property taxes are payable annually or semiannually. The first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes for 2009 were levied after October 1, 2009, on the assessed values as of December 31, 2008. These taxes will be collected in and are intended to finance 2010 operations. Public utility real property is assessed at 35 percent of true value; tangible personal property is currently assessed at varying percentages of true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

Tangible personal property tax revenues received in 2009 (other than public utility property) represent the collection of 2009 taxes. For 2009, tangible personal property taxes were levied after October 1, 2008, on the true value as of December 31, 2007. Tangible personal property is currently assessed at 25 percent of true value. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or 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, including the City of Marysville. The County Auditor periodically remits to the City its portion of the taxes collected. Accrued property taxes receivable represents delinquent taxes outstanding and real property, public utility property, and tangible personal property taxes which were measurable as of December 31, 2009, and for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31 and are not intended to finance 2009 operations.

The full tax rate for all City operations for the year ended December 31, 2009, was \$4.50 per \$1,000 of assessed value. The assessed values of real, public utility, and tangible personal property upon which 2009 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Estate	
Agricultural/Residential	\$ 271,629,000
Commercial/Industrial	115,234,370
Public Utility Real	34,520
Public Utility Personal	8,777,510
Total Assessed Value	<u>\$ 395,675,400</u>

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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**NOTE 6 - MUNICIPAL INCOME TAXES**

The City levies an income tax of 1 percent on all income earned within the City as well as on incomes of residents earned outside the City. Prior to January 1, 2005, the City allowed a credit of up to 50 percent of the tax paid to another municipality, not to exceed the amount owed for incomes of residents earned outside the City. Effective January 1, 2005 this credit was repealed making the tax owed by all residents of the City a full 1% of earned income. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City on a monthly or quarterly basis depending on the amount being withheld. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. Income tax revenues and expenditures for collecting, administering, and enforcing the tax are recorded in the General Fund. Filing is required and returns are due by April 15.

**NOTE 7 - RECEIVABLES**

Receivables at December 31, 2009, consisted of interest; taxes; payments in lieu of taxes, accounts (billings for user charged services, including unbilled utility services); special assessments; and intergovernmental receivables arising from grants, entitlements, and shared revenues. All receivables are considered fully collectible.

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
General Fund	
State of Ohio – Homestead and Rollback	\$82,617
Local Government Assistance	182,853
Estate Tax/Liquor Permits	<u>29,269</u>
Total General Fund	<u>294,739</u>
Nonmajor Special Revenue Funds	
Police Pension – State of Ohio	
State of Ohio	6,308
Fire Pension	
State of Ohio	6,308
Street Construction and Repair	
Gas Tax	192,319
Motor Vehicle License Tax	232,176
Mandatory Drug Fine	
Marysville Municipal Court/Union County	600
DUI Alcohol Education and Enforcement	
Marysville Municipal Court/Union County	148
State Highway Improvement	
Gas Tax	16,101
Motor Vehicle License Tax	18,825
Security of Persons and Property Fund	
Marysville Municipal Court	38,404
Marysville Exempted Village Schools - School Resource Officer	18,084

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

**NOTE 7 – RECEIVABLES (Continued)**

Court Computer Research	
Marysville Municipal Court/Union County	2,218
Court Computerization	
Marysville Municipal Court/Union County	2,216
Court Special Projects	
Marysville Municipal Court/Union County	4,902
Court Probation Fine	
Marysville Municipal Court/Union County	2,458
Municipal Court Local Interlock Fund	
Marysville Municipal Court/Union County	1,910
Municipal Court Local Interlock	
Marysville Municipal Court/Union County	1,290
CDBG Formula Grant	
State of Ohio	44,000
Total Nonmajor Special Revenue Funds	<u>588,267</u>
Total Governmental Activities	<u>\$883,006</u>
Total All Funds	<u>\$883,006</u>

**NOTE 8 – INTER-FUND TRANSFERS**

Inter-fund transfers for the year ended December 31, 2009 consisted of the following:

	Transfer From				
	General Fund	Coleman's Crossing TIF Fund	Other Governmental Funds	Sewer Fund	Water Fund
Transfer To					
Coleman's Crossing TIF Fund	0	0	11,542	0	0
Other Governmental Funds	<u>2,302,557</u>	<u>0</u>	<u>0</u>	<u>83,301</u>	<u>49,691</u>

Transfers were made from the General Fund to provide funds for operating and debt retirement purposes. Transfers were made from the Sewer and Water Funds to the Job Readiness Site Fund to pay a portion of the engineering fees related to the installation of sewer and water lines for that project.

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

**NOTE 9 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2009, was as follows:

	Balance at 12/31/2008	Additions	Reductions	Balance at 12/31/2009
Governmental Activities				
Nondepreciable Capital Assets				
Land	\$1,272,981	\$0	\$0	\$1,272,981
Construction in Progress	5,412,757	1,766,103	(79,448)	7,099,412
Subtotal	<u>6,685,738</u>	<u>1,766,103</u>	<u>(79,448)</u>	<u>8,372,393</u>
Depreciable Capital Assets				
Buildings	3,650,834	0	0	3,650,834
Improvements Other Than Buildings	2,125,655	143,082	0	2,268,737
Computers and Computer Equipment	326,032	15,919	0	341,951
Furniture and Equipment	1,312,033	62,040	(15,444)	1,358,629
Vehicles	3,664,058	343,691	0	4,007,749
Infrastructure				
Bridges	157,288	0	0	157,288
Roads	66,177,690	317,148	0	66,494,838
Storm Sewers	2,932,297	0	0	2,932,297
Other	8,022,722	0	0	8,022,722
Subtotal	<u>88,368,609</u>	<u>881,880</u>	<u>(15,444)</u>	<u>89,235,045</u>
Less: Accumulated Depreciation				
Buildings	(1,709,885)	(100,865)	0	(1,810,750)
Improvements Other Than Buildings	(1,160,963)	(121,719)	0	(1,282,682)
Computers and Computer Equipment	(145,008)	(55,575)	0	(200,583)
Furniture and Equipment	(704,654)	(128,066)	15,444	(817,276)
Vehicles	(2,055,951)	(322,799)	0	(2,378,750)
Infrastructure				
Bridges	(41,287)	(3,932)	0	(45,219)
Roads	(44,653,244)	(1,621,647)	0	(46,274,891)
Storm Sewers	(871,062)	(73,307)	0	(944,369)
Other	(945,649)	(200,568)	0	(1,146,217)
Total Accumulated Depreciation	<u>(52,287,703)</u>	<u>(2,628,478)</u>	<u>15,444</u>	<u>(54,900,737)</u>
Total Depreciable Capital Assets, Net	<u>36,080,906</u>	<u>(1,746,598)</u>	<u>(0)</u>	<u>34,334,308</u>
Governmental Activities Capital Assets, Net	<u>\$42,766,644</u>	<u>\$19,505</u>	<u>(\$79,448)</u>	<u>\$42,706,701</u>

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

**NOTE 9 - CAPITAL ASSETS (Continued)**

Depreciation expense was charged to governmental programs as follows:

General Government	\$301,574
Security of Persons and Property	
Police	126,934
Fire	180,446
Other	5,844
Public Health	19,747
Transportation	1,884,192
Community Environment	28,332
Leisure Time Activities	81,409
Total Depreciation Expense	<u>\$2,628,478</u>

	Balance at 12/31/2008	Additions	Reductions	Balance at 12/31/2009
Business-Type Activities				
Land	\$4,142,235	\$0	\$0	\$4,142,235
Construction in Progress	148,489,316	7,552,204	(14,191,892)	141,849,628
Subtotal	152,631,551	7,552,204	(14,191,892)	145,991,863
Depreciable Capital Assets				
Buildings	9,757,973	0	0	9,757,973
Improvements Other Than Buildings	5,607,501	18,699,437	0	24,306,938
Computers and Computer Equipment	113,571	4,678	0	118,249
Furniture and Equipment	1,403,809	144,854	(12,340)	1,536,323
Vehicles	1,433,416	126,676	0	1,560,092
Infrastructure				
Sewer Lines	15,015,983	0	0	15,015,983
Water Lines	23,874,904	192,670	0	24,067,574
Subtotal	57,207,157	19,168,315	(12,340)	76,363,132
Less: Accumulated Depreciation				
Buildings	(4,709,593)	(232,330)	0	(4,941,923)
Improvements Other Than Buildings	(478,899)	(390,704)	0	(869,603)
Computers and Computer Equipment	(107,202)	(2,815)	0	(110,017)
Furniture and Equipment	(668,252)	(124,322)	12,340	(780,234)
Vehicles	(733,749)	(120,835)	0	(854,584)
Infrastructure				
Sewer Lines	(5,622,282)	(365,341)	0	(5,987,623)
Water Lines	(8,193,021)	(599,894)	0	(8,792,915)
Total Accumulated Depreciation	(20,512,998)	(1,836,241)	12,340	(22,336,899)
Total Depreciable Capital Assets, Net	36,694,159	17,332,074	0	54,026,233
Business-Type Activities Capital Assets, Net	<u>\$189,325,710</u>	<u>\$24,884,278</u>	<u>(\$14,191,892)</u>	<u>\$200,018,096</u>

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

**NOTE 9 - CAPITAL ASSETS (Continued)**

In accordance with Financial Accounting Standards Board Statement No. 62, the City capitalizes the net effect of interest expense and related interest revenue on the portion of the tax-exempt debt issued from the Sewer and Water Funds. Interest costs in fiscal year 2009 were \$5,866,488 for the Sewer Fund and \$982,831 for the Water Fund, of which \$5,566,346 and \$970,782 respectively, has been capitalized. Interest costs not capitalized are expensed.

**NOTE 10 - RESTRICTED NET ASSETS**

The following amounts, which are reflected on the statement of net assets, are restricted for various purposes.

	Governmental Activities	Business- Type Activities
<u>Assets:</u>		
Equity in Pooled Cash and Cash Equivalents	\$3,006,877	\$4,221,355
Cash and Cash Equivalents with Fiscal Agent	0	4,444,145
Accounts Receivable	233,477	0
Due From Other Governments	588,267	0
Accrued Interest	5	0
Prepaid Items	23,121	0
Property Taxes Receivable	202,486	0
Payments in Lieu of Taxes Receivable	1,070,244	0
Special Assessments Receivable	183,867	0
Total Restricted Assets	5,308,344	8,665,500
Less Liabilities Payable from Restricted Assets	1,979,427	1,884,357
Restricted Net Assets	<u>\$3,328,917</u>	<u>\$6,781,143</u>

**NOTE 11 - RISK MANAGEMENT**

The City 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. During 2009, the City contracted for the following insurance coverage:

Type of Coverage	Coverage Limit	Deductible
Buildings	\$ 84,291,086	\$ 5,000
Miscellaneous Property	2,383,356	500
Employee Benefit Liability	1,000,000	1,000
Wrongful Acts	3,000,000	1,000
Law Enforcement	3,000,000	2,000
Automobile Liability	3,000,000	-
Electronic Data Processing	25,000 – 263,899	500
Pollution Liability Benefits	250,000	-

Settled claims have not exceeded this commercial coverage in any of the past three years, and there has not been any significant reduction in coverage from the prior year.

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

**NOTE 12 - CONTRACTUAL COMMITMENTS**

At December 31, 2009, the City had contractual commitments as follows:

Company	Project	Amount Remaining on Contract
Beheler Excavating	Industrial Parkway Sewer Extension Project	\$ 1,065,209
Burgess & Niple	Engineering Services – New Water Treatment Facility and Distribution Improvements	\$ 3,897,905
CT Consultants	Road Widening	5,997
CT Consultants	Waterline Project	1,088
Demmy Construction	Southwest Trunk Sewer Phase I	240,793
DLZ	Engineering Services – Trunk Sewer, Pump Station Elimination, South-West Trunk Sewer	1,645,922
George J. Igel and Company	Sewer Force Main	90,960
Jacobs Engineering Group	Comprehensive Plan Update	24,093
Kirk Brothers	Crosses Run Pump Station	50,023
Kokosing Construction	Water Reclamation Facility and Effluent Line	312,665
Malcolm Pirnie	Engineering Services – Water Reclamation Facility	19,828
ME Companies	Industrial Parkway/Columbus Ave Culvert Replacement	37,270
Nickolas Savco & Sons, Inc.	Collins Avenue Pavement Rehabilitation	96,771
Ohio Technical Services	CHIP Construction Grants	3,987
Pomante Construction	CHIP Construction Grants	14,000
Pomeroy & Associates	Storm Detention Project Design	308,768
Printz Plumbing	CDBG Tier II Grant	4,113
RDW Group	CHIP Construction Grants	3,728
Roberts Roofing Co	CDBG Tier II Grant	17,500
Strawser Paving	East 8 <sup>th</sup> Street Paving and 2008 Pavement Maintenance	171,468
Super Excavators, Inc.	Trunk Interceptor Sewer	376,265
Tom's Construction	North Main Street Sewer Improvement Project	498,688
Union Rural Electric	Natural Gas Service to the Job Readiness Site	389,189



**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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**NOTE 13 - DEFINED BENEFIT PENSION PLANS**

**A. Ohio Public Employees Retirement System**

The City contributes to the Ohio Public Employees Retirement System (the "System"). The System administers three separate pension plans: the Traditional Pension Plan (TP) – a cost-sharing multiple-employer defined benefit pension plan; the Member-Directed Plan (MD) – a defined contribution plan; and the Combined Plan (CO) – a cost-sharing multiple employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

Authority to establish and amend benefits is established by Chapter 145 of the Ohio Revised Code. The System issues a stand-alone publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Ohio Public Employees Retirement System, Attn: Finance Director, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (800) 222-7377.

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations and the City is required to contribute 14 percent; 7 percent was the portion used to fund pension obligations for the period January 1 through March 31, 2009 and 8.5% was the portion used to fund pension obligations for the period April 1 through December 31, 2009. Contributions are authorized by State statute. The contribution rates are determined actuarially. The City's contributions to the System for the years ended December 31, 2009, 2008, and 2007 were \$693,430, \$689,728, and \$643,465 respectively; 92.13 percent has been contributed for 2009 and 100 percent has been contributed for 2008 and 2007. The unpaid contribution for 2009, in the amount of \$54,569, is recorded as a liability.

**B. Ohio Police and Fire Pension Fund**

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Plan members are required to contribute 10 percent of their annual covered salary, while employers are required to contribute 19.5 percent for police officers and 24 percent for firefighters. The City's contributions to OP&F for the years ended December 31, 2009, 2008, and 2007 were \$821,013, \$780,249, and \$726,838 respectively; 79.3 percent has been contributed for 2009 and 100 percent has been contributed for 2008 and 2007. The unpaid contribution for 2009, in the amount of \$214,396, is recorded as a liability.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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**NOTE 14 - POSTEMPLOYMENT BENEFITS**

**A. Ohio Public Employees Retirement System**

The Ohio Public Employees Retirement System (the "System") maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program, and Medicare Part B premium reimbursement to qualifying members of both the Traditional and Combined Plans (age and service retirees with ten or more years of qualifying Ohio service credit enrolled in the Traditional or Combined Plans). Members of the Member-Defined Plan do not qualify for ancillary benefits, including post-employment health care coverage.

Health care coverage for disability benefit and qualified survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45. A portion of each employer's contribution to the System is set aside for the funding of postretirement health care based on authority granted by State statute. The 2009 employer contribution rate for local government employers was 14 percent of covered payroll; 7 percent was the portion used to fund health care for the period January 1 through March 31, 2009 and 5.5% was the portion used to fund health care for the period April 1 through December 31, 2009. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

OPEB are advance funded on an actuarially determined basis using the individual entry age actuarial cost method. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. Significant actuarial assumptions include a rate of return on investments of 6.5 percent, an annual increase in active employee total payroll of 4 percent compounded annually, and an additional increase in total payroll of .50 percent to 6.3 percent based on additional pay increases. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 0.50 percent to 3 percent for the next 6 years. In subsequent years (7 and beyond) health care costs were assumed to increase at 4 percent annually.

OPEB are financed through employer contributions and investment earnings. At December 31, 2009, the total number of active contributing participants in the Traditional and Combined Plans was 357,584. The number of active contributing participants for both plans used in the December 31, 2008 actuarial valuation was 356,388. As of December 31, 2008, the latest information available, the actuarial value of net assets available for future OPEB payments was \$10.7 billion. The actuarially accrued liability and the unfunded actuarial liability were \$29.6 billion and \$18.9 billion, respectively. The City's actual contributions for 2009 which were used to fund OPEB were \$291,336.

On September 9, 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 skyrocketing health care costs. Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses.

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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**NOTE 14 - POSTEMPLOYMENT BENEFITS (Continued)**

**B. Ohio Police and Fire Pension Fund**

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing multiple employer defined postemployment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents. An eligible dependent child is any child under the age of eighteen, whether or not the child is attending school, or under the age of twenty-two if attending school full-time or on a two-thirds basis.

The health care coverage provided by the retirement system is considered an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide healthcare coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code. The Ohio Revised Code provides that health care costs paid from the funds of OP&F shall be included in the employer's contribution rate. The total police employer contribution rate was 19.5 percent of covered payroll and the firefighter employer contribution rate was 24 percent of covered payroll.

Health care funding and accounting is on a pay-as-you-go basis. A percentage of covered payroll, as defined by the Board, is used to pay retiree health care expenses. The Board defined allocation was 6.75% of covered payroll in 2009 and 6.75% of covered payroll in 2008. In addition, since July 1, 1992, most retirees and survivors have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions. The Ohio Revised Code provides for contribution requirement of the participating employers and of plan members to the OP&F (defined benefit pension plan). Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an Internal Revenue Service Code Section 115 trust and one for Medicare Part B reimbursements administered as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees. The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree healthcare benefits. The Board defined allocation to the health care plan was 6.75% of covered payroll in 2009 and 2008. The amount of employer contributions allocated to the healthcare plan each year is subject to the trustees' primary responsibility to ensure that pension benefits are adequately funded and also is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the healthcare plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. The number of participants eligible to receive health care benefits as of December 31, 2008, the date of the last actuarial valuation available, are 14,567 for police and 10,750 for firefighters.

The City's actual contributions to OP&F for the year ended December 31, 2008 that were used to fund post-employment benefits were \$129,192 for police and \$125,783 for firefighters. The Fund's total health care expense for the year ended December 31, 2008, (the latest information available) was \$96,472,398, which was net of member contributions of \$56,948,977.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

**NOTE 15 - COMPENSATED ABSENCES**

The criteria for determining vacation and sick leave components is derived from negotiated agreements and State laws.

City employees earn vacation at various rates depending upon length of service and standard work week. Current policy permits vacation to be carried forward to the following year with some limitations. Employees are paid for 100 percent of accrued but unused vacation leave upon termination. Sick leave is earned at various rates as defined by City policy and union contracts. Current policy permits sick leave to be accumulated without limit. Non-union employees earn sick leave at a rate of four and six-tenths hours for every eighty hours worked or six and nine-tenths hours for twenty-four shifts. Upon retirement non-union employees shall receive one-fourth of accrued but unused sick leave up to four hundred eighty hours.

Union employees earn sick leave at various rates depending on the union. Upon retirement certain police employees receive payment for one-third of accrued but unused sick leave to a limit in accordance with State law. Certain fire employees receive payment for one-fourth of accrued but unused sick leave up to four hundred eighty hours.

**NOTE 16 - LONG-TERM OBLIGATIONS**

The City's long-term obligations activity for the year ended December 31, 2009, was as follows:

	Balance December 31, 2008	Additions	Reductions	Balance December 31, 2009	Amounts Due in One Year
<b><u>Governmental Activities</u></b>					
Anticipation Notes:					
2008 Street Improvement Notes	1,200,000	0	1,200,000	0	0
2008 Tax Increment Financing	7,005,000	0	7,005,000	0	0
2008 Tax Increment Financing	5,075,000	0	5,075,000	0	0
2009 Street Improvement Notes	0	1,000,000	0	1,000,000	0
2009 Tax Increment Financing	0	7,005,000	0	7,005,000	0
2009 Tax Increment Financing	0	4,975,000	0	4,975,000	0
Total Anticipation Notes	13,280,000	12,980,000	13,280,000	12,980,000	0
General Obligation Bonds:					
2000 Various Purpose	915,000	0	445,000	470,000	470,000
2007 Various Purpose					
Refunding Bonds	6,370,000	0	30,000	6,340,000	30,000
Premium	265,903	0	21,706	244,197	21,706
Total G.O. Bonds	7,550,903	0	496,706	7,054,197	521,706
Other Long-Term Obligations:					
Compensated Absences					
Payable	802,073	990,078	802,073	990,078	636,697
Capital Leases Payable	18,808	322,180	53,875	287,113	49,162
Total Other Long-Term Obligations	820,881	1,312,258	855,948	1,277,191	685,859
Total Governmental Activities	<u>\$21,651,784</u>	<u>\$14,292,258</u>	<u>\$14,632,654</u>	<u>\$21,311,388</u>	<u>\$1,207,565</u>

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

	Balance December 31, 2008	Additions	Reductions	Balance December 31, 2009	Amounts Due in One Year
<b><u>Business-Type Activities</u></b>					
Anticipation Notes:					
2008 Water and Sewer Acquisition Notes	3,615,000	0	3,615,000	0	0
2008 Wastewater Treatment System Notes	24,750,000	0	24,750,000	0	0
2009 Water and Sewer Acquisition Notes	0	3,490,000	0	3,490,000	0
2009 Wastewater Treatment System Notes	0	24,750,000	0	24,750,000	0
Total Anticipation Notes	28,365,000	28,240,000	28,365,000	28,240,000	0
General Obligation Bonds:					
2004 Various Improvement Refunding Premium	1,930,000 4,077	0 0	410,000 815	1,520,000 3,262	420,000 815
Total General Obligation Bonds	1,934,077	0	410,815	1,523,262	420,815
Mortgage Revenue Bonds:					
2002 Water System Mortgage Rev	2,994,583	0	155,000	2,839,583	165,000
Discount on Sale of Bonds	(38,975)	0	(2,784)	(36,191)	(2,784)
2003 Water System Mortgage Rev	7,179,373	0	435,000	6,744,373	450,000
Premium on Sale of Bonds	71,409	0	5,951	65,458	5,951
2006 Sewer System Mortgage Revenue	85,216,922	0	240,000	84,976,922	250,000
Premium on Sale of Bonds	2,046,464	0	55,310	1,991,154	55,310
2007 Sewer System Mortgage Revenue	31,555,000	0	0	31,555,000	0
Premium on Sale of Bonds	538,806	0	14,179	524,627	14,179
2007 Water System Mortgage Revenue	21,285,000	0	65,000	21,220,000	75,000
Discount on Sale of Bonds	(21,139)	0	(729)	(20,410)	(729)
Total Mortgage Revenue Bonds	150,827,443	0	966,927	149,860,516	1,011,927
OPWC Loans:					
Ohio Public Works Commission Wastewater Treatment Plant Loan	38,786	0	5,967	32,819	5,967
Ohio Public Works Commission Sanitary Sewer Loan	10,780	0	1,960	8,820	1,960
Total OPWC Loans	49,566	0	7,927	41,639	7,927

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

Other Long-Term Obligations:

Compensated Absences Payable	244,645	291,356	244,645	291,356	164,620
Capital Leases Payable	271	0	271	0	0
Total Other Long-Term Obligations	244,916	291,356	244,916	291,356	164,620
Total Business-Type Activities	<u>\$181,421,002</u>	<u>\$28,531,356</u>	<u>\$29,995,585</u>	<u>\$179,956,723</u>	<u>\$1,605,289</u>

According to State statute, notes can be issued in anticipation of bond proceeds, special assessment bond proceeds and levies, or for up to 50 percent of anticipated revenue collections. All of the City's bond anticipation notes are backed by the full faith and credit of the City of Marysville and have a maturity of one year or less.

Governmental Activities – Bond Anticipation Notes

Street Improvement Notes

The 2009 Street Improvement Notes of \$1,200,000 bearing a rate of 2.75% matured on March 4, 2010. These notes were issued to finance various City street improvements. These notes will be retired from the City's Debt Service Fund. On March 4, 2010, the City paid \$200,000 against the note and refinanced \$1,000,000 into a new bond anticipation note. Therefore, the \$1,200,000 liability outstanding at December 31, 2009 is split with \$1,000,000 presented as a long-term liability and \$200,000 presented as a fund liability in the financial statements. The activity related to the short-term obligation portion of the bond anticipation note is presented in Note 17.

Coleman's Crossing Tax Increment Financing Notes

The 2008 Coleman's Crossing Tax Increment Financing Notes of \$7,500,000 bearing a rate of 2.75% matured on October 20, 2009 and were reissued as 2009 Coleman's Crossing Tax Increment Financing Notes of \$7,005,000 bearing a rate of 3.00 percent. The 2009 Coleman's Crossing TIF Notes of \$7,005,000 bearing a rate of 3.00 percent were reissued as 2010 Coleman's Crossing TIF Notes of 7,005,000 bearing a rate of 3 percent. These notes were issued to finance certain public improvements within the Coleman's Crossing Tax Increment Financing District. These notes will be retired from the City's Coleman's Crossing TIF Fund.

City Gate Tax Increment Financing Notes

The 2008 City Gate Tax Increment Financing Notes of \$5,075,000 bearing a rate of 2.75 percent matured on October 20, 2009 and were reissued as 2009 Coleman's Crossing Tax Increment Financing Notes of \$4,975,000 bearing a rate of 3.50 percent. The City Gate and Coleman's Crossing TIF activity has been consolidated into one fund as both developments are located within the same TIF District initially established as the Coleman's Crossing TIF District. The 2009 City Gate TIF of \$4,975,000 bearing a rate of 3.50 percent were reissued as 2010 City Gate TIF Notes of 4,975,000 bearing a rate of 2.875 percent. These notes were issued to finance certain public improvements within the Coleman's Crossing Tax Increment Financing District. These notes will be retired from the City's Coleman's Crossing TIF Fund.

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

Governmental Activities General Obligation Bonds

General obligation bonds consist of bonds issued in 2000 for various utility and other capital improvement projects throughout the City.

2000 Various Improvement

The Various Improvement general obligation bonds are serial bonds. The bonds maturing on or after December 1, 2010, are subject to early redemption, at the sole option of the City, either in whole on any date or in part on any interest payment date, on or after December 1, 2010, in multiples of \$5,000, at the following redemption prices plus accrued interest:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
December 1, 2010 through November 30, 2011	101 percent
December 1, 2011 and thereafter	100 percent

Bonds bear an interest rate from 5.00 to 5.40%. These bonds will be retired from the City's Debt Service Fund.

2007 Various Improvement Refunding Bonds

The Various Improvement general obligation bonds are serial bonds issued for the purpose of advance refunding a portion of the 2000 Various Improvement Bonds issued November 1, 2000 (\$6,225,000). The refunding was undertaken for the purpose of reducing interest rates and debt service on the prior bonds. This transaction resulted in a savings to the City of \$271,360. The 2007 bonds are not subject to redemption prior to maturity. The bonds mature on December 1, 2007 through December 1, 2017, and December 1, 2020 in the amount of \$6,515,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. The amount of \$6,673,981 from the 2007 bonds was placed in an escrow fund to defease the 2000 bonds which will be redeemed each June 1 and December 1 annually between 2007 and 2010. Bonds bear an interest rate from 4.00 to 5.00%. These bonds will be retired from the City's Debt Service Fund. \$6,612,030 was outstanding as of December 31, 2009.

Compensated Absences Payable

The compensated absences liability will be paid from the fund from which the employees' salaries are paid. These funds include the General Fund, Street Construction and Repair special revenue fund, and the Sanitation, Sewer, Water, and Stormwater enterprise funds.

Capital Leases Payable

Capital lease obligations will be paid from the fund that maintains custody of the related asset.

**CITY OF MARYSVILLE  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

Business-Type Activities – Bond Anticipation Notes

Water and Sewer Acquisition Notes

The 2008 Water and Sewer Acquisition Notes of \$3,615,000 bearing a rate of 4.5% matured on January 23, 2009 and were reissued as 2009 Water and Sewer Acquisition Notes of \$3,490,000 bearing a rate of 2.75%. The 2009 Water and Sewer Acquisition Notes of \$3,490,000 bearing a rate of 2.75% matured on January 22, 2010 and were reissued as 2010 Water and Sewer Acquisition Notes of \$3,465,000 bearing a rate of 1.50%. These notes were issued to finance the cost of acquiring certain improvements of a sewage collection system and certain improvements of a water supply and distribution system. These notes will be retired from the City's Water and Sewer funds.

Wastewater Treatment System and Trunk Sewer Notes

The 2008 Wastewater Treatment System Notes of \$24,750,000 bearing a rate of 4.13% matured on June 3, 2009 from the 2009 Wastewater Treatment System Notes of \$24,750,000 bearing a rate of 1.50%. The 2009 Wastewater Treatment System and Trunk Sewer Notes of \$24,750,000 bearing a rate of 1.50% were reissued as 2010 Wastewater Treatment System and Trunk Sewer Notes of \$24,750,000 bearing a rate of 1.25%. These notes were issued to finance the cost of acquiring certain improvements of a sewage collection system and trunk line. These notes will be retired from the Sewer Fund.

Business-Type Activities General Obligation Bonds

The general obligation bonds are liabilities of the Sewer and Water enterprise funds and pledge their respective revenues for repayment. The bonds also pledge the full faith and credit and taxing ability of the City in the event that enterprise funds' revenues are not sufficient to meet the principal and interest requirements.

2004 Various Purpose Refunding Bonds

The Various Purpose Refunding general obligation bonds are serial bonds issued to currently refund \$3,714,000, including a call premium of \$29,000, of outstanding various purpose general obligation bonds issued in 1992 and 1994. The refunding was undertaken for the purpose of reducing interest rates and debt service on the prior bonds. This transaction resulted in a savings to the City of \$367,615. The 2004 bonds are not subject to redemption prior to maturity. The bonds mature on December 1, 2004, through December 1, 2013, in the amount of \$3,810,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. The amount of \$3,714,000 from the 2004 bonds was placed in an escrow fund to defease the 1992 and 1994 bonds which were then optionally redeemed on June 1, 2004. \$1,646,385 was outstanding as of December 31, 2009. Bonds bear an interest rate from 5.00 to 5.50%. These bonds will be retired from the City's Water and Sewer funds.

Mortgage Revenue Bonds

Mortgage revenue bonds are special obligations of the City secured by a mortgage upon all assets of the respective system. These bonds are payable solely from the gross revenues of the sewer and water systems after provisions for reasonable operating and maintenance expenses. The bond indentures have certain restrictive covenants and principally require that bond reserve funds be maintained and charges for services to customers are of sufficient amounts to satisfy the obligations under the indenture agreements. In addition, special provisions exist regarding covenant violations, redemptions of principal, and maintenance of properties.



**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

Fund assets, whose uses are restricted, are presented as restricted assets on the statement of net assets.

Restricted Assets Held by City	
Water Replacement and Improvement	\$4,196,642

**2002 Water System Mortgage Revenue Bonds**

The Water System Mortgage Revenue Bonds are term bonds which have annual mandatory sinking fund redemption requirements. The bonds mature December 1, 2003 through December 1, 2022, in the amount of \$3,820,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. Bonds bear an interest rate from 2.40 to 5.10%. These bonds will be retired from the City's Water Fund.

**2003 Water System Mortgage Revenue Refunding Bonds**

The Water System Mortgage Revenue Refunding Bonds were issued to currently refund the City's Series 1993 water system mortgage revenue bonds. The refunding was undertaken for the purpose of reducing interest rates and debt service on the prior bonds. This transaction resulted in a savings to the City of \$667,605. The refunding bonds are term bonds which have annual mandatory sinking fund redemption requirements. The term bonds mature on December 1, 2004, through December 1, 2021, in the amount of \$9,155,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. The serial bonds maturing on or after December 1, 2013, are subject to early redemption, at the sole option of the City, either in whole on any date or in part on any interest payment date, on or after December 1, 2013, in multiples of \$5,000, at a redemption price equal to 100 percent of the principal plus accrued interest. The amount of \$8,908,850 from the 2003 bonds was placed in an escrow fund along with \$847,750 from the debt service reserve fund to defease the 1993 bonds which were then redeemed on December 1, 2003 in their entirety. Bonds bear an interest rate from 2.00 to 4.50%. These bonds will be retired from the City's Water Fund.

**2006 Sewer System Mortgage Revenue Refunding Bonds**

The Sewer System Mortgage Revenue Bonds are term bonds issued to advance refund \$13,345,000, including a call premium of \$693,172, of mortgage revenue bonds issued in 2005 and to currently refund \$55,000,000 of outstanding mortgage revenue bond anticipation notes issued in 2005 and to provide additional resources for constructing and installing certain sewer treatment system improvements. The bonds maturing on or after December 1, 2016, are subject to early redemption, at the sole option of the City, either in whole or in part on any date, on or after December 1, 2016 at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest. The Series 2006 Bonds maturing December 1, 2031, December 1, 2036, and December 1, 2046 are subject to mandatory sinking fund redemption prior to stated maturity. The amount of \$13,410,965 from the 2006 bonds was placed in an escrow fund to defease the 2005 bonds. Bonds bear an interest rate from 4.00 to 5.25%. These bonds will be retired from the City's Sewer Fund.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

Mortgage Revenue Bonds (Continued)

2007 Sewer System Mortgage Revenue Bonds

The Sewer System Mortgage Revenue Bonds are a combination of serial bonds maturing December 1, 2012 through December 1, 2023 and term bonds maturing December 1, 2027, December 1, 2037, and December 1, 2047, issued to provide funds for the acquisition, construction, expansion, rehabilitation, and improvement of the City's municipal wastewater collection and treatment system. The series 2007 bonds maturing after December 1, 2017 are subject to early redemption, at the sole option of the City, either in whole or in part on any date, on or after December 1, 2017 at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest. The Series 2007 Bonds maturing December 1, 2027, December 1, 2037, and December 1, 2047 are subject to mandatory sinking fund redemption prior to stated maturity. Bonds bear an interest rate from 4.00 to 5.00%. These bonds will be retired from the City's Sewer Fund.

2007 Water System Mortgage Revenue Bonds

The Water System Mortgage Revenue Bonds are a combination of serial bonds maturing December 1, 2008 through December 1, 2025 and term bonds maturing December 1, 2027, December 1, 2032, and December 1, 2038, issued to provide funds for the acquisition, construction, expansion, rehabilitation, and improvement of the City's municipal water system. The series 2007 bonds maturing after December 1, 2017 are subject to early redemption, at the sole option of the City, either in whole or in part on any date, on or after December 1, 2017 at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest. The Series 2007 Bonds maturing December 1, 2027, December 1, 2032, and December 1, 2038 are subject to mandatory sinking fund redemption prior to stated maturity. Bonds bear an interest rate from 3.75 to 5.00%. These bonds will be retired from the City's Sewer Fund.

Fund assets, whose uses are restricted under the bond indenture, are presented as restricted assets on the statement of net assets. Restricted assets relating to the sewer mortgage revenue bonds at December 31, 2009, were as follows:

Restricted Assets Held by the Trustee

Mortgage Revenue Bond Current Debt Service	\$4
Mortgage Revenue Bond Reserve Fund	4,140,211

Restricted assets relating to the water mortgage revenue bonds at December 31, 2009, were as follows:

Restricted Assets Held by the Trustee

Mortgage Revenue Bond Current Debt Service	\$29
Mortgage Revenue Bond Reserve Fund	303,891

Pledged Revenues – In connection with the mortgage revenue bonds previously discussed, the City has pledged future customer revenues, net of specified operating expenses, to repay this debt. Pledged revenues of a given year may also include specified portions of cash balances carried over from the prior year. The bonds are payable, through their final maturities, solely from net revenues applicable to the respective water and sewer funds. The interest and principal remaining to be paid on these bonds is \$312,210,413.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

Ohio Public Works Commission Loans

The City assumed two Ohio Public Works Commission (OPWC) loans previously held by Union County as part of an asset purchase agreement for the sewer lines and lift stations south of the City limits. These loans were originally twenty year, zero percent interest loans borrowed by Union County in 1994 and 1995 to provide sewage system improvements and replacements as follows:

1994	Jerome Industrial Park Sanitary Sewer Replacement	\$ 39,200
1995	Kimberly Woods Wastewater Treatment Plant Replacement	\$ 119,340

The City assumed the January 1, 2006 balance on the loans with the same payment terms (0% interest) and the following principal balances:

2006	Jerome Industrial Park Sanitary Sewer Replacement	\$ 16,660
2006	Kimberly Woods Wastewater Treatment Plant Replacement	\$ 56,687

The City's overall legal debt margin was \$21,762,147 at December 31, 2009.

Principal and interest requirements to retire general obligation bonds, and mortgage revenue bonds at December 31, 2009, were as follows:

Year	Governmental-Type Activities General Obligation Bonds				Business-Type Activities General Obligation Bonds	
	2000 Various Improvement		2007 Various Purpose Refunding		2004 Various Improvement Refunding	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	470,000	23,500	30,000	275,350	420,000	51,540
2011	0	0	520,000	274,150	435,000	38,310
2012	0	0	540,000	253,350	325,000	23,955
2013	0	0	570,000	231,750	340,000	12,580
2014	0	0	590,000	208,950		
2015-2019	0	0	3,330,000	664,450	0	0
2020	0	0	760,000	38,000	0	0
Totals	<u>\$470,000</u>	<u>\$23,500</u>	<u>\$6,340,000</u>	<u>\$1,946,000</u>	<u>\$1,520,000</u>	<u>\$126,385</u>

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

Year	2002 Water System Mortgage Revenue Improvement		2003 Water System Mortgage Revenue Refunding		2007 Water System Mortgage Revenue Improvement	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	165,000	138,695	450,000	279,056	75,000	980,394
2011	170,000	131,435	465,000	265,106	100,000	977,581
2012	180,000	123,870	480,000	249,994	110,000	973,831
2013	185,000	115,590	495,000	233,193	125,000	969,706
2014	195,000	106,895	515,000	213,393	140,000	965,019
2015-2019	1,125,000	381,893	2,950,000	687,603	995,000	4,721,645
2020-2024	819,583	84,785	1,389,373	91,643	2,980,000	4,394,401
2025-2029	0	0	0	0	4,750,000	3,487,407
2030-2034	0	0	0	0	6,035,000	2,204,950
2035-2038	0	0	0	0	5,910,000	679,500
Totals	<u>\$2,839,583</u>	<u>\$1,083,163</u>	<u>\$6,744,373</u>	<u>\$2,019,988</u>	<u>\$21,220,000</u>	<u>\$20,354,434</u>

Year	2006 Sewer System Mortgage Revenue Improvement		2007 Sewer System Mortgage Revenue Improvement	
	Principal	Interest	Principal	Interest
2010	250,000	4,124,025	0	1,473,498
2011	710,000	4,114,025	0	1,473,497
2012	765,000	4,087,400	315,000	1,473,498
2013	985,000	4,058,713	330,000	1,460,897
2014	1,030,000	4,009,463	340,000	1,447,698
2015-2019	5,970,000	19,241,115	1,925,000	7,022,487
2020-2024	7,565,000	17,643,814	2,350,000	6,601,410
2025-2029	9,740,000	15,467,077	2,890,000	6,058,138
2030-2034	12,445,000	12,760,190	3,655,000	5,290,125
2035-2039	15,865,000	9,345,590	4,665,000	4,282,575
2040-2044	20,025,000	5,176,314	5,905,000	3,047,362
2045-2047	9,626,922	675,688	9,180,000	1,111,738
Totals	<u>\$84,976,922</u>	<u>\$100,703,400</u>	<u>\$31,555,000</u>	<u>\$40,742,923</u>

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

**NOTE 16 - LONG-TERM OBLIGATIONS (Continued)**

Year	2006	
	Ohio Public Works	
	Commission	Loans
	Principal	
2010	7,927	
2011	7,927	
2012	7,927	
2013	7,927	
2014	7,927	
2015	2,004	
Totals	<u>\$41,639</u>	

**NOTE 17 – SHORT TERM OBLIGATION**

A summary of the short-term note transactions for the Debt Service Fund for the year ended December 31, 2009 follows:

Types / Issues	Balance 12/31/08	Issued	Retired	Balance 12/31/09
2009 Street Improvement Notes	\$800,000	\$200,000	\$800,000	\$200,000

On March 5, 2009, the City issued 2.75% Street Improvement Bond Anticipation Notes, Series 2009, in the amount of \$1,200,000. These notes were issued to repay the 2008 Street Improvement Notes of \$2,000,000 to finance various street improvements. On March 4, 2010, the City paid \$200,000 against the note and refinanced \$1,000,000 into a new bond anticipation note. Therefore, the \$1,200,000 liability outstanding at December 31, 2009 is split with \$1,000,000 presented as a long-term liability and \$200,000 presented as a fund liability in the financial statements. The activity related to the long-term obligation portion of the bond anticipation note is presented in Note 16.

**NOTE 18 - CAPITAL LEASES - LESSEE DISCLOSURE**

The City has entered into capitalized leases for equipment. The leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. New capital leases are reflected in the accounts "Capital Outlay" and "Inception of Capital Lease" in the funds making the lease payments. Capital lease payments are reflected as debt service expenditures on the Statement of Revenues, Expenditures, and Changes in Fund Balance for the governmental funds. Capital lease payments are reflected as a reduction of the liability for the enterprise funds. Assets, consisting of equipment, have been capitalized, in the amount of \$371,450 in the governmental funds. These amounts represent the present value of the minimum lease payments at the time of acquisition. Principal payments in 2009 were \$53,874 and \$272, in governmental and enterprise funds, respectively.

	Governmental Activities
Property under Capital Lease	\$371,450
Less Accumulated Depreciation	(86,121)
Total December 31, 2009	<u>\$285,329</u>

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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**NOTE 18 - CAPITAL LEASES - LESSEE DISCLOSURE (Continued)**

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2009:

<u>Year</u>	<u>Governmental Activities</u>
2010	61,733
2011	53,959
2012	53,959
2013	53,959
2014	53,958
2015	53,958
Total	<u>331,526</u>
Less Amount Representing Interest	<u>(44,413)</u>
Present Value of Net Minimum Lease Payments	<u><u>\$287,113</u></u>

**NOTE 19 - JOINTLY GOVERNED ORGANIZATIONS**

**Marysville/Union County Joint Recreation District**

The Marysville/Union County Joint Recreation District (the District) is a jointly governed organization involving the City of Marysville, Union County, and Paris Township. The District was established for acquiring, developing, operating, and maintaining a sports complex and bicycle/walking trail in Union County. The District's Board of Trustees consists of seven members, three appointed by the Mayor of Marysville, three appointed by the County Commissioners, and one appointed by the Paris Township Board of Trustees.

**Union County Community Improvement Corporation**

The Union County Community Improvement Corporation (the Corporation), a non-profit corporation, was established to assist in the financing of economic and industrial development in Union County. It is the responsibility of the Corporation to provide building, zoning, and land controls for the County, townships, and municipal corporations. The Board of Trustees consists of not less than three nor more than twenty-five trustees as such number is fixed by the members from time to time. Two-fifths of the Board of Trustees are composed of appointed or elected officers of such political subdivisions. The Corporation can issue its own debt and is not fiscally dependent on the City. The City of Marysville does not have an ongoing financial interest and/or responsibility with this organization.

**Mid-Ohio Regional Planning Commission**

The City is a participant in the Mid-Ohio Regional Planning Commission (MORPC), a jointly governed organization. MORPC is composed of 74 representatives appointed by member governments who make up the commission, the policy-making body of MORPC, and the oversight board. MORPC is a voluntary association of local governments in central and south-central Ohio and a regional planning agency whose membership includes 42 political subdivisions in and around Franklin, Ross, Fayette, Delaware, Pickaway, Madison, Licking, and Fairfield counties, Ohio. The purpose of the organization is to improve the quality of life for member communities by improving housing conditions, to promote and support livability/sustainability measures as a means of addressing regional growth challenges, and to administer and facilitate the availability of regional environmental infrastructure program funding to the full advantage of MORPC's members.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

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**NOTE 19 - JOINTLY GOVERNED ORGANIZATIONS (Continued)**

Marysville/Union County Port Authority

The Marysville/Union County Port Authority (the Authority) is a jointly governed organization involving the City of Marysville and Union County. The Authority was established to enhance, foster, aid, provide or promote transportation, economic development, housing, recreation, education, governmental operations, culture, research, and the creation and preservation of jobs and employment opportunities in Union County. The Authority's Board of Trustees consists of seven members, three appointed by the Mayor of Marysville with the advice and consent of City Council, three appointed by the County Commissioners, and one appointed by the Mayor of Marysville with the advice and consent of the City Council and the County Commissioners.

**NOTE 20 - CONTINGENT LIABILITIES**

The City is party to legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. The City management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

For the period January 1, 2009, to December 31, 2009, the City received state and federal 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 City believes such disallowances, if any, would be immaterial.

**NOTE 21 - SUBSEQUENT EVENTS**

On January 22, 2010, the City issued bond anticipation notes, in the amount of \$3,465,000 to retire notes previously issued, in the amount of \$3,490,000 for the acquisition of water lines, sewer lines, pumping stations, and related equipment from Union County, Ohio. The notes have an interest rate of 1.50 percent and mature on January 21, 2011.

On March 4, 2010, the City issued general obligation bond anticipation notes, in the amount of \$1,000,000, to retire notes previously issued, in the amount of \$1,200,000 for various street resurfacing projects. The notes have an interest rate of 1.75 percent and mature on March 3, 2011.

On May 4, 2010 the residents of the City of Marysville approved a ballot initiative to increase the City's income tax rate from 1 percent to 1.5 percent effective July 1, 2010. The additional 0.5 percent will be segregated for Police, Fire, and Court buildings and operating costs.

On June 2, 2010 the City issued wastewater improvement bond anticipation notes, in the amount of \$24,750,000 to retire notes previously issued, in the amount of \$24,750,000 for various wastewater improvement projects. The notes have an interest rate of 1.25 percent and mature on June 1, 2011.

On August 30, 2010 the City issued Tax Increment Financing (TIF) Notes, in the amount of \$7,005,000, and \$4,975,000, to retire notes previously issued, in the amount of \$7,005,000 and \$4,975,000, respectfully for TIF projects. The notes have an interest rate of 3 percent and 2.875 percent and mature on August 29, 2011.

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

**NOTE 22 – RESTATEMENT OF PRIOR YEAR NET ASSETS AND CHANGE IN ACCOUNTING PRESENTATION**

**Restatement of Prior Year Net Assets**

Certain previously reported net assets have been restated to reflect a change in accounting presentation. During the period of construction the City of Marysville segregated financing and capital activities in the Coleman's Crossing TIF District into two separate Funds to account for the two separate projects. The Coleman's Crossing TIF Project Fund was used to account for construction activities in the area south-east of Delaware Avenue along Coleman's Crossing Boulevard. The City Gate TIF Project Fund was used to account for construction activities in the area north of Delaware Avenue. The City previously reported two separate funds used to accumulate resources for the repayment of the debt associated with these projects. The City has since re-examined the agreement establishing the TIF District and determined both projects are part of the same underlying TIF District initially established for the Coleman's Crossing project. As such, the City has consolidated the financial activities of the City Gate TIF Fund previously reported separately into the Coleman's Crossing TIF Fund for the period ending December 31, 2009 and for future reporting periods. This restatement had the following effect on previously reported net assets:

	Government- Type Activities	Coleman's Crossing TIF Fund	City Gate TIF Fund
Net Assets/Fund Balance, December 31, 2008	\$30,256,139	\$17,027	\$ 456
Restatements:			
Fund Consolidation		456	(456)
Net Assets/Fund Balance, Restated, January 1, 2009	\$30,256,139	\$17,483	\$ 0

**NOTE 23 – ACCOUNTABILITY AND COMPLIANCE**

At December 31, 2009, the following funds had deficit fund balances:

Job Readiness	\$615,216
CDBG Tier II Grant	32,417
General Bond Retirement	42,553

Contrary to Ohio Rev. Code 5705.10 the following funds had negative fund cash balances at December 31, 2009:

Job Readiness	\$401,640
CDBG Tier II Grant	11,584

The General Fund provides transfers/advances when cash is required, not when expenditures are incurred.



**CITY OF MARYSVILLE  
UNION COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2009**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<b>U.S. DEPARTMENT OF DEFENSE</b>			
<i>Passed Through the Corps of Engineers U.S. Army Engineer</i>			
Marysville Wastewater Treatment Facility	2928-009	12.XXX	\$759,351
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
<i>Passed Through the Ohio Department of Development</i>			
HOME Investment Partnerships Program (CHIP Grant)	A-C-07-144-1	14.239	14,871
	A-C-07-144-2	14.239	257,226
	C-07-144-1	14.239	110,217
			<u>382,314</u>
Community Development Block Grants - State's Program (Formula Grant)	A-F-08-144-1	14.228	52,279
	A-T-08-144-1	14.228	11,584
			<u>63,863</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<u><u>446,177</u></u>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
Fightfighter Assistance Grant	N/A	97.044	34,200
<i>Passed Through Ohio Department of Public Safety - Emergency Management Agency</i>			
Disaster Grants - Public Assistance	DR-1805-OH	97.036	68,055
<b>Total U.S. Department of Homeland Security</b>			<u><u>102,255</u></u>
<b>TOTAL FEDERAL AWARDS EXPENDITURES</b>			<u><u><b>\$1,307,783</b></u></u>

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

**CITY OF MARYSVILLE  
UNION COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED DECEMBER 31, 2009**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Federal Awards Expenditures Schedule (the Schedule) reports the City of Marysville, Union County, Ohio (the City's) federal award programs. The schedule has been prepared on the cash basis of accounting.

**NOTE B - MATCHING REQUIREMENTS**

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.



# 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**

City of Marysville  
Union County  
125 East Sixth Street  
Marysville, Ohio 43040

To the City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marysville, Union County, Ohio (the City) as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated September 24, 2010. 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*.

#### **Internal Control Over Financial Reporting**

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider finding 2009-002 described in the accompanying schedule of findings to be a material weakness.

### **Compliance and Other Matters**

As part of reasonably assuring whether the City'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 an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2009-001.

We also noted certain matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated September 24, 2010.

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

We intend this report solely for the information and use of management, federal awarding agencies and pass-through entities and others within the City. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The script is cursive and fluid, with the first letters of the first and last names being capitalized and prominent.

**Mary Taylor, CPA**  
Auditor of State

September 24, 2010



# Mary Taylor, CPA

## Auditor of State

### **INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

City of Marysville  
Union County  
125 East Sixth Street  
Marysville, Ohio 43040

To the City Council:

#### **Compliance**

We have audited the compliance of the City of Marysville, Union County, Ohio (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended December 31, 2009. The summary of auditor's results section of the accompanying schedule of findings identifies the City's major federal programs. The City's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the City'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 included in the Comptroller General of the United States' *Government Auditing Standards*; 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 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 City'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 City's compliance with those requirements.

In our opinion, the City of Marysville complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended December 31, 2009. However, the results of our auditing procedures disclosed other instances of noncompliance with those requirements that, while not affecting our opinion on compliance, OMB Circular A-133 requires us to report. The accompanying schedule of findings lists these instances as Findings 2009-003 and 2009-004.

### Internal Control Over Compliance

The City'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 City's internal control over compliance with the 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, and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, we cannot assure we have identified all deficiencies, significant deficiencies, or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness and a deficiency that we consider to be a significant deficiency.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings as item 2009-004 to be a material weakness.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a federal program compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings as item 2009-003 to be a significant deficiency.

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

We intend this report solely for the information and use of the management, City Council, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



**Mary Taylor, CPA**  
Auditor of State

September 24, 2010

**CITY OF MARYSVILLE  
UNION COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2009**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	<b>Unqualified</b>
<b>(d)(1)(ii)</b>	<b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>	<b>Yes</b>
<b>(d)(1)(ii)</b>	<b>Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	<b>No</b>
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	<b>Yes</b>
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weaknesses reported for major federal programs?</b>	<b>Yes</b>
<b>(d)(1)(iv)</b>	<b>Were there any other significant deficiencies in internal control reported for major federal programs?</b>	<b>Yes</b>
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	<b>Unqualified</b>
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	<b>Yes</b>
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	<b>U.S. Army Corp of Engineers - Marysville Wastewater Treatment Facility – CFDA #12.XXX</b>  <b>HOME Investment Partnerships Program– CFDA #14.239</b>
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A\B Programs</b>	<b>Type A: &gt; \$ 300,000</b>
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	<b>No</b>

**CITY OF MARYSVILLE  
UNION COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2009  
(Continued)**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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<b>FINDING NUMBER</b>	<b>2009-001</b>
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**Negative Fund Balances – Noncompliance Finding**

Ohio Rev. Code Section 5705.10 requires that money paid into a fund must be used only for the purposes for which such fund has been established. As a result, a negative fund balance indicates money from one fund was used to cover the expenses of another fund. The following funds had negative fund balances as of December 31, 2009:

<u>Fund Description</u>	<u>Fund No.</u>	<u>Negative Fund Balance</u>
CDBG Tier II Grant	21	(11,584.30)
Job Readiness Site Grant	84	(401,639.84)

We recommend the City use monies paid into each fund only for the purpose for which such fund was established.

**Official's Response:**

The Finance Department closely monitors all funds to ensure that negative fund balances do not occur. Both of the funds that had negative fund balances as of December 31, 2009, were reimbursable grant funds. The negative balances noted in these funds were a result of timing differences. The City had expended the funds as required by the grant, submitted a request for reimbursement, and simply had not received the grant revenue as of December 31, 2009.



**CITY OF MARYSVILLE  
UNION COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2009  
(Continued)**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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<b>FINDING NUMBER</b>	<b>2009-002</b>
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**Financial Reporting – Material Weakness**

The City currently has monitoring controls over daily cash-basis transactions entered into the accounting system. At year-end the cash basis information from the accounting system is converted into the Annual Financial Report reported under Generally Accepted Accounting Principles. Accrual information is prepared by the City and input into trial balances and basic financial statements.

Thirty seven modifications or audit adjustments and reclassifications (\$456 to \$38,881,699) were posted to the City's basic financial statements to accurately report account balances. Errors included incorrect asset, liability, equity, revenue, and expenditure/expense classifications and overstatement and understatement of assets and liabilities on the financial statements. The City's financial statements and accounting records have been adjusted to accurately reflect these adjustments and reclassifications. In addition there were forty four audit adjustments and reclassifications that were inconsequential to the overall financial statements of the City and were not posted to the December 31, 2009 financial statements. Furthermore ninety nine journal entries were not posted to the City's trial balances and were required to be made to support the financial statements.

The City is responsible for the presentation of the basic financial statements and accordingly should implement review procedures and controls over the financial statement preparation and reporting processes.

We recommend the City implement additional procedures to provide assurances over the completeness and accuracy of financial information reported within the Annual Financial Report. Such procedures may include review of the financial statements including the notes to the financial statements by a member of management and an analytical comparison of the current year annual report to the prior year annual report for obvious errors or omissions.

**Official's Response:**

The Finance Department is committed to proper financial reporting and welcomes this opportunity to receive feedback that will continue to ensure accurate financial reports prepared by the City. During the conversion period, both the Finance Director and Assistant Finance Director resigned. For two months, the position of Finance Director was vacant as the City searched for a replacement. The Assistant Finance Director, who historically prepared the financial report, was further burdened with additional tasks and did not devote as much time as traditionally spent on the conversion process.

It is important to note that a number of the items were simply reclassification entries that changed the presentation of these amounts on the financial statements but did not change the total amounts reported in the financial statements. It is also important to note that, while this recommendation addresses the reliability of financial reporting throughout the year, the identified items only impacted amounts converted from the City's cash basis accounting to accrual basis accounting after year-end and did not impact the City's cash financial reporting throughout the year.

The following steps will be implemented to address the items as identified in Finding 2009-002:

- The Finance Department plans to upgrade its financial software. The current system is outdated and investing in a new system will ensure that the department has the adequate controls in place to ensure proper recording of financing transactions.
- The Finance Department will contract out the GAAP conversion process beginning with fiscal year 2010 to a local firm that specializes in municipal GAAP conversions.

**CITY OF MARYSVILLE  
UNION COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2009  
(Continued)**

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

<b>Finding Number</b>	<b>2009-003</b>
<b>CFDA Title and Number</b>	<b>CFDA #14.239 – HOME Investment Partnerships Program</b>
<b>Federal Award Number / Year</b>	<b>Home Investment Partnership Program - A-C-07-144-1 A-C-07-144-2 C-07-144-1</b>
<b>Federal Agency</b>	<b>United States Department of Housing and Urban Development</b>
<b>Pass-Through Agency</b>	<b>Ohio Department of Development</b>

**Cash Management – Noncompliance Finding/Significant Deficiency**

24 CFR 85.21(c) states grantees and subgrantees shall be paid in advance, provided they maintain or demonstrate the willingness and ability to maintain procedures to minimize the time elapsing between the transfer of the funds and their disbursement by the grantee or subgrantee.

The Ohio Office of Housing and Community Partnership's Financial Management Rules and Regulations, Section (A)(3)(f), states in part the grantee must develop a cash management system to ensure compliance with the Fifteen Day Rule relating to prompt disbursement of funds. This rule states that funds drawn down should be limited to amounts that will enable the grantee to disburse the funds on hand to a balance of less than \$5,000 within fifteen days of receipt of any funds.

The City was the recipient of a Home Investment Partnership Program (HOME) Grant obtained through the Ohio Department of Development's Office of Housing and Community Partnerships (OHCP). Amounts drawn down from these grants were not reduced to \$5,000 within fifteen days of receipt of funds as follows:

Date of Receipt	Amount	Balance on Hand After 15 Days	Approximate Number of Days Until the Balance was reduced to Below \$5,000
1/14/09	\$77,085	\$38,910	103
4/30/09	40,277	7,515	165
6/25/09	41,649	29,281	109
8/31/09	110,334	23,506	42
9/25/09	92,167	105,815	17

We recommend the City implement cash management procedures to disburse HOME grant funds on hand to a balance of less than \$5,000 within fifteen days of receipt.

**Official's Responses and Corrective Action Plan:**

The City of Marysville will implement a cash management process to ensure compliance with the Fifteen Day Rule relating to prompt disbursement of funds.

Responsible official- Finance Director  
anticipated completion date- immediate

**CITY OF MARYSVILLE  
UNION COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2009  
(Continued)**

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

<b>Finding Number</b>	<b>2009-004</b>
<b>CFDA Title and Number</b>	<b>CFDA #14.239 – HOME Investment Partnerships Program CFDA #12.XXX - U.S. Army Corp of Engineers - Marysville Wastewater Treatment Facility CFDA #97.036 – Disaster Grants - Public Assistance</b>
<b>Federal Award Number / Year</b>	<b>HOME Investment Partnerships Program - A-C-07-144-1 A-C-07-144-2 C-07-144-1 Marysville Wastewater Treatment Facility - 2928-009 Disaster Grants - Public Assistance - DR-1805-OH</b>
<b>Federal Agency</b>	<b>United States Department of Housing and Urban Development United States Department of Defense United States Department of Homeland Security</b>
<b>Pass-Through Agency</b>	<b>Ohio Department of Development U.S. Army Corp of Engineers Ohio Department of Public Safety</b>

**Federal Expenditures Schedule – Noncompliance Finding / Material Weakness**

OMB Circular A-133 Section \_\_.300 (d) states that the auditee shall prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with Section \_\_.310. OMB Circular A-133 Section \_\_.310 (b) states that the auditee shall prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple award years, the auditee may list the amount of Federal awards expended for each award year separately. At a minimum, the schedule shall:

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For Research and Development, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.
- (4) Include notes that describe the significant accounting policies used in preparing the schedule.
- (5) To the extent practical, pass-through entities should identify in the schedule the total amount provided to subrecipients from each Federal program.

**CITY OF MARYSVILLE  
UNION COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2009  
(Continued)**

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)</b>
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<b>Finding Number</b>	<b>2009-004 (Continued)</b>
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**Federal Expenditures Schedule - Noncompliance Finding / Material Weakness (Continued)**

- (6) Include, in either the schedule or a note to the schedule, the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the schedule.

During fiscal year 2009, the City received and spent federal grant monies relating to five federal programs. The following discrepancies existed on the 2009 City-prepared federal schedule:

- The City omitted the U.S. Army Corp of Engineers - Marysville Wastewater Treatment Facility and Disaster Grants - Public Assistance federal programs from the federal schedule with expenditure totaling \$827,406.
- For the programs the City did report, HOME Investment Partnerships Program expenditures were understated by \$96,808.

Errors in the Federal Schedule resulted in inaccurate reporting of the federal awards under OMB Circular A-133 requiring audit adjustments to the federal schedule. The City has adjusted the federal schedule for these errors.

We recommend the City ensure proper reporting of federal expenditures, which includes reporting the proper amount of expenditures; federal awarding agencies; pass-through entity names and numbers (where applicable); and the Catalog of Federal Domestic Assistance (CFDA) numbers. Source documentation should additionally be maintained to support the City's schedule.

**Official's Responses and Corrective Action Plan:**

The Finance Department is committed to proper financial reporting of federal expenditures. This discrepancy was due to a difference in the reporting of the expenditures. The City reported the expenditures on a GAAP basis when the expenditures should have been on a cash basis.

The following steps will be implemented to address the items as identified in Finding 2009-004:

- The Finance Department will ensure that all future reporting for the Federal Schedule will be on a cash basis.

Responsible official- Finance Director

Anticipated completion date- December 31, 2010 reporting period.

CITY OF MARYSVILLE  
UNION COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2009

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2008-001	Bank Reconciliation - improper accounting for the cash basis value of bank accounts in monthly bank to book reconciliations.	Yes	
2008-002	Financial Reporting - recommendation due to adjustments required to be made to the financial statements.	No	Not Corrected – Reissued as 2009-002

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**Mary Taylor, CPA**  
Auditor of State

**CITY OF MARYSVILLE**

**UNION 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 30, 2010**



**Dave Yost • Auditor of State**





CITY OF MARYSVILLE  
UNION COUNTY

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# Dave Yost • Auditor of State

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

City of Marysville  
Union County  
125 East Sixth Street  
Marysville, Ohio 43040

To the City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marysville, Union County, Ohio (the City) as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 21, 2011. 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*.

### Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider finding 2010-003 described in the accompanying schedule of findings to be a material weakness.

### **Compliance and Other Matters**

As part of reasonably assuring whether the City'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 instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2010-001 and 2010-002.

We also noted certain matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated June 21, 2011.

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

We intend this report solely for the information and use of management, the audit committee, City Council, and others within the City. We intend it for no one other than these specified parties.

A handwritten signature in black ink, appearing to read "Dave Yost", with a stylized, cursive script.

**Dave Yost**  
Auditor of State

June 21, 2011

**CITY OF MARYSVILLE  
UNION COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2010**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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<b>FINDING NUMBER</b>	<b>2010-001</b>
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**Negative Fund Balances – Noncompliance Finding**

Ohio Rev. Code Section 5705.10(H) requires that money paid into a fund must be used only for the purposes for which such fund has been established.

A negative fund balance indicates money from one fund was used to cover the expenses of another fund. The following funds had negative fund balances as of December 31, 2010:

Fund Description	Fund No.	Negative Fund Balance
OPWC Walnut St. Traffic	20	\$(33,000)
CDBG Tier II Grant	21	(47,044)
CHIP Grant	45	(2,829)
Scottslawn Rd Widening	80	(185,000)
Industrial Pkwy Culvert	82	(267,000)
CDBG Formula Grant	83	(37,300)
Job Readiness Site Grant	84	<u>(1,223,996)</u>
Total		\$ (1,796,169)

We recommend the City use monies paid into each fund only for the purpose for which such fund was established

**Official's Response:**

The Finance Department closely monitors all funds to ensure that negative fund balances do not occur. The funds listed above that had negative fund balances as of December 31, 2010, were reimbursable grant funds. The negative balances noted in these funds were a result of timing differences. The City had expended the funds as required by the grant, submitted a request for reimbursement, and simply had not received the grant revenue as of December 31, 2010.

**CITY OF MARYSVILLE  
UNION COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2010  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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<b>FINDING NUMBER</b>	<b>2010-002</b>
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**Actual Revenue Deficiency – Noncompliance Finding**

Ohio Rev. Code §5705.36(A)(4) states that upon a determination by the Fiscal Officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the level of current appropriations, the fiscal officer shall certify the amount of the deficiency to the commission, and the commission shall certify an amended certificate reflecting the deficiency.

The following funds had appropriations that exceeded actual resources at year end:

Fund No.	Fund	Actual Resources	Appropriations	Variance Between Actual Resources and Appropriations
13	Police Grant Fund	7,589	10,000	\$(2,411)
14	Fire Grant Fund	31,143	40,000	(8,857)
20	OPWC Walnut St. Traffic Signal	0	33,000	(33,000)
21	CDBG Tier II Grant	76,368	350,500	(274,132)
75	CHIP Grant Fund	119,534	250,000	(130,466)
82	Industrial Pkwy Culvert Proj.	0	267,000	(267,000)
84	Job Readiness Site Grant	(633,389)	965,886	(1,599,275)
85	Neighborhood Stabilization Proj.	98,344	103,632	(5,288)
				\$( 2,320,429)

Failure to appropriately amend estimated resources and appropriations as a result of known revenue deficiencies resulted in deficit spending in the above funds.

We recommend the City implement procedures to monitor estimated and actual revenues and request an amended certificate of estimated resources and reduce appropriations, when necessary, when it becomes evident that estimated sources of revenue will be below projections for the year.

**Official's Response:**

The Finance Department closely monitors all funds to ensure that appropriations do not exceed resources. The funds listed above that had appropriations that exceeded resources as of December 31, 2010, were reimbursable grant funds. The variances noted in these funds were a result of timing differences. The City had expended the funds as required by the grant, submitted a request for reimbursement, and simply had not received the grant revenue as of December 31, 2010.

**CITY OF MARYSVILLE  
UNION COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2010  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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<b>FINDING NUMBER</b>	<b>2010-003</b>
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**Financial Reporting – Material Weakness**

Sound financial reporting is the responsibility of the City's Finance Director and Council and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

The City utilizes an accounting system and currently has monitoring controls over daily cash-basis transactions entered into the system. At year-end the cash basis information from the accounting system is converted into the financial statements reported under Accounting Principles Generally Accepted in the United States of America. Accrual information is prepared by the City and is submitted to an outside accounting firm to prepare the financial statements.

The following aggregated reclassification and adjustment were made to the December 31, 2010 financial statements and the City's accounting records:

- Reclassification of \$4,160,772 for the Sewer Fund, \$376,229 for the Water Fund and \$4,537,001 of Business Type Activities from Unrestricted Net Assets to Restricted for Debt Service.
- Adjustment to record an understatement of Income Taxes Receivable of \$1,008,081 and Deferred Revenue of \$1,322,526 while reducing Income Tax Revenue by \$314,445 for the General Fund. These further resulted in an understatement of Income Taxes Receivable and Income Tax Revenue for Governmental Activities of \$1,008,081.

The following aggregated differences were immaterial to the overall financial statements of the City and were not made to the December 31, 2010 financial statements:

- \$46,752 of understatement of Accrued interest payable and interest and fiscal charges for the Coleman's TIF Fund and Governmental Type Activities.
- Adjustment to increase the Payment in Lieu of Taxes Receivable and Deferred/Unearned Revenue in the Coleman's TIF Fund and Governmental Type Activities for \$59,078 and to decrease the Payment in Lieu of Taxes Receivable and Payment in Lieu of Taxes Revenue in the Sewer Fund and Business Type Activities for \$175,111.

Lack or failure of controls over the posting of financial transactions and financial reporting can result in errors and irregularities that may go undetected and decreases the reliability of financial data throughout the year.

We recommend the City continue to develop and enhance policies and procedures to further enhance its controls over recording of financial transactions and financial reporting to help ensure the information accurately reflects the activity of the City and thereby increases the reliability of the financial data throughout the year. We also recommend the City enhance/implement procedures over the completeness and accuracy of financial information reported within the Comprehensive Annual Financial Report. Such procedures may include review of the financial statements and related components by a member of management with analytical comparisons of the current year annual report to the prior year reports for obvious errors or omissions.



**CITY OF MARYSVILLE  
UNION COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2010  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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<b>FINDING NUMBER</b>	<b>2010-003 (Continued)</b>
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**Financial Reporting – Material Weakness (Continued)**

**Official's Response:**

The Finance Department is committed to proper financial reporting and welcomes this opportunity to receive feedback that will continue to ensure accurate financial reports prepared by the city.

It is important to note that one of the items was simply a reclassification entry that changed the presentation of these amounts on the financial statements but did not change the total amounts reported in the financial statements. The other material item dealt with Income Tax Receivables. The City chose a cut-off-date to calculate Income Tax Receivables. As this was the first full year that the City is realizing the full impact of the 0.5% increase in the tax rate, the City underestimated the amount of possible income tax revenue to be received and therefore, the Income Tax Receivable was understated.

It is also important to note that, while this recommendation addresses the reliability of financial reporting throughout the year, the identified items only impacted amounts converted from the City's cash basis accounting to accrual basis accounting after year-end and did not impact the City's cash financial reporting throughout the year.

**CITY OF MARYSVILLE  
UNION COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2010**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2009-001	Negative Fund Balances – funds had negative fund balances as of December 31, 2009	No	Not Corrected – Reissued as 2010-001
2009-002	Financial Reporting - recommendation due to adjustments required to be made to the financial statements.	No	Not Corrected – Reissued as 2010-003
2009-003	Cash Management - recommend the City implement cash management procedures to disburse HOME grant funds on hand to a balance of less than \$5,000 within fifteen days of receipt	Yes	Fully corrected.
2009-004	Federal Expenditures Schedule - recommend the City ensure proper reporting of federal expenditures, which includes reporting the proper amount of expenditures; federal awarding agencies; pass-through entity names and numbers	N/A	Finding no longer valid.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2010

*Prepared by the Auditor's Office*

Jenny Chavarria  
Finance Director



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CITY OF MARYSVILLE  
COLUMBIANA COUNTY, OHIO

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# CITY OF MARYSVILLE

125 East Sixth Street • Marysville, Ohio 43040

Jenny Chavarria, City Finance Director

phone (937) 645-1030

fax (937)-645-1105

[www.marysvilleohio.org](http://www.marysvilleohio.org)

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June 21, 2011

To the Honorable Mayor, the City Council and the Citizens of the City of Marysville, Ohio:

We are pleased to present the first **Comprehensive Annual Financial Report** (CAFR) of the City of Marysville, Ohio, (the City) for the year ended December 31, 2010. The report has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) established by statements of the Governmental Accounting Standards Board (GASB), other authoritative pronouncements and guidelines recommended by the Government Finance Officers Association (GFOA) of the United States and Canada, and audited in accordance with Generally Accepted Auditing Standards (GAAS). GAAP requires a narrative introduction, overview, and analysis called the Management's Discussion and Analysis (MD&A) to accompany the basic financial statements. This Letter of Transmittal (LOT) is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

## THE REPORT

*State law*, along with *Administrative Rules* of the Auditor of State, requires all City governments to publish an Annual Report within 150 days of the close of each fiscal year. This report must present a complete set of financial statements presented in conformity with GAAP. Various City debt service *Trust Agreements* require Audited Annual Reports in accordance with GAAS. Pursuant to these requirements, we hereby issue the CAFR of the City of Marysville, Ohio, for the fiscal year ended December 31, 2010.

While there is no legal requirement for the preparation of a CAFR, it represents a commitment by the City, and its officers, to conform to nationally recognized standards of excellence in financial reporting. This report consists of management's representations concerning the finances of the City. Responsibility for both the accuracy of the presented data and the completeness and reliability of the presentation, including all disclosures, rests with City management.

City Management has established various internal controls designed to compile reliable information for the preparation of the Annual Financial Statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's various internal controls are designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been presented.

***Letter of Transmittal***

***For the Year Ended December 31, 2010***

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The Auditor of the State of Ohio (independent auditor) has audited the financial statements of the City. The objective of the independent audit was to provide reasonable assurance that the financial statements of the City for the year ended December 31, 2010, are free from misstatement. The audit involved examining, on a test basis, evidence supporting amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management, and evaluating the overall financial statement presentation. The independent auditor issued an unqualified opinion that the basic financial statements are presented fairly in conformity with GAAP, in all material respects, representing the financial position of the City as of December 31, 2010. The report from the Independent Accountants' Report is presented as the first component of the financial section of this report.

**PROFILE OF THE CITY OF MARYSVILLE**

**City Overview**

The City of Marysville is an independent political subdivision of the State of Ohio and operates subject to the provisions of its charter, the Ohio Constitution, and various sections of the Revised Code. As a home-rule municipality, the City may exercise all powers of local self-government under Article XVIII, Section 3 of the Ohio Constitution. The City is the county seat of Union County (the County), and it offers the advantages of a metropolitan area combined with the charm of a rural, smaller community. Settled along Mill Creek early in the 1820's, the City encompasses approximately 16 square miles of territory and serves as the hub for the County.

The form of government provided by the charter of the City is known as "mayor-director-council form of government." Legislative authority is exercised by a seven-member City Council (the Council) that meets regularly on the second and fourth Thursdays of each month. Three members of Council are elected from the City at large and four are elected from each of four wards. Council members serve overlapping terms of four years. At the first meeting of each year, the Council elects one of its members to serve as president and one to serve as vice president, each for a term of one year.

Marysville is located approximately 25 miles northwest of Columbus, the State capital, on U.S. 33, a major highway. Other principal highways in Marysville are U.S. Route 36 and State Routes 4, 31, 38, 245 and 736. The City's central location is among its greatest assets because it makes travel quick and convenient for residents.

As the largest city in the County, Marysville is the home of both large and small industries, and its diversified business base helps provide a desirable quality of life. Few communities of its size in the country have enjoyed the international spotlight that has focused on the City, largely as a result of the Honda of America Manufacturing, Inc. automobile assembly facilities. Other major industries located in the City include The Scotts Miracle-Gro Company (lawn care products), Veyance Technologies (formerly The Goodyear Tire & Rubber Company), Univenture (manufacturer), Nestlé Product Technology Center (food research and development), and Parker Hannifin –Hydraulic Pump Division (manufacturer).

***Letter of Transmittal  
For the Year Ended December 31, 2010***

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The City of Marysville provides a host of traditional municipal services including police and fire protection, parks and recreation, operation of a municipal court, street maintenance and other governmental services. In addition, the City owns and operates water and sewer systems to serve consumers within the City and certain immediately adjacent environs.

**The Reporting Entity**

The accompanying basic financial statements comply with the provisions of GASB Statement No. 14, "*The Financial Reporting Entity*", as amended by GASB Statement No. 39, "*Determining Whether Certain Organizations are Component Units*" in that the financial statements include all of the organizations, activities, functions and component units for which the City (The Reporting Entity) is Financially Accountable. Financial Accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the reporting entity of the City has no component units, but includes the following services as authorized by its charter: police and fire protection, parks and recreation, planning, zoning, engineering, street maintenance, provision of water and wastewater treatment services, refuse collection (on a contractual basis) and other governmental services

**Budgetary and Accounting Controls**

The City's budgetary accounting system was designed to provide reasonable assurance that:

1. The City's assets are protected against loss and unauthorized use or disposition; and
2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

The concept of reasonable assurance states that internal controls should be evaluated using the following criteria:

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation; and
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City administration and members of the finance office.

All internal control evaluations occur within this framework. It is the belief of the administrative and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

***Letter of Transmittal  
For the Year Ended December 31, 2010***

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Budgetary internal controls are maintained to ensure compliance with legal provisions embodied in the annual appropriated budget by City Council. The activity of all funds is included in the annual appropriation budget. The City also maintains an encumbrance accounting system to maintain budgetary control. The control is maintained through the encumbering of estimated purchases through the use of formal approved purchase orders. Encumbered amounts do not lapse at year-end, unused encumbrances are carried over to the following year. The Administration, Mayor, and City Council receives monthly report of amounts in the City's bank accounts reconciled to the amounts on the City's internal records. In addition, the Administration, Mayor, and City Council receives a quarterly report comparing budgeted and actual revenue and expenditure.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues meeting its responsibility for sound financial management.

**LOCAL ECONOMY**

The City of Marysville, like many other cities, has been affected by the economic downturn. However, Union County and the City of Marysville have weathered the storm fairly well. Since 1991, the City has grown from a predominantly agricultural area to a young and robust municipality. Much of this economic development has been in the area of manufacturing and relates to our two largest corporations – Honda of America and The Scotts Miracle-Gro Company -. The Honda facility was built in the late 1970's outside the City, but within the County, and serves as a major employer for the City's residents. The Scotts Miracle-Gro Company, founded in Marysville in 1868, employs approximately 1,250 people and maintains its World and North American Headquarters as well as its main manufacturing facility in the City.

In addition to the commercial economic development, the City has seen its population increase 38.6% from 2000. This increase in population has sparked the construction of numerous housing developments, such as Mill Valley, Scotts Farm, and Green Pastures.

This economic growth led to not only a strain on the City's infrastructure, but also the City's limited manpower and services. In 2009 and 2010, City Council took steps to balance the budget by reducing General Fund expenditures by \$2.3 million. In 2009, a twenty-three member Citizen's Advisory Committee was formed to review the City's current revenue sources and expenditures. The Committee determined that the City was not spending money unwisely and that the City should propose a 0.5% increase in its income tax rate.

On May 4, 2010, the Citizens of Marysville voted on and approved an increase in the income tax of 0.5%, with a July 1, 2010 effective date. When added to the prior 1.0% rate, this increases the total income tax rate to 1.5%. The \$4.1 million projected increase in income tax revenue was earmarked to fund the principal and interest payments on the new Police/Court and Fire Buildings, the operating costs for these two new buildings and to restore \$1.3 million in day-to-day operating expenditures.

In order to be fiscally prudent and ensure fiscal responsibility, a General Fund Budget Plan was drafted to guide the formation of annual budgets. This plan establishes a General Fund target unappropriated balance of \$3.5 million to ensure financial stability and security of the City. The plan also addresses allocation of additional appropriation for funds over and above the \$3.5 million target balance.

***Letter of Transmittal  
For the Year Ended December 31, 2010***

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**ECONOMIC DEVELOPMENT**

Marysville's growing industrial base and residential population has greatly changed the development patterns of the City, transitioning it from a traditional rural market trade center to a more suburban-style community and regional employment center served by local and international businesses.

The Uptown Area, which includes the historic central business district, is composed of a mix of residential, retail, and office uses in the blocks surrounding the intersection of Fifth and Main streets. Uptown includes a mix of locally-oriented retail, destination retail, offices (a large proportion of which are associated with the community's county seat function, such as county agencies and attorneys), service providers and a small number of residents. The City was awarded \$400,000 in CDBG funds that has been utilized for the renovation of building facades and streetscape improvements to the Uptown area. This grant has accounted for nearly \$359,000 of private investment and over \$350,000 of public infrastructure improvements in the Uptown area.

Industrial developments within the City limits are predominately clustered in the southeastern portion of the City along Industrial Parkway to the north and south of Scottslawn Road. A significant amount of vacant farmland and potential redevelopment sites are also found in this area, and a small number of industrial developments also continue to operate closer to the city center. Office and research and development facilities occur on small sites throughout the City. The largest existing research and development facility, the Nestle Product Technology Center, employs approximately 250 people and is located on Collins Avenue.

Coleman's Crossing, a large commercial development, is located to the west of U.S. 33 and south of Delaware Avenue and offers a number of restaurants and retail options. Coleman's Crossing, combined with City Gate, another large commercial development, offer over 200 acres of retail space, making these two shopping centers significant regional destinations. A Honda Auto & Motorcycle dealership, the flagship Honda dealership, and a Home Depot store opened in Coleman's Crossing in 2005, and a Super Wal-Mart opened in 2006. In 2009, Lowe's, constructed a new facility in the City on the southeast corner of US 33 and US 36 where the previous Wal-Mart was located. Soon thereafter, Dunham's sports renovated and occupied the former Big Bear store in the same center as Lowe's. A new development – City Gate – opened in 2007 bringing a number of new service businesses and restaurants including two financial institutions, two retail establishments, and four restaurants. These businesses have spurred additional retail and commercial development in the area and more businesses are currently being planned.

Marysville provides a wide range of residential options throughout the community, from upscale, executive homes to traditional suburban homes, as well as the historic residential area in the neighborhood known as Olde Town Marysville. The sharp increase in population over the last 10 years has been the catalyst for several large residential developments, including Mill Valley, and Scotts Farm to the north of U.S 33 and the Green Pastures subdivision in the western portion of the City. Several other residential developments are located along State Route 4/U.S. 36 and State Route 38 in the southwest area of the City. At this time, more than 1,000 new residential lots have been approved for construction throughout the City, and especially in the areas identified. Although residential construction has sharply decreased in the last four year period, it is expected that these lots will eventually be developed, potentially adding thousands of new residents to the City.

***Letter of Transmittal  
For the Year Ended December 31, 2010***

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The substantial growth in residential, commercial and industrial development in recent years has also led to major infrastructure improvements, such as the expansion of water and sewer service. Two significant new facilities were constructed in the late 2000s: the Water Reservoir and the Water Reclamation Facility.

In order to further the City's commercial and industrial development, the City has entered into several tax abatement agreements with businesses in the area. The City has existing agreements with The Scotts Miracle-Gro Company (2), Veyance Technologies(3), and Honda Lock of America. The City has approved 15 abatements since the program began in 1990. Additionally, the City has entered with municipal income tax payment agreements with The Scotts Miracle-Gro Company, Univenture, and Veyance Technologies. All of these agreements create jobs and promote commercial development for the City.

**FUTURE ECONOMIC DEVELOPMENT**

Future economic development plans are evaluated to determine if they meet the vision of the City of Marysville that is characterized in the 2010 Comprehensive Study. Among the approved projects:

**Jerome Village** - Nationwide Realty Investors entered into an agreement with Union County and the City of Marysville in 2010 to run sewer and water to the development site. The agreement allows Nationwide to begin developing 130 lots in the first part of Jerome Village, a section called Glacier Park. When completed, the development will include 2,500 homes and 1.5 million square feet of office and retail space on 1,435 acres in southern Union County.

**Algaeventure** - Algaeventure, a company specializing in growing and processing algae for use in alternative fuel production, is preparing to expand its research and development and manufacturing components to consolidate dewatering and separation procedures. The project will make the use of algae in the development of alternative energy more efficient and viable for use on a large scale. It is estimated that this new expansion will result in 200 new employees and approximately \$150,000 in additional income tax revenue.

**The Scotts Miracle-Gro Company** - The Scotts Miracle-Gro Company recently opened a new 30,000 sq. ft. office building for its lawn care service. Construction was also completed on a new 40,000 sq. ft. manufacturing plant to accommodate the production of its EZ Seed product. These improvements will result in 53 new full time equivalent employees bringing the company's local employment to over 1,300.

**Jobs Ready Site (Metro Equities Industrial Park)** - Work is nearing completion on Union County's first Job Ready Site (Metro Equities Industrial Park). The \$3,600,000 project makes 277 acres of land ready for immediate development for future large industrial tenants. The site will receive official certification from the State of Ohio in 2011.

***Letter of Transmittal***

***For the Year Ended December 31, 2010***

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**Police/Court and Fire Facilities** – Design of the City's new Police/Court and Fire facilities is nearing completion. Construction is expected to begin in October 2011 and estimated to cost approximately \$18,000,000 for these two new buildings. The second fire station is strategically placed north of the railroad tracks to reduce response times and the Police/Court Building will provide a safe and efficient facility for our Police and Municipal Court so they can meet the community's needs.

***AWARDS AND ACKNOWLEDGEMENTS***

**Independent Audit**

Included in this report is an unqualified audit opinion rendered on the City's financial statements for the year ended December 31, 2010, issued by the Auditor of State Office of Ohio. City management plans to continue to subject the financial statements to an annual independent audit as part of the preparation of a CAFR, and to meet requirements of certain Revenue Trust Agreements on Revenue Debt. In addition, an annual audit serves to maintain and strengthen the City's accounting and budgetary controls.

**Public Disclosure**

The publication of this CAFR is indicative of the City's commitment to provide significantly enhanced financial information and accountability to its citizens. In addition to the citizens of Marysville, the recipients of this report include city, state, federal offices, schools, libraries, newspapers, investment banking firms, banks and rating agencies. The report is made available to any person or organization requesting it. The extensive effort to prepare and distribute this report is indicative of the continued efforts of the City to improve its overall financial accounting, management and reporting capabilities.

**Acknowledgments**

Sincere appreciation is extended to the many individuals who have worked diligently and contributed significant time and effort in gathering data for this report, who through their continued knowledge and professionalism help make this annual project become a reality.

A special thank you is extended to the Members of City Council, the Mayor and the City Departments for the support and trust shown to the City Administration and the Finance Department and for allocating the resources and time for the development of this report, which demonstrates the City's commitment to conform to reporting requirements established for municipal governments, and to maintain the sound financial position the City has enjoyed for many years. A final thank you goes to the Citizens of Marysville, Ohio, who continue to support the many decisions made by the City in its financial operations.



***Letter of Transmittal  
For the Year Ended December 31, 2010***

---

Finally, we would especially like to recognize City staff, all of whom exhibited dedication and professionalism throughout the many hours required in preparing this report. A special thank you is extended to Ms. Wendy Eggleston, Accounting and Auditing Supervisor, who assisted in overseeing this project.

Respectfully submitted,



Jennifer M. Chavarria  
Director of Finance  
City of Marysville, Ohio



Terry Emery  
City Administrator  
City of Marysville, Ohio

## ***CITY OF MARYSVILLE, OHIO***

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### ***List of Principal Officials For the Year Ended December 31, 2010***

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<b><i>ELECTED OFFICIALS</i></b>	<b><i>OFFICE</i></b>	<b><i>TERM EXPIRES</i></b>
Nevin Taylor	Council President	12/31/11
Dan Fogt	Council Vice-President	12/31/11
Tracy Richardson	Council Member	12/31/11
Henk Berbee	Council Member	12/31/13
Deborah Groat	Council Member	12/31/11
Mark Reams	Council Member	12/31/13
Ed Pleasant	Council Member	12/31/11

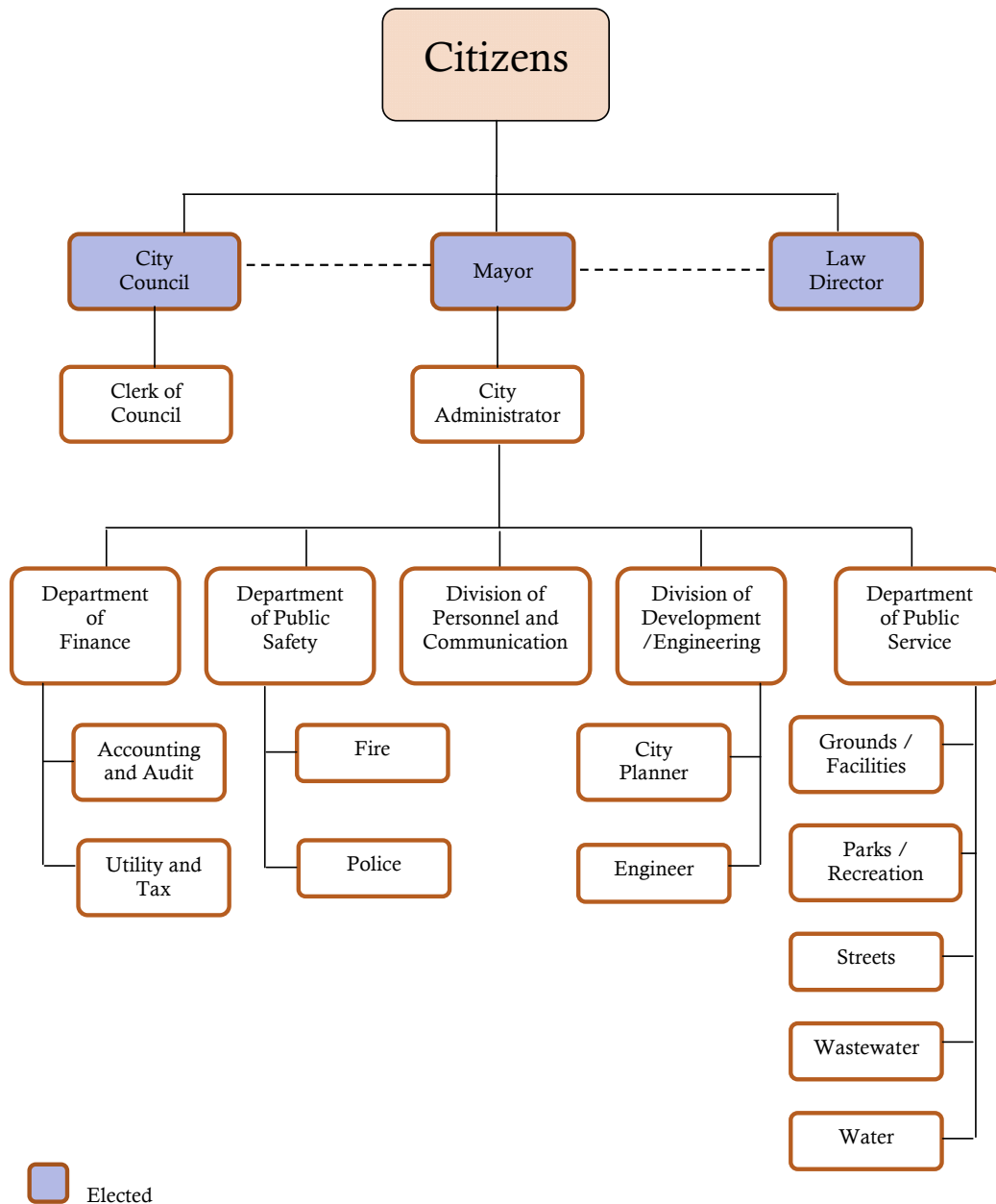
<b><i>ADMINISTRATIVE PERSONNEL</i></b>	<b><i>TITLE</i></b>	<b><i>TERM OF OFFICE</i></b>
John Gore, Jr.	Mayor	12/31/11
Terry Emery	Director of Administration	Appointed
Jennifer M. Chavarria	Director of Finance	Appointed
Tim M. Aslaner	Law Director	12/31/13

#### **City Address:**

Marysville City Hall  
125 East Sixth Street  
Marysville, Ohio 43040

***City Organizational Chart  
For the Year Ended December 31, 2010***

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

City of Marysville  
Union County  
125 East Sixth Street  
Marysville, Ohio 43040

To the City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Marysville, Union County, Ohio (the City), as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marysville, Union County, Ohio, as of December 31, 2010, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund 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 June 21, 2011, on our consideration of the City'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.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. 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 section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

A handwritten signature in black ink, appearing to read "Dave Yost", with a stylized, flowing script.

**Dave Yost**  
Auditor of State

June 21, 2011

***Management's Discussion and Analysis  
For the Year Ended December 31, 2010***

***Unaudited***

---

The discussion and analysis of the City of Marysville's (City) financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2010. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for 2010 are as follows:

- ❑ In total, net assets increased \$4,256,501, a 4.9% increase from 2009. The net assets of governmental activities increased \$4,341,031, a 14.5% increase from 2009; and the net assets of business-type activities decreased \$84,530, a minor decrease from 2009.
- ❑ Total revenues were \$40,101,437. \$16 million was general revenues, or 40% of the total revenues; and \$24 million was program specific revenues in the form of charges for services and sales, operating grants and contributions and capital grants and contributions, or roughly 60% of the total revenues.
- ❑ The City had \$17 million in program expenses related to governmental activities; only \$6.4 million of these expenses were offset by program specific revenues. General revenues (primarily taxes) of \$13.8 million were adequate to provide for the balance on these programs.
- ❑ Among major funds, the General Fund had \$15.1 million in revenues and \$11.2 million in expenditures. The general fund's fund balance, including transfers, increased \$2,049,031 to \$6,726,256.
- ❑ Net assets for the proprietary funds decreased by \$84,530.
- ❑ The City maintained a bond credit rating of Aa3, as issued by Moody's Investors Services.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, *required supplementary information*, and an optional section that presents *combining statements* for nonmajor governmental funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

***Management's Discussion and Analysis  
For the Year Ended December 31, 2010***

***Unaudited***

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The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

**Government-wide Statements**

The government-wide statements report information about the City as a whole using accepted methods similar to those used by private-sector companies. The Statement of Net Assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the City's net assets and how they have changed. Net-assets (the difference between the City's assets and liabilities) is one way to measure the City's financial health or position.

- Over time, increases or decreases in the City's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as property tax base, current property tax laws, conditions of the City's streets and general infrastructure and status of growth within the City.

The government-wide financial statements of the City are divided into two categories:

- Governmental Activities – Most of the City's programs and services are reported here including security of persons and property, public health and welfare services, leisure time activities, community environment, transportation and general government.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's water, sewer, storm water and sanitation services are reported as business-type activities.

**Fund Financial Statements**

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

Governmental Funds – Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds are reconciled in the financial statements.

**CITY OF MARYSVILLE, OHIO****Management's Discussion and Analysis  
For the Year Ended December 31, 2010****Unaudited**

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. All of the City's fiduciary activities are reported in the separate Fiduciary Statement of Assets and Liabilities.

**FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

The following table provides a comparison of net assets between 2010 and 2009:

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$17,109,810	\$12,593,750	\$36,815,442	\$39,156,685	\$53,925,252	\$51,750,435
Capital assets, Net	41,424,419	42,706,701	199,683,925	200,018,095	241,108,344	242,724,796
Total assets	58,534,229	55,300,451	236,499,367	239,174,780	295,033,596	294,475,231
Long-term debt outstanding	7,658,780	21,311,388	178,869,847	179,956,773	186,528,627	201,268,161
Other liabilities	16,534,538	3,989,183	1,344,527	2,848,484	17,879,065	6,837,667
Total liabilities	24,193,318	25,300,571	180,214,374	182,805,257	204,407,692	208,105,828
Net assets						
Invested in capital assets, net of related debt	21,674,744	22,141,194	21,138,692	22,937,908	42,813,436	45,079,102
Restricted	4,110,446	3,328,917	4,537,001	6,781,143	8,647,447	10,110,060
Unrestricted	8,555,721	4,529,769	30,609,300	26,650,472	39,165,021	31,180,241
Total net assets	\$34,340,911	\$29,999,880	\$56,284,993	\$56,369,523	\$90,625,904	\$86,369,403

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**CITY OF MARYSVILLE, OHIO****Management's Discussion and Analysis  
For the Year Ended December 31, 2010****Unaudited**

Changes in Net Assets – The following table shows the changes in net assets for the fiscal year 2010 and 2009:

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues						
Program revenues:						
Charges for Services and Sales	\$2,729,691	\$1,790,024	\$16,791,874	\$16,170,425	\$19,521,565	\$17,960,449
Operating Grants and Contributions	1,871,206	1,010,400	0	6,881	1,871,206	1,017,281
Capital Grants and Contributions	1,766,014	1,427,027	905,366	1,386,178	2,671,380	2,813,205
General revenues:						
Property Taxes	1,828,092	1,874,723	0	0	1,828,092	1,874,723
Municipal Income Taxes	10,878,400	8,347,026	0	0	10,878,400	8,347,026
Other Local Taxes	109,895	120,864	0	0	109,895	120,864
Payments in Lieu of Taxes	1,026,468	1,022,086	1,051,955	982,141	2,078,423	2,004,227
Grants and Entitlements not Restricted to Specific Programs	846,810	724,478	0	0	846,810	724,478
Investment Earnings	135,196	142,515	2,706	0	137,902	142,515
Miscellaneous	157,764	577,549	0	0	157,764	577,549
Total revenues	21,349,536	17,036,692	18,751,901	18,545,625	40,101,437	35,582,317
Program Expenses						
Security of Persons and Property	8,065,669	8,231,839	0	0	8,065,669	8,231,839
Public Health and Welfare Services	356,768	533,704	0	0	356,768	533,704
Leisure Time Activities	318,027	357,477	0	0	318,027	357,477
Community Environment	1,785,546	1,592,190	0	0	1,785,546	1,592,190
Transportation	2,826,219	2,937,757	0	0	2,826,219	2,937,757
General Government	3,083,726	2,890,567	0	0	3,083,726	2,890,567
Interest and Fiscal Charges	572,550	882,409	0	0	572,550	882,409
Sewer	0	0	11,703,017	5,109,903	11,703,017	5,109,903
Water	0	0	5,499,245	4,636,236	5,499,245	4,636,236
Stormwater	0	0	362,964	464,076	362,964	464,076
Sanitation	0	0	1,271,205	1,244,236	1,271,205	1,244,236
Total expenses	17,008,505	17,425,943	18,836,431	11,454,451	35,844,936	28,880,394
Change in Net Assets Before Transfers	4,341,031	(389,251)	(84,530)	7,091,174	4,256,501	6,701,923
Transfers	0	132,992	0	(132,992)	0	0
Total Change in Net Assets	4,341,031	(256,259)	(84,530)	6,958,182	4,256,501	6,701,923
Beginning Net Assets	29,999,880	30,256,139	56,369,523	49,411,341	86,369,403	79,667,480
Ending Net Assets	\$34,340,911	\$29,999,880	\$56,284,993	\$56,369,523	\$90,625,904	\$86,369,403

***Management's Discussion and Analysis  
For the Year Ended December 31, 2010***

***Unaudited***

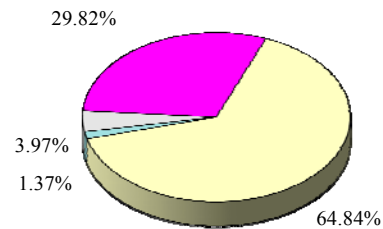
***Governmental Activities***

Net assets of the City's governmental activities had an increase of \$4,341,031. There was an increase in income tax receipts due to the rate increase that was effective July 1, 2010. Charges for services also increased in 2010, mostly from an increase in EMS runs. Overall, revenues increased by 25.3% compared to 2009.

The City receives an income tax based on a percentage of all salaries, wages, commissions and other compensation earned from residents living within the City and from nonresidents for work done or services performed or rendered in the City. The income tax rate increased from 1.0% to 1.5% effective July 1, 2010.

Property taxes and income taxes made up 8.6% and 51% respectively of revenues for governmental activities for the City in fiscal year 2010. The City's reliance upon tax revenues is demonstrated by the following graph indicating 64.84% of total revenues from general tax revenues:

Revenue Sources	2010	Percent of Total
Grants and Entitlements not Restricted to Specific Programs	\$846,810	3.97%
Program Revenues	6,366,911	29.82%
General Tax Revenues	13,842,855	64.84%
General Other	292,960	1.37%
Total Revenue	<u>\$21,349,536</u>	<u>100.00%</u>



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**Management's Discussion and Analysis  
For the Year Ended December 31, 2010****Unaudited**

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**Business-Type Activities**

Net assets of the business-type activities decreased by \$84,530. The City's business-type activities are its sanitation, sewer, water, and stormwater departments. The water and wastewater treatment plants provide services to a resident base in excess of 22,000. The City also provides wastewater treatment for the Village of Milford Center and several small unincorporated areas outside the City limits. The wastewater treatment plant generated operating revenues of \$7,752,084 and had operating expenses of \$5,860,153. The water plant generated operating revenues of \$7,112,359 and had operating expenses of \$4,147,882. The City's goal is to cover the costs of operations as well as building a cash balance in these funds equivalent to one-third of the department's annual operating budget. The City is also generating funds for additional capital expansion to ensure continued capacity and capacity improvements for future growth and development.

**FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS**

The City's governmental funds reported a combined fund balance of (\$1,948,558), which is a decrease of \$9,094,327 from last year's balance of \$7,145,769. This decrease can be attributed to the fact that the TIF General Obligation Notes payable are now being carried as a fund liability within the Coleman's Crossing TIF Fund. See footnote 3. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2010 and 2009:

	<u>Fund Balance December 31, 2010</u>	<u>Fund Balance December 31, 2009</u>	<u>Increase (Decrease)</u>
General	\$6,726,256	\$4,677,225	\$2,049,031
Coleman's Crossing TIF	(11,947,755)	216,320	(12,164,075)
Other Governmental	<u>3,272,941</u>	<u>2,252,224</u>	<u>1,020,717</u>
Total	<u><u>(\$1,948,558)</u></u>	<u><u>\$7,145,769</u></u>	<u><u>(\$9,094,327)</u></u>

General Fund – The City's General Fund balance increased due to many factors. The tables that follow assist in illustrating the financial activities of the General Fund:

	<u>2010 Revenues</u>	<u>2009 Revenues</u>	<u>Increase (Decrease)</u>
Taxes (Income, Property and Other)	\$11,601,218	\$10,177,533	\$1,423,685
Intergovernmental Revenue	1,015,038	851,862	163,176
Charges for Services	1,437,328	523,435	913,893
Licenses and Permits	325,127	352,397	(27,270)
Investment Earnings	125,684	142,018	(16,334)
Fines and Forfeitures	518,946	408,485	110,461
All Other Revenue	<u>104,792</u>	<u>78,325</u>	<u>26,467</u>
Total	<u><u>\$15,128,133</u></u>	<u><u>\$12,534,055</u></u>	<u><u>\$2,594,078</u></u>

**Management's Discussion and Analysis  
For the Year Ended December 31, 2010****Unaudited**

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General Fund revenues in 2010 increased approximately 20.7% compared to revenues in fiscal year 2009. The most significant factor contributing to this increase was in taxes and charges for services. There was an increase in income tax receipts due to the rate increase that was effective July 1, 2010. The increase in charges for services can be attributed to the fact that the EMS Billing Fund is now reported as a General Fund Equivalent. See footnote 21. Smaller decreases were also seen in licenses and permits and investment earnings; however, the total decreases were off-set by increases in intergovernmental revenue, fines and forfeitures, and other revenue.

	2010 Expenditures	2009 Expenditures	Increase (Decrease)
Security of Persons and Property	\$7,542,258	\$7,020,579	\$521,679
Public Health and Welfare Services	356,932	511,593	(154,661)
Leisure Time Activities	99,474	144,179	(44,705)
Community Environment	624,362	538,742	85,620
General Government	2,604,596	2,441,499	163,097
Capital Outlay	0	20,650	(20,650)
Debt Service:			
Principal Retirement	0	53,875	(53,875)
Interest and Fiscal Charges	0	10,307	(10,307)
Total	<u>\$11,227,622</u>	<u>\$10,741,424</u>	<u>\$486,198</u>

General Fund expenditures increased by \$486,198 or about 4.5% when compared to the prior year of 2009. The largest increase was in Security of Persons and Property, an increase of \$521,679. Although the City implemented a hiring freeze and did not provide for cost of living increases in 2009 for non-union employees, union employees received their increases as per contracts.

Expenditures in the Coleman's Crossing TIF Fund increased from 2009 to 2010 while the expenditures in the Other Governmental Funds decreased in 2010 as compared to 2009. The majority of the expenditures in the Other Governmental Funds are for economic development and other grant projects.

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. During the course of fiscal year 2010 the City amended its General Fund budget several times. The most significant budget changes occurred in the security of persons and property and general government functions, as basic services were restored after the voter approved 0.5% increase in the income tax rate.

In the General Fund, the final budget basis for revenue was \$21.3 million, including transfers in, a slight change over the original conservative budget estimates of \$20.1 million. The General Fund had an adequate revenue stream and fund balance reserves to cover its expenditures in 2010.

**Management's Discussion and Analysis  
For the Year Ended December 31, 2010****Unaudited****CAPITAL ASSETS AND DEBT ADMINISTRATION****Capital Assets**

At the end of fiscal 2010 the City had \$241,108,344 net of accumulated depreciation invested in land, improvements, infrastructure, buildings, machinery and equipment and construction in progress. Of this total, \$41,424,419 was related to governmental activities and \$199,683,925 to the business-type activities. The following table shows fiscal year 2010 and 2009 balances:

	Governmental Activities		Increase (Decrease)
	2010	2009	
Land	\$1,257,081	\$1,272,981	(\$15,900)
Construction in Progress	3,451,897	7,099,412	(3,647,515)
Buildings	3,635,874	3,650,834	(14,960)
Improvements Other Than Buildings	2,245,197	2,268,737	(23,540)
Machinery and Equipment	1,397,947	1,700,580	(302,633)
Vehicles	3,643,529	4,007,749	(364,220)
Infrastructure	82,655,991	77,607,145	5,048,846
Less: Accumulated Depreciation	(56,863,097)	(54,900,737)	(1,962,360)
Totals	<u>\$41,424,419</u>	<u>\$42,706,701</u>	<u>(\$1,282,282)</u>

	Business-Type Activities		Increase (Decrease)
	2010	2009	
Land	\$4,142,235	\$4,142,235	\$0
Construction in Progress	2,719,854	141,849,628	(139,129,774)
Buildings	107,683,913	9,757,973	97,925,940
Improvements Other Than Buildings	24,847,405	24,306,938	540,467
Machinery and Equipment	1,657,139	1,654,572	2,567
Vehicles	1,587,548	1,560,092	27,456
Infrastructure	83,127,144	39,083,557	44,043,587
Less: Accumulated Depreciation	(26,081,313)	(22,336,899)	(3,744,414)
Totals	<u>\$199,683,925</u>	<u>\$200,018,096</u>	<u>(\$334,171)</u>

Increases were the greatest in major infrastructure as the new Water Reclamation Facility and improvements to the City's infrastructure were completed in 2010. Additional information on the City's capital assets can be found in Note 9.

**Management's Discussion and Analysis  
For the Year Ended December 31, 2010****Unaudited**

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**Debt**

At December 31, 2010, the City had \$156.2 million in bonds outstanding, \$2.5 million due within one year. The following table summarizes the City's debt outstanding as of December 31, 2010 and 2009:

	2010	2009
Governmental Activities:		
Bond Anticipation Notes	\$0	\$12,980,000
General Obligation Bonds	6,532,491	7,054,197
Capital Leases	237,184	287,113
Compensated Absences	889,105	990,078
Total Governmental Activities	7,658,780	21,311,388
Business-Type Activities:		
Bond Anticipation Notes	\$28,215,000	\$28,240,000
General Obligation Bonds	1,102,447	1,523,262
Mortgage Revenue Bonds	148,602,711	149,860,516
OPWC Loans Payable	625,075	41,639
Compensated Absences	324,614	291,356
Total Business-Type Activities	178,869,847	179,956,773
Totals	\$186,528,627	\$201,268,161

The general obligation bonds supported by governmental activities were for multiple City improvements financed with bond anticipation notes during the late 1990s. Many of these projects were for the extension of infrastructure and services to the large annexation of land in 1998. These monies were also used to refurbish several City streets (Grove Street, Raymond Road) and for the construction of the Public Service Center. These bonds will be repaid by the general operating revenues (income and property taxes) of the City.

The general obligation bonds supported by business-type activities were for plant expansion and renovation of the water and sewer utilities. The mortgage revenue bonds were issued primarily for (1) refinancing the purchase of the water treatment plant, vehicles, and related infrastructure from the Ohio Water Company in 1991, (2) refinancing the expansion of the wastewater treatment plant in 1992, (3) infrastructure expansion required by the large annexation of land in 1998, and (4) construction of a Water Reclamation Facility and trunk sewer in 2006 through 2009. These bonds are paid by water and sewer revenues collected from the City's utility customers for provision of water for consumption and wastewater treatment. Additional information on the City's long-term debt can be found in Note 14.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

From August to October of the current year, the City's five-year budget is prepared. This process starts with the budgeted current figures and attempts to revise these figures (if applicable) for the remainder of the year. Predictions are made for the next five years based on assumptions provided by the Administration. The five-year budget takes a long-term look at the direction of the City. Each department director prepares the budgeted expenditures that relate to the applicable department. The finance department prepares the budgeted revenues. The City Administrator and Mayor then review all figures in detail, and changes are made as necessary.

The budget is then presented to City Council during a workshop, typically held in late October. City Council reviews the proposed revenues and expenditures for each fund. Changes are then made as necessary. The final budget is then presented to City Council for their approval.

City Council continues to pursue new revenue sources, while reviewing the possibility of increasing existing sources. A close watch of current economic conditions is an ongoing process each year to determine if increased revenues, or reductions in expenditures, are necessary in order to maintain fiscal stability.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the City's finances and to reflect the City's accountability for the monies it receives. Questions about this report or additional financial information needs should be directed to Jenny Chavarria, City Finance Director, 125 East Sixth Street, Marysville, Ohio, 43040, (937) 642-6015, or e-mail at [jchavarria@marysvilleohio.org](mailto:jchavarria@marysvilleohio.org).

**CITY OF MARYSVILLE, OHIO****Statement of Net Assets  
December 31, 2010**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 8,732,479	\$ 25,466,397	\$ 34,198,876
Investments	0	3,766,686	3,766,686
Receivables:			
Municipal Income Taxes	2,773,024	0	2,773,024
Accounts	291,962	1,772,613	2,064,575
Intergovernmental	2,626,689	23,672	2,650,361
Payments in Lieu of Taxes	835,092	1,172,381	2,007,473
Interest	17,121	3,893	21,014
Property Taxes	1,548,970	0	1,548,970
Special Assessments	177,592	0	177,592
Prepaid Items	106,881	72,799	179,680
Restricted Assets:			
Cash and Cash Equivalents with Fiscal Agent	0	4,537,001	4,537,001
Capital Assets:			
Capital Assets Not Being Depreciated	4,708,978	6,862,089	11,571,067
Capital Assets Being Depreciated, Net	36,715,441	192,821,836	229,537,277
<b>Total Assets</b>	<b>58,534,229</b>	<b>236,499,367</b>	<b>295,033,596</b>
<b>Liabilities:</b>			
Accounts Payable	380,912	383,806	764,718
Accrued Wages and Benefits	519,094	150,841	669,935
Intergovernmental Payable	191,083	0	191,083
Retainage Payable	58,877	0	58,877
Unearned Revenue	2,299,205	0	2,299,205
Accrued Interest Payable	105,367	809,880	915,247
General Obligation Notes Payable	12,980,000	0	12,980,000
Long-Term Liabilities:			
Due Within One Year	1,163,229	2,164,834	3,328,063
Due in More Than One Year	6,495,551	176,705,013	183,200,564
<b>Total Liabilities</b>	<b>24,193,318</b>	<b>180,214,374</b>	<b>204,407,692</b>
<b>Net Assets:</b>			
Invested in Capital Assets, Net of Related Debt	21,674,744	21,138,692	42,813,436
Restricted For:			
Capital Projects	485,782	0	485,782
Debt Service	0	4,537,001	4,537,001
Other Purposes	3,624,664	0	3,624,664
Unrestricted	8,555,721	30,609,300	39,165,021
<b>Total Net Assets</b>	<b>\$ 34,340,911</b>	<b>\$ 56,284,993</b>	<b>\$ 90,625,904</b>

See accompanying notes to the basic financial statements



**CITY OF MARYSVILLE, OHIO****Statement of Activities  
For the Year Ended December 31, 2010**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
Security of Persons and Property - Police	\$ 3,805,804	\$ 16,783	\$ 192,788	\$ 0
Security of Persons and Property - Fire	3,374,557	774,794	29,734	0
Security of Persons and Property - Other	885,308	748,345	0	0
Public Health and Welfare Services	356,768	46,000	0	0
Leisure Time Activities	318,027	721,751	43,727	0
Community Environment	1,785,546	0	784,041	1,766,014
Transportation	2,826,219	142,033	820,916	0
General Government	3,083,726	279,985	0	0
Interest and Fiscal Charges	572,550	0	0	0
<b>Total Governmental Activities</b>	<b>17,008,505</b>	<b>2,729,691</b>	<b>1,871,206</b>	<b>1,766,014</b>
<b>Business-Type Activities:</b>				
Sewer	11,703,017	7,762,151	0	905,366
Water	5,499,245	7,103,702	0	0
Stormwater	362,964	560,719	0	0
Sanitation	1,271,205	1,365,302	0	0
<b>Total Business-Type Activities</b>	<b>18,836,431</b>	<b>16,791,874</b>	<b>0</b>	<b>905,366</b>
<b>Totals</b>	<b>\$ 35,844,936</b>	<b>\$ 19,521,565</b>	<b>\$ 1,871,206</b>	<b>\$ 2,671,380</b>

**General Revenues:**

Property Taxes Levied For:

General Purposes

Police Pension

Fire Pension

Municipal Income Taxes

Other Local Taxes

Payments in Lieu of Taxes

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See accompanying notes to the basic financial statements

***CITY OF MARYSVILLE, OHIO***

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Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
\$ (3,596,233)	\$ 0	\$ (3,596,233)
(2,570,029)	0	(2,570,029)
(136,963)	0	(136,963)
(310,768)	0	(310,768)
447,451	0	447,451
764,509	0	764,509
(1,863,270)	0	(1,863,270)
(2,803,741)	0	(2,803,741)
(572,550)	0	(572,550)
(10,641,594)	0	(10,641,594)
0	(3,035,500)	(3,035,500)
0	1,604,457	1,604,457
0	197,755	197,755
0	94,097	94,097
0	(1,139,191)	(1,139,191)
(10,641,594)	(1,139,191)	(11,780,785)
1,589,078	0	1,589,078
119,507	0	119,507
119,507	0	119,507
10,878,400	0	10,878,400
109,895	0	109,895
1,026,468	1,051,955	2,078,423
846,810	0	846,810
135,196	2,706	137,902
157,764	0	157,764
14,982,625	1,054,661	16,037,286
4,341,031	(84,530)	4,256,501
29,999,880	56,369,523	86,369,403
\$ 34,340,911	\$ 56,284,993	\$ 90,625,904

**CITY OF MARYSVILLE, OHIO****Balance Sheet  
Governmental Funds  
December 31, 2010**

	General	Coleman's Crossing TIF	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 4,587,021	\$ 292,959	\$ 3,852,499	\$ 8,732,479
Receivables:				
Municipal Income Taxes	2,773,024	0	0	2,773,024
Accounts	285,332	0	6,630	291,962
Intergovernmental	426,212	0	2,200,477	2,626,689
Payments in Lieu of Taxes	0	835,092	0	835,092
Interest	17,097	0	24	17,121
Property Taxes	1,341,516	0	207,454	1,548,970
Special Assessments	15,235	0	162,357	177,592
Interfund Loans Receivables	1,114,544	0	0	1,114,544
Prepaid Items	87,825	0	19,056	106,881
<b>Total Assets</b>	<b>\$ 10,647,806</b>	<b>\$ 1,128,051</b>	<b>\$ 6,448,497</b>	<b>\$ 18,224,354</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 138,851	\$ 1,450	\$ 240,611	\$ 380,912
Accrued Wages and Benefits Payable	479,509	0	39,585	519,094
Intergovernmental Payable	0	191,083	0	191,083
Retainage Payable	0	0	58,877	58,877
Interfund Loans Payable	0	0	1,114,544	1,114,544
Deferred Revenue	3,303,190	835,092	707,599	4,845,881
Accrued Interest Payable	0	68,181	14,340	82,521
General Obligation Notes Payable	0	11,980,000	1,000,000	12,980,000
<b>Total Liabilities</b>	<b>3,921,550</b>	<b>13,075,806</b>	<b>3,175,556</b>	<b>20,172,912</b>
<b>Fund Balances:</b>				
Reserved for Encumbrances	349,058	0	1,142,698	1,491,756
Reserved for Prepaid Items	87,825	0	19,056	106,881
Undesignated/Unreserved in:				
General Fund	6,289,373	0	0	6,289,373
Special Revenue Funds	0	0	3,024,014	3,024,014
Debt Service Funds	0	(11,947,755)	(568,679)	(12,516,434)
Capital Projects Funds	0	0	(344,148)	(344,148)
<b>Total Fund Balances</b>	<b>6,726,256</b>	<b>(11,947,755)</b>	<b>3,272,941</b>	<b>(1,948,558)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 10,647,806</b>	<b>\$ 1,128,051</b>	<b>\$ 6,448,497</b>	<b>\$ 18,224,354</b>

See accompanying notes to the basic financial statements

***CITY OF MARYSVILLE, OHIO***

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***Reconciliation Of Total Governmental Fund Balances  
To Net Assets Of Governmental Activities  
December 31, 2010***

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<b>Total Governmental Fund Balances</b>	<b>(\$1,948,558)</b>
 <i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.	41,424,419
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.	2,546,676
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(7,681,626)</u>
<b><i>Net Assets of Governmental Activities</i></b>	<b><u>\$ 34,340,911</u></b>

See accompanying notes to the basic financial statements

**CITY OF MARYSVILLE, OHIO****Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2010**

	General	Coleman's Crossing TIF	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Property Taxes	\$ 1,572,934	\$ 0	\$ 239,014	\$ 1,811,948
Municipal Income Tax	9,920,930	0	0	9,920,930
Other Local Taxes	107,354	0	824,404	931,758
Payments in Lieu of Taxes	0	1,067,337	0	1,067,337
Intergovernmental Revenues	1,015,038	0	2,757,251	3,772,289
Charges for Services	1,437,328	0	142,673	1,580,001
Licenses and Permits	325,127	0	2,000	327,127
Investment Earnings	125,684	9,391	121	135,196
Donations	706	0	0	706
Special Assessments	0	0	21,510	21,510
Fines and Forfeitures	518,946	0	201,803	720,749
All Other Revenue	104,086	0	38,931	143,017
<b>Total Revenue</b>	<b>15,128,133</b>	<b>1,076,728</b>	<b>4,227,707</b>	<b>20,432,568</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property - Police	3,530,551	0	145,398	3,675,949
Security of Persons and Property - Fire	3,152,686	0	159,421	3,312,107
Security of Persons and Property - Other	859,021	0	12,695	871,716
Public Health and Welfare Services	356,932	0	210	357,142
Leisure Time Activities	99,474	0	129,419	228,893
Community Environment	624,362	863,900	1,407,455	2,895,717
Transportation	0	0	1,188,364	1,188,364
General Government	2,604,596	0	124,105	2,728,701
Capital Outlay	0	0	45,986	45,986
Debt Service:				
Principal Retirement	0	11,980,000	1,500,000	13,480,000
Interest and Fiscal Charges	0	396,903	345,466	742,369
<b>Total Expenditures</b>	<b>11,227,622</b>	<b>13,240,803</b>	<b>5,058,519</b>	<b>29,526,944</b>

**CITY OF MARYSVILLE, OHIO**

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	General	Coleman's Crossing TIF	Other Governmental Funds	Total Governmental Funds
Excess (Deficiency) of Revenues				
Over Expenditures	3,900,511	(12,164,075)	(830,812)	(9,094,376)
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	49	0	0	49
Transfers In	0	0	1,851,529	1,851,529
Transfers Out	(1,851,529)	0	0	(1,851,529)
<b>Total Other Financing Sources (Uses)</b>	<u>(1,851,480)</u>	<u>0</u>	<u>1,851,529</u>	<u>49</u>
Net Change in Fund Balances	2,049,031	(12,164,075)	1,020,717	(9,094,327)
<b>Fund Balances at Beginning of Year as Restated</b>	<u>4,677,225</u>	<u>216,320</u>	<u>2,252,224</u>	<u>7,145,769</u>
<b>Fund Balances (Deficit) End of Year</b>	<u>\$ 6,726,256</u>	<u>\$ (11,947,755)</u>	<u>\$ 3,272,941</u>	<u>\$ (1,948,558)</u>

See accompanying notes to the basic financial statements

## ***CITY OF MARYSVILLE, OHIO***

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### ***Reconciliation Of The Statement Of Revenues, Expenditures And Changes In Fund Balances Of Governmental Funds To The Statement Of Activities For the Year Ended December 31, 2010***

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ (9,094,327)</b>
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***Amounts reported for governmental activities in the statement of activities are different because***

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.	(1,016,793)
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Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of capital assets net of proceeds received.	(265,489)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	916,919
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The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net assets. In addition, repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	13,551,635
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In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	148,113
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Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	100,973
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<b><i>Change in Net Assets of Governmental Activities</i></b>	<b><u>\$ 4,341,031</u></b>
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See accompanying notes to the basic financial statements

**CITY OF MARYSVILLE, OHIO**

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

**General Fund**

**For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 1,681,585	\$ 1,559,663	\$ 1,572,934	\$ 13,271
Municipal Income Tax	8,293,084	9,475,350	9,631,406	156,056
Other Local Taxes	125,000	100,000	108,114	8,114
Intergovernmental Revenue	850,584	948,998	975,146	26,148
Charges for Services	1,649,723	1,426,147	1,408,672	(17,475)
Licenses and Permits	320,803	345,304	322,737	(22,567)
Investment Earnings	200,010	85,003	83,173	(1,830)
Donations	10,000	1,000	706	(294)
Fines and Forfeitures	453,500	502,455	520,325	17,870
All Other Revenues	50,000	98,464	101,313	2,849
Total Revenues	13,634,289	14,542,384	14,724,526	182,142
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	8,111,528	8,246,967	7,905,132	341,835
Public Health and Welfare Services	441,768	471,459	428,924	42,535
Leisure Time Activities	133,074	123,339	101,791	21,548
Community Environment	647,168	703,708	651,840	51,868
General Government	2,959,572	3,042,077	2,652,813	389,264
Total Expenditures	12,293,110	12,587,550	11,740,500	847,050
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,341,179	1,954,834	2,984,026	1,029,192
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	7,000	1,000	49	(951)
Transfers In	6,475,000	6,798,000	6,798,000	0
Transfers Out	(8,050,800)	(8,649,530)	(8,649,529)	1
Total Other Financing Sources (Uses):	(1,568,800)	(1,850,530)	(1,851,480)	(950)
Net Change In Fund Balance	(227,621)	104,304	1,132,546	1,028,242
Fund Balance at Beginning of Year	3,834,720	3,834,720	3,834,720	0
Prior Year Encumbrances	234,521	234,521	234,521	0
Fund Balance at End of Year	\$ 3,841,620	\$ 4,173,545	\$ 5,201,787	\$ 1,028,242

See accompanying notes to the basic financial statements



**CITY OF MARYSVILLE, OHIO**
**Statement of Net Assets**  
**Proprietary Funds**  
**December 31, 2010**

	Business-Type Activities		
	Enterprise Funds		
	Sewer	Water	Stormwater
<b>Assets:</b>			
<i>Current Assets:</i>			
Cash and Cash Equivalents	\$ 5,304,720	\$ 18,927,068	\$ 690,454
Investments	3,561,976	204,710	0
Receivables:			
Accounts	878,691	690,934	51,752
Intergovernmental	0	23,672	0
Payments in Lieu of Taxes Receivable	1,172,381	0	0
Interest	3,406	487	0
Prepaid Items	43,026	26,080	2,657
Restricted Assets:			
Cash and Cash Equivalents with Fiscal Agent	4,160,772	376,229	0
<i>Total Current Assets</i>	<u>15,124,972</u>	<u>20,249,180</u>	<u>744,863</u>
<i>Non Current Assets:</i>			
Land	2,479,735	1,662,500	0
Construction in Progress	1,366,747	1,353,107	0
Depreciable Capital Assets, Net	156,260,316	35,860,035	530,175
<i>Total Non Current Assets</i>	<u>160,106,798</u>	<u>38,875,642</u>	<u>530,175</u>
<b>Total Assets</b>	<u>175,231,770</u>	<u>59,124,822</u>	<u>1,275,038</u>
<b>Liabilities:</b>			
<i>Current Liabilities:</i>			
Accounts Payable	171,982	108,836	18,754
Accrued Wages and Benefits	67,622	66,452	10,337
Accrued Interest Payable	669,776	140,104	0
Compensated Absences Payable - Current	86,766	88,259	8,378
General Obligation Bonds - Current	197,170	238,645	0
Mortgage Revenue Bonds - Current	779,489	737,438	0
Ohio Public Works Commission Loan - Current	7,927	14,784	0
<i>Total Current Liabilities</i>	<u>1,980,732</u>	<u>1,394,518</u>	<u>37,469</u>

***CITY OF MARYSVILLE, OHIO***

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Sanitation	Total
\$ 544,155	\$ 25,466,397
0	3,766,686
151,236	1,772,613
0	23,672
0	1,172,381
0	3,893
1,036	72,799
0	4,537,001
696,427	36,815,442
0	4,142,235
0	2,719,854
171,310	192,821,836
171,310	199,683,925
867,737	236,499,367
84,234	383,806
6,430	150,841
0	809,880
5,978	189,381
0	435,815
0	1,516,927
0	22,711
96,642	3,509,361

(Continued)

**CITY OF MARYSVILLE, OHIO**

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**Statement of Net Assets  
Proprietary Funds  
December 31, 2010**

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	Business-Type Activities		
	Enterprise Funds		
	Sewer	Water	Stormwater
<i>Long Term Liabilities:</i>			
Compensated Absences Payable	57,444	73,749	1,514
General Obligation Notes Payable	26,517,150	1,697,850	0
General Obligation Bonds Payable	301,582	365,050	0
Revenue Bonds Payable	117,731,803	29,353,981	0
OPWC Loans Payable	25,785	576,579	0
<i>Total Long-Term Liabilities</i>	<u>144,633,764</u>	<u>32,067,209</u>	<u>1,514</u>
<b>Total Liabilities</b>	<u>146,614,496</u>	<u>33,461,727</u>	<u>38,983</u>
<b>Net Assets:</b>			
Invested in Capital Assets, Net of Related Debt	14,545,892	5,891,315	530,175
Restricted For:			
Debt Service	4,160,772	376,229	0
Unrestricted	<u>9,910,610</u>	<u>19,395,551</u>	<u>705,880</u>
<b>Total Net Assets</b>	<u>\$ 28,617,274</u>	<u>\$ 25,663,095</u>	<u>\$ 1,236,055</u>

See accompanying notes to the basic financial statements

***CITY OF MARYSVILLE, OHIO***

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Sanitation	Total
2,526	135,233
0	28,215,000
0	666,632
0	147,085,784
0	602,364
2,526	176,705,013
99,168	180,214,374
171,310	21,138,692
0	4,537,001
597,259	30,609,300
<u>\$ 768,569</u>	<u>\$ 56,284,993</u>

**CITY OF MARYSVILLE, OHIO**

**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Year Ended December 31, 2010**

	Business-Type Activities		
	Enterprise Funds		
	Sewer	Water	Stormwater
<b>Operating Revenues:</b>			
Charges for Services	\$ 7,752,084	\$ 7,112,359	\$ 558,124
Other Operating Revenue	0	0	11,832
<b>Total Operating Revenues</b>	<b>7,752,084</b>	<b>7,112,359</b>	<b>569,956</b>
<b>Operating Expenses:</b>			
Personal Services	1,424,502	1,432,051	191,438
Contractual Services	544,464	792,616	35,981
Materials and Supplies	542,992	518,307	80,377
Utilities	801,948	175,731	698
Depreciation	2,546,247	1,229,177	54,470
<b>Total Operating Expenses</b>	<b>5,860,153</b>	<b>4,147,882</b>	<b>362,964</b>
Operating Income	1,891,931	2,964,477	206,992
<b>Nonoperating Revenue (Expenses):</b>			
Investment Earnings	(2,996)	5,702	0
Interest Expense	(5,842,864)	(1,351,363)	0
Gain (Loss) on Sale of Capital Assets	10,067	(8,657)	(9,237)
Payments in Lieu of Taxes	1,051,955	0	0
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(4,783,838)</b>	<b>(1,354,318)</b>	<b>(9,237)</b>
Income (Loss) Before Transfers and Contributions	(2,891,907)	1,610,159	197,755
Capital Contributions	905,366	0	0
Change in Net Assets	(1,986,541)	1,610,159	197,755
Net Assets Beginning of Year	30,603,815	24,052,936	1,038,300
Net Assets End of Year	<b>\$ 28,617,274</b>	<b>\$ 25,663,095</b>	<b>\$ 1,236,055</b>

See accompanying notes to the basic financial statements

***CITY OF MARYSVILLE, OHIO***

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<u>Sanitation</u>	<u>Total</u>
\$ 1,367,480	\$ 16,790,047
0	11,832
<u>1,367,480</u>	<u>16,801,879</u>
209,334	3,257,325
975,250	2,348,311
45,236	1,186,912
8,085	986,462
33,300	3,863,194
<u>1,271,205</u>	<u>11,642,204</u>
96,275	5,159,675
0	2,706
0	(7,194,227)
(2,178)	(10,005)
<u>0</u>	<u>1,051,955</u>
<u>(2,178)</u>	<u>(6,149,571)</u>
94,097	(989,896)
0	905,366
94,097	(84,530)
<u>674,472</u>	<u>56,369,523</u>
<u>\$ 768,569</u>	<u>\$ 56,284,993</u>

***CITY OF MARYSVILLE, OHIO***

***Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2010***

	Business-Type Activities Enterprise Funds		
	Sewer	Water	Stormwater
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$7,514,514	\$7,020,730	\$566,374
Cash Payments for Goods and Services	(2,642,923)	(1,455,183)	(107,380)
Cash Payments to Employees	(1,398,706)	(1,389,619)	(187,143)
Net Cash Provided by Operating Activities	3,472,885	4,175,928	271,851
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Assets	(2,145,103)	(1,941,787)	(233,133)
Sale of Capital Assets	35,675	1,380	0
Capital Contributions	905,366	0	0
Payments in Lieu of Taxes	941,992	0	0
General Obligation Notes Issued	26,517,150	1,697,850	0
OPWC Loans Issued	0	567,691	0
Principal Paid on General Obligation Notes	(26,529,900)	(1,710,100)	0
Principal Paid on General Obligation Bonds	(88,046)	(332,769)	0
Principal Paid on Mortgage Revenue Bonds	(536,411)	(721,394)	0
Principal Paid on Ohio Public Works Commission Loan	(7,927)	0	0
Interest Paid on All Debt	(5,848,840)	(1,350,676)	0
Net Cash Used for Capital and Related Financing Activities	(6,756,044)	(3,789,805)	(233,133)
<u>Cash Flows from Investing Activities:</u>			
Sale of Investments	45,146	0	0
Purchase of Investments	0	(204,710)	0
Receipts of Interest	22,940	5,533	0
Net Cash Provided (Used) by Investing Activities	68,086	(199,177)	0
Net Increase (Decrease) in Cash and Cash Equivalents	(3,215,073)	186,946	38,718
Cash and Cash Equivalents at Beginning of Year	12,680,565	19,116,351	651,736
Cash and Cash Equivalents at End of Year	\$9,465,492	\$19,303,297	\$690,454

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(Continued)



***CITY OF MARYSVILLE, OHIO***

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***Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2010***

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	Business-Type Activities Enterprise Funds		
	Sewer	Water	Stormwater
<u>Reconciliation of Operating Income to Net Cash</u>			
<u>Provided by Operating Activities:</u>			
Operating Income	\$1,891,931	\$2,964,477	\$206,992
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation Expense	2,546,247	1,229,177	54,470
Changes in Assets and Liabilities:			
Increase in Accounts Receivable	(237,570)	(91,218)	(3,582)
Decrease (Increase) in Prepaids	13,122	39,365	(1,562)
Increase (Decrease) in Accounts Payable	(7,888)	(8,499)	11,413
Decrease in Retainage Payable	(759,825)	0	0
Increase in Accrued Wages and Benefits	18,944	18,867	3,404
Increase in Compensated Absences	7,924	23,759	716
Total Adjustments	<u>1,580,954</u>	<u>1,211,451</u>	<u>64,859</u>
Net Cash Provided by Operating Activities	<u>\$3,472,885</u>	<u>\$4,175,928</u>	<u>\$271,851</u>

See accompanying notes to the basic financial statements

***CITY OF MARYSVILLE, OHIO***

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<u>Sanitation</u>	<u>Totals</u>
\$96,275	\$5,159,675
33,300	3,863,194
(38,003)	(370,373)
59	50,984
(61,417)	(66,391)
0	(759,825)
464	41,679
859	33,258
<u>(64,738)</u>	<u>2,792,526</u>
<u>\$31,537</u>	<u>\$7,952,201</u>

***CITY OF MARYSVILLE, OHIO***

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***Statement of Assets and Liabilities  
Fiduciary Funds  
December 31, 2010***

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	<u>Agency</u>
<b>Assets:</b>	
Cash and Cash Equivalents	<u>\$ 174,134</u>
<b>Total Assets</b>	<u>174,134</u>
<b>Liabilities:</b>	
Due to Others	<u>174,134</u>
<b>Total Liabilities</b>	<u>\$ 174,134</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Marysville is a charter municipal corporation founded in 1837, with the charter adopted by the electors on December 1, 1960, and most recently updated on November 3, 2009. The City may exercise all powers of home rule granted under Article XVIII, Section 3 of the Ohio Constitution not in conflict with applicable general laws of Ohio.

The City operates under a council/mayor/administrator form of government. Services provided include general administration as well as police, fire, ambulance, municipal court, engineering, planning and zoning, street maintenance and repair, parks and recreation, a cemetery, and sanitation, sewer, water, and storm-water utilities.

The financial statements are presented as of December 31, 2010 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the "GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

**A. Reporting Entity**

The accompanying basic financial statements comply with the provisions of the GASB Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 39 *"Determining Whether Certain Organizations are Component Units,"* in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government, which include the following services: police and fire protection, parks and recreation, planning, zoning, street maintenance and other governmental services. In addition, the City owns and operates a water treatment and distribution system, a wastewater treatment and collection system and provides refuse collection services all of which are reported as enterprise funds.

The City is associated with the Marysville/Union County Joint Recreation District, the Union County Community Improvement Corporation, the Mid-Ohio Regional Planning Commission and the Marysville/Union County Port Authority; each is a jointly governed organization. These organizations are more fully described in Note 19 to the basic financial statements.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation - Fund Accounting**

The accounting policies and financial reporting practices of the City conform to generally accepted accounting principles as applicable to governmental units.

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures (expenses). The various funds are summarized by type in the basic financial statements. The following fund types are used by the City:

***Governmental Funds***

Governmental funds are those funds through which most governmental functions are typically financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the City's major governmental funds:

General Fund - This fund is used to account for all financial resources except those accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio and the limitations of the City Charter.

Coleman's Crossing TIF Fund - The Coleman's Crossing TIF Fund is a debt service fund used to account for the debt proceeds used for and the payments in lieu of tax receipts realized by the development of the Coleman's Crossing area. These proceeds will be utilized to repay the debt issued for completion of this project.

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

***Proprietary Funds***

All proprietary funds fall under Business-Type Activities and are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation - Fund Accounting** (Continued)

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, whereby the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's major enterprise funds are:

Sewer Fund – This fund is used to account for the operation of the City's sanitary sewer service.

Water Fund – This fund is used to account for the operation of the City's water service.

Stormwater Fund – This fund is used to account for the operation of the City's surface water drainage system.

Sanitation Fund – This fund is used to account for the operation of the City's sanitation (refuse) pickup and disposal service.

***Fiduciary Funds***

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary 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 City under a trust agreement for individuals, private organizations or other governments and therefore not available to support the City's own programs. The agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operation. These funds operate on a full accrual basis of accounting. The City has three agency funds. These funds are used to account for monies received by the City in situations where the City's role is purely custodial in nature. The three funds are the Municipal Court Fund, which accounts for monies that flow through the municipal court office, the Law Library Fund, which is used to account for monies collected from traffic fines until they are remitted to other entities and the Unclaimed Monies Fund, where the City is holding unclaimed funds due to others.

**C. Basis of Presentation – Financial Statements**

Government-wide Financial Statements – The Statement of Net Assets and the statement of activities display information about the City 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 City that are governmental and those that are considered business-type activities.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation – Financial Statements (Continued)**

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

**Fund Financial Statements** – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a Balance Sheet, which generally includes only current assets and current liabilities, and a Statement of Revenues, Expenditures and Changes in Fund Balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the Statement of Net Assets. The Statement of Changes in Fund Net Assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Basis of Accounting**

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses in the accounts and reported in the financial statements, and relates to the timing of the measurements made. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the modified accrual basis when the exchange takes place and the resources are available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, payments in lieu of taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. 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 City must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. Revenue considered susceptible to accrual at year end includes income taxes withheld by employers, interest on investments, state levied locally shared taxes (including motor vehicle license fees and local government assistance). Income taxes other than those withheld by employers, licenses, permits, charges for service and other miscellaneous revenues are recorded as revenue when received in cash because generally this revenue is not measurable until received.

Special assessment installments including related accrued interest, which are measurable but not available at December 31, are recorded as deferred revenue. Property taxes and payments in lieu of taxes, which are measurable at December 31, 2010 but are not intended to finance 2010 operations, and delinquent property taxes whose availability is indeterminate, are recorded as deferred revenue as further described in Note 5 "Taxes".

The accrual basis of accounting is utilized for reporting purposes by the proprietary funds and fiduciary funds. Revenues are recognized when they are earned and expenses recognized when incurred.



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Basis of Accounting** (Continued)

Pursuant to GASB Statement No. 20, "*Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*," the City follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements. The City has elected not to apply FASB statements and interpretations issued after November 30, 1989 to its business-type activities and enterprise funds.

**E. Budgetary Process**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The only funds required to be reported in the basic financial statements are the General Fund and any major special revenue funds. The primary level of budgetary control is at the object level within each department. Budgetary modifications may be made only by ordinance of the City Council.

**1. Tax Budget**

The Director of Finance and the City Manager submit an annual tax budget for the following fiscal year to City Council by July 15 for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year.

The budget commission has waived the filing of the budget, however, schedules A and B of the budget must be submitted to the commission.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process** (Continued)

**2. Estimated Resources**

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by October 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or if actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2010.

**3. Appropriations**

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level, the legal level of control. The appropriation ordinance may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified by the County Budget Commission. The allocation of appropriations among departments and objects within a fund may be modified during the year by an ordinance of City Council. During 2010, several supplemental appropriations were necessary to budget the use of contingency funds, intergovernmental grant proceeds and capital improvement projects. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual--General Fund" are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

**4. Encumbrances**

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures (budget basis) in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. However, on the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities and are reported as reservations of fund balances for governmental funds in the accompanying basic financial statements.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process** (Continued)

**5. Lapsing of Appropriations**

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

**6. Budgetary Basis of Accounting**

The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. On the budgetary basis investment earnings are recognized when realized, whereas on a GAAP basis unrealized gains and losses are recognized when investments are adjusted to fair value.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund:

	Net Change In Fund Balance
	<u>General Fund</u>
GAAP Basis (as reported)	\$2,049,031
Increase (Decrease):	
Accrued Revenues at December 31, 2010 received during 2011	(1,555,226)
Accrued Revenues at December 31, 2009 received during 2010	1,177,308
Accrued Expenditures at December 31, 2010 paid during 2011	618,360
Accrued Expenditures at December 31, 2009 paid during 2010	(604,481)
2009 Prepays for 2010	35,157
2010 Prepays for 2011	(87,825)
2010 Adjustment to Fair Value	(25,414)
Outstanding Encumbrances	<u>(474,364)</u>
Budget Basis	<u><u>\$1,132,546</u></u>

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits, the State Treasury Asset Reserve (STAR Ohio) and certificates of deposit with original maturity dates of three months or less. The STAR Ohio is considered an investment for purposes of GASB Statement No. 3, but it is reported as a cash equivalent in the basic financial statements because it is a highly liquid instrument which is readily convertible to cash. The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. For purposes of the Statement of Cash Flows, the proprietary funds' shares of equity in pooled certificates of deposit are considered to be cash equivalents. See Note 4, "Cash, Cash Equivalents and Investments." Investment earnings of \$106,907 earned by other funds were credited to the general fund as required by local statute.

**G. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The City allocates interest among certain funds based upon percentages mandated by City ordinance. In accordance with GASB Statement No. 31, "*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*", the City records all its investments at fair value except for nonparticipating investment contracts (certificates of deposit) which are reported at cost, which approximates fair value. All investments, other than certificates of deposit, are considered, including those with a maturity of one year or less, and included in the calculation of the change in fair value. Fair value is determined by quoted market prices. See Note 4, "Cash, Cash Equivalents and Investments."

The City has invested funds in the STAR Ohio during 2010. 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, 2010.

**H. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2010, 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 expenditure/expense is reported in the year in which services are consumed.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**I. Capital Assets and Depreciation**

Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000.

**1. Property, Plant and Equipment - Governmental Activities**

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Assets, but they are not reported in the Fund Financial Statements. All infrastructure acquired prior to the implementation of GASB Statement No. 34, "*Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*", has been reported.

**2. Property, Plant and Equipment – Business Type Activities**

Contributed capital assets are recorded at fair market value at the date received. Capital assets include land, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Estimated historical costs for governmental activities capital asset values were initially determined by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Assets and in the respective funds.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**I. Capital Assets and Depreciation** (Continued)

**3. Depreciation**

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

Description	Governmental and Business-Type Activities
	Estimated Lives (in years)
Buildings	40
Improvements other than Buildings/Infrastructure	10 - 40
Infrastructure	10 - 40
Machinery and Equipment	5 - 10
Vehicles	5 - 20

**J. Long-Term Debt**

Long-term liabilities are being repaid from the following funds:

Obligation	Fund
General Obligation Bonds	Debt Service Fund Water Fund Sewer Fund
Mortgage Revenue Bonds	Water Fund Sewer Fund
Capital Leases	General Fund
Long-Term Notes Payable	Water Fund Sewer Fund Debt Service Fund Coleman's Crossing TIF Fund
Ohio Public Works	Water Fund
Commission Loans	Sewer Fund
Compensated Absences	General Fund Street Maintenance Fund Water Fund Sewer Fund Sanitation Fund Stormwater Fund

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**K. Compensated Absences**

Employees of the City earn vacation leave at various rates within limits specified under collective bargaining agreements or under statute.

The rate of cash compensation for sick leave payout varies within specified limits under collective bargaining agreements or under law. Employees are paid 25% of the accumulated sick time upon retirement. Employees are eligible for retirement at any age with at least 10 years of service. Compensation for sick leave is paid at the employee's full rate of pay at the time of termination or retirement.

In accordance with GASB Statement No. 16, "*Accounting for Compensated Absences*," the City records a liability for vacation time and sick leave when the obligation is attributable to services previously rendered or to rights that vest or accumulate, and when payment of the obligation is probable and can be reasonably determined.

For governmental funds, that portion of unpaid compensated absences that has matured is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net assets, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account. Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.

**L. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

**M. Pensions**

The provision for pension cost is recorded when the related payroll is accrued and the obligation is incurred.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**N. Interfund Activity**

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 proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. In addition, interfund transfers between governmental funds are eliminated for reporting on the government-wide financial statements. Only transfers between governmental activities and business-type activities are reported on the Statement of Activities.

**O. Reservations of Fund Balance**

Reserves indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for prepaid items and encumbered amounts not accrued at year end.

**P. Estimates**

The preparation of 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.

**Q. Operating Revenues and Expenses**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water treatment and distribution, wastewater collection and treatment, maintenance of storm water collection systems, and collection of solid waste refuse. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 the City Council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2010.

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. Explanation of certain differences between the governmental fund Balance Sheet and the government-wide Statement of Net Assets**

The governmental fund Balance Sheet includes a reconciliation between fund balance – total governmental funds and net assets of governmental funds as reported in the government-wide statement of net assets. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

*Other long-term assets not available to pay for current-period expenditures:*

Delinquent Income Tax Revenue	\$1,570,341
Delinquent Property Tax Revenue	84,857
Intergovernmental Revenues	565,882
Charges for Services	148,004
Special Assessment Revenue	<u>177,592</u>
	\$2,546,676

*Long-Term liabilities not reported in the funds:*

General Obligation Bonds Payable	(\$6,532,491)
Capital Leases	(237,184)
Accrued Interest on Long-Term Debt	(22,846)
Compensated Absences Payable	<u>(889,105)</u>
	(\$7,681,626)

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)**

**B. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities**

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government – wide Statement of Activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

*Amount by which depreciation exceeded capital outlay in the current period:*

Capital Outlay	\$1,564,744
Depreciation Expense	<u>(2,581,537)</u>
	(\$1,016,793)

*Governmental revenues not reported in the funds:*

Increase in Delinquent Income Tax Revenue	\$957,470
Increase in Delinquent Property Tax	16,144
Decrease in Intergovernmental Revenue	(10,122)
Increase in Payments in Lieu of Taxes	(40,869)
Increase in Charges for Services	571
Decrease in Special Assessment Revenue	<u>(6,275)</u>
	\$916,919

*Expenses not requiring the use of current financial resources:*

Decrease in Compensated Absences Payable	\$100,973
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**NOTE 3 - COMPLIANCE AND ACCOUNTABILITY**

**A. Fund Deficits**

The fund deficits at December 31, 2010 of \$566,509 in the Debt Service Fund, \$11,947,755 in the Coleman's Crossing TIF Fund (debt service funds) and \$24,156 in the Scottslawn Road Widening Project Fund (capital projects fund) arise from the recording of general obligation notes payable within the individual funds and the recording of an interfund loan payable respectively. The General Fund provides transfers when cash is required, not when accruals occur.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010**

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**NOTE 3 - COMPLIANCE AND ACCOUNTABILITY (Continued)****B. Negative Unencumbered Fund Balance**

The following funds had a negative unencumbered fund balance at 12/31/10 contrary to Ohio Revised Code:

<u>Fund</u>	<u>Amount</u>
OPWC Walnut Street Traffic Signal	(\$33,000)
CDBG Tier II Grant	(47,043)
2009 CHIP Grant	(2,829)
Scottslawn Road Widening Project	(185,000)
Industrial Parkway Culvert Replacement	(267,000)
CDBG Formula Grant	(37,299)
Job Readiness Site Grant	(1,223,996)

**C. Appropriations Exceeding Actual Resources**

The following funds had appropriations exceeding actual resources at 12/31/10 contrary to Ohio Revised Code:

<u>Fund</u>	<u>Actual Resources</u>	<u>Appropriations</u>	<u>Variance Between Actual Resources and Appropriations</u>
Police Grant Fund	\$7,589	\$10,000	(\$2,411)
Fire Grant Fund	31,143	40,000	(8,857)
OPWC Walnut St. Traffic Signal	0	33,000	(33,000)
CDBG Tier II Grant	76,368	350,500	(274,132)
2009 CHIP Grant Fund	119,534	250,000	(130,466)
Industrial Parkway Culvert Project	0	267,000	(267,000)
Job Readiness Site Grant	(633,389)	965,886	(1,599,275)
Neighborhood Stabilization Project	98,344	103,632	(5,288)

**NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash resources of several individual funds are combined to form a pool of cash and investments.

Statutes require the classification of funds held by the City into three categories:

Category 1 consists of "active" funds - those funds required to be kept in "cash" or "near cash" status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

Category 2 consists of "inactive" funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing no later than the end of the current period of designation of depositories.

Category 3 consists of "interim" funds - those funds not needed for immediate use but needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).
- Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days from the date of purchase in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010**

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**NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)****A. Deposits**

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. The City's policy is to place deposits with major local banks. All deposits, except for deposits held by fiscal and escrow agents or trustees, are collateralized with eligible securities. The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Collateral permitted by Chapter 135 of the ORC is limited to obligations of the United States and its agencies, bonds of any state, and bonds and other obligations of any country, municipal corporation or other legally constituted authority of the State of Ohio, or any instrumentality of such county, municipal corporation or other authority. Such collateral, as permitted by Chapter 135 of the ORC is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at a Federal Reserve Bank in the name of the City.

At year end the carrying amount of the City's deposits was \$26,384,611 and \$22,021,348 of the City's bank balance of \$26,847,129 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, not in the City's name.

**B. Investments**

The City's investments at December 31, 2010 are summarized below:

	Fair Value	Investment Maturities (in Years)			Greater Than 5
		less than 1	1-3	3-5	
STAR Ohio	\$7,286,514	\$7,286,514	\$0	\$0	\$0
FNMA	2,628,551	0	1,500,665	1,127,886	0
FHLMC	3,387,411	1,807,953	1,579,458	0	0
FHLB	1,490,980	0	497,280	993,700	0
FFCB	1,498,630	0	1,498,630	0	0
Total Investments	<u>\$16,292,086</u>	<u>\$9,094,467</u>	<u>\$5,076,033</u>	<u>\$2,121,586</u>	<u>\$0</u>

<sup>1</sup> Standard & Poor's

<sup>2</sup> Moody's Investor Service

*Interest Rate Risk* – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**B. Investments** (Continued)

*Credit Risk* – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City limits its investments to mutual funds, negotiable CD's, U.S. Government Agency Securities and STAR Ohio. Investments in U.S. Government Agency Securities and negotiable certificates of deposit were rated AAA by Standard and Poor's. Investments in STAR Ohio were rated AAAM by Standard & Poor's.

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. For deposits, custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a policy for custodial credit risk.

*Concentration of Credit Risk* – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment policy allows investments in money market accounts, certificates of deposit or within financial institutions within the State of Ohio as designated by the Federal Reserve Board. The City has invested 16% of its investments in FNMA, 21% in FHLMC, 9% in FHLB, 9% in FFCB, and 45% in STAR Ohio.

**NOTE 5 - TAXES**

**A. Property Taxes**

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2010 were levied after October 1, 2009 on assessed values as of January 1, 2009, the lien date. Assessed values were established by the County Auditor at 35% of appraised market value. All property is required to be reappraised every six years, and equalization adjustments are made in the third year following reappraisal. The last revaluation was completed in 2007 and the equalization adjustment was completed in 2010. Real property taxes are payable annually or semi-annually. The first payment is due January 20; the remainder is payable by June 20.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 5 - TAXES (Continued)**

**A. Property Taxes (Continued)**

Tangible personal property tax revenues received in 2010 (other than public utility property) represent the collection of 2010 taxes. Tangible personal property taxes received in 2010 were levied after October 1, 2009, on the true value as of January 1, 2009. In prior years, tangible personal property assessments were twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. Tangible personal property tax is being phased out. This percentage was reduced to 6.25% in 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, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

House Bill No. 66 was signed into law on June 30, 2005. House Bill NO.66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business railroad property was eliminated for calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the City due to the phasing out of the tax. In calendar years 2006-2010, the City was fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100% of its true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the City of Marysville. The County Auditor periodically remits to the City its portion of the taxes collected.

The full tax rate for the City's operations for the year ended December 31, 2010 was \$5.20 per \$1,000 of assessed value. The assessed value upon which the 2010 receipts were based was \$382,583,330. This amount constitutes \$372,989,320 in real property assessed value, \$9,008,300 in public utility assessed value and \$585,710 in tangible personal property assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .52% (5.20 mills) of assessed value.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 5 - TAXES (Continued)**

**B. Income Tax**

The City levies an income tax of 1.5 percent on all income earned within the City as well as on incomes of residents earned outside the City. Prior to January 1, 2005, the City allowed a credit of up to 50 percent of the tax paid to another municipality, not to exceed the amount owed for incomes of residents earned outside the City. Effective January 1, 2005 this credit was repealed making the tax owed by all residents of the City a full 1.5% of earned income. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City on a monthly or quarterly basis depending on the amount being withheld. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. Income tax revenues and expenditures for collecting, administering, and enforcing the tax are recorded in the General Fund. Filing is required and returns are due by April 15.

**NOTE 6 - RECEIVABLES**

Receivables at December 31, 2010 consisted of taxes, payments in lieu of taxes, interest, accounts receivable, special assessments and intergovernmental receivables arising from shared revenues.

**NOTE 7 - INTERFUND BALANCES**

Individual interfund balances at December 31, 2010 that are expected to be paid within one year are as follows:

<u>Fund</u>	<u>Interfund Loans Receivable</u>	<u>Interfund Loans Payable</u>
Governmental Activities:		
General Fund	\$1,114,544	\$0
CDBG Tier II Grant Fund	0	8,066
Scottslawn Road Widening Project Fund	0	24,156
Job Readiness Site Grant Fund	0	1,050,260
OPWC Walnut Street Traffic Signal Fund	0	32,062
Totals	<u>\$1,114,544</u>	<u>\$1,114,544</u>



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 8 - TRANSFERS**

Following is a summary of transfers in and out for all funds for 2010:

		Transfers Out:
		General
		Fund
Transfers In:		
Other Governmental Funds		\$1,851,529
Total		\$1,851,529

Transfers are used to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

All transfers were made in accordance with the Ohio Revised Code sections 5705.14, 5705.15, and 5705.16.

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010**

**NOTE 9 - CAPITAL ASSETS**

**A. Governmental Activities Capital Assets**

Summary by category of changes in governmental activities capital assets at December 31, 2010:

**Historical Cost:**

Class	December 31, 2009	Additions	Deletions	December 31, 2010
<b>Capital assets not being depreciated:</b>				
Land	\$1,272,981	\$0	(\$15,900)	\$1,257,081
Construction in Progress	7,099,412	1,218,636	(4,866,151)	3,451,897
Subtotal	8,372,393	1,218,636	(4,882,051)	4,708,978
<b>Capital assets being depreciated:</b>				
Buildings	3,650,834	0	(14,960)	3,635,874
Improvements Other Than Buildings	2,268,737	0	(23,540)	2,245,197
Machinery and Equipment	1,700,580	19,638	(322,271)	1,397,947
Vehicles	4,007,749	122,670	(486,890)	3,643,529
Infrastructure	77,607,145	5,069,951	(21,105)	82,655,991
Subtotal	89,235,045	5,212,259	(868,766)	93,578,538
Total Cost	\$97,607,438	\$6,430,895	(\$5,750,817)	\$98,287,516

**Accumulated Depreciation:**

Class	December 31, 2009	Additions	Deletions	December 31, 2010
Buildings	(\$1,810,750)	(\$100,217)	\$8,192	(\$1,902,775)
Improvements Other Than Buildings	(1,282,682)	(122,929)	16,922	(1,388,689)
Machinery and Equipment	(1,017,859)	(140,214)	237,029	(921,044)
Vehicles	(2,378,750)	(230,399)	341,919	(2,267,230)
Infrastructure	(48,410,696)	(1,987,778)	15,115	(50,383,359)
Total Depreciation	(\$54,900,737)	(\$2,581,537) *	\$619,177	(\$56,863,097)
<b>Net Value:</b>	<b>\$42,706,701</b>			<b>\$41,424,419</b>

\* Depreciation expenses were charged to governmental functions as follows:

General Government	\$350,081
Security of Persons and Property - Police	89,503
Security of Persons and Property - Fire	112,518
Security of Persons and Property - Other	3,777
Public Health and Welfare Services	15,020
Transportation	1,906,439
Community Environment	22,629
Leisure Time Activities	81,570
Total Depreciation Expense	<u>\$2,581,537</u>

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010**

**NOTE 9 - CAPITAL ASSETS (continued)**

**B. Business-Type Activities Capital Assets**

Summary by Category at December 31, 2010:

**Historical Cost:**

Class	December 31, 2009	Additions	Deletions	December 31, 2010
<b>Capital assets not being depreciated:</b>				
Land	\$4,142,235	\$0	\$0	\$4,142,235
Construction in Progress	141,849,628	1,396,220	(140,525,994)	2,719,854
Subtotal	145,991,863	1,396,220	(140,525,994)	6,862,089
<b>Capital assets being depreciated:</b>				
Buildings	9,757,973	97,925,940	0	107,683,913
Improvements Other Than Buildings	24,306,938	540,467	0	24,847,405
Machinery and Equipment	1,654,572	72,910	(70,343)	1,657,139
Vehicles	1,560,092	93,672	(66,216)	1,587,548
Infrastructure	39,083,557	44,072,706	(29,119)	83,127,144
Subtotal	76,363,132	142,705,695	(165,678)	218,903,149
Total Cost	<u>\$222,354,995</u>	<u>\$144,101,915</u>	<u>(\$140,691,672)</u>	<u>\$225,765,238</u>

**Accumulated Depreciation:**

Class	December 31, 2009	Additions	Deletions	December 31, 2010
Buildings	(\$4,941,923)	(\$1,451,848)	\$0	(\$6,393,771)
Improvements Other Than Buildings	(869,603)	(642,771)	0	(1,512,374)
Machinery and Equipment	(890,251)	(123,315)	40,564	(973,002)
Vehicles	(854,584)	(126,788)	66,215	(915,157)
Infrastructure	(14,780,538)	(1,518,473)	12,002	(16,287,009)
Total Depreciation	<u>(\$22,336,899)</u>	<u>(\$3,863,195)</u>	<u>\$118,781</u>	<u>(\$26,081,313)</u>
<b>Net Value:</b>	<u>\$200,018,096</u>			<u>\$199,683,925</u>

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 10 – DEFINED BENEFIT PENSION PLANS**

All of the City's full-time employees participate in one of two separate retirement systems which are cost-sharing multiple employer defined benefit pension plans.

**A. Ohio Public Employees Retirement System ("OPERS")**

The following information was provided by OPERS to assist the City in complying with GASB Statement No. 27, *"Accounting for Pensions by State and Local Government Employers."*

All employees of the City, except full-time uniformed police officers and full-time firefighters, participate in one of the three pension plans administered by OPERS: the Traditional Pension Plan (TP), the Member-Directed Plan (MD), and the Combined Plan (CO). The TP Plan is a cost-sharing multiple employer defined benefit pension plan. The MD Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The CO Plan is a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Under the CO Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the TP Plan and CO Plan. Members of the MD Plan do not qualify for ancillary benefits, including postemployment health care benefits. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Ohio Public Employees Retirement System issues a stand-alone financial report that includes financial statements and required supplementary information for OPERS. Interested parties may obtain a copy by making a written request to OPERS, Attention: Finance Director, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

The ORC provides statutory authority for employee and employer contributions. For 2010, employee and employer contribution rates were consistent across all three plans (TP, MD and CO). The employee contribution rate is 10.0%. The 2010 employer contribution rate for local government employer units was 14.00%, of covered payroll which is the maximum contribution rate set by State statutes. Employer contribution rates are actuarially determined. A portion of the City's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. The portion of employer contributions allocated to pension obligations for members in the Traditional Plan was 8.5% from January 1 through February 28, 2010 and 9.0% from March 1 through December 31, 2010. The portion of employer contributions allocated to pension obligations for members in the Combined Plan was 9.27% from January 1 through February 28, 2010, and 9.77% from March 1 through December 31, 2010. The contribution

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)**

**A. Ohio Public Employees Retirement System (“OPERS”)** (Continued)

requirements of plan members and the City are established and may be amended by the OPERS Board. The City's required contributions for pension obligations to OPERS for the years ending December 31, 2010, 2009, and 2008 were \$703,225, \$693,430 and \$689,728, respectively, which were equal to the required contributions for each year.

**B. Ohio Police and Fire Pension Fund (“OP&F”)**

All City full-time police officers and full-time firefighters participate in OP&F, a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the ORC. The Ohio Police and Fire Pension Fund issues a stand-alone financial report that includes financial statements and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164 or by calling (614) 228-2975.

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0% respectively for police officers and firefighters. A portion of the City's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for 2010, 12.75% of annual covered salary for police and 17.25% of annual covered salary for firefighters, respectively, were the portions used to fund pension obligations. The City's contributions for pension obligations to the OP&F Fund for the years ending December 31, 2010, 2009, and 2008 were \$377,075, \$373,386 and \$352,332 for police and \$443,905, \$447,627 and \$427,917 for firefighters, respectively, which were equal to the required contributions for each year.

**NOTE 11 - POSTEMPLOYMENT BENEFITS**

**A. Ohio Public Employees Retirement System (“OPERS”)**

Plan Description – OPERS administers three separate pension plans: the Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan; the Member directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)**

**A. Ohio Public Employees Retirement System ("OPERS") (Continued)**

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

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

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to OPERS, Attention: Finance Director, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

Funding Policy – The ORC provides the statutory authority requiring public employers to fund post retirement health care coverage through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2010, local government employers contributed at a rate of 14.00% of covered payroll. The ORC currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for local government employers. Active members do not make contributions to the OPEB plan.

The OPERS Postemployment Health Care plan was established under, and is administered in accordance with Internal Revenue Code 401(h). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of postemployment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 5.5% from January 1 through February 28, 2010 and 5.0% from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the Combined Plan was 4.73% from January 1 through February 28, 2010, and 4.23% from March 1 through December 31, 2010. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for health care to the OPERS for the years ending December 31, 2010, 2009, and 2008 were \$255,337, \$290,993 and \$344,864, respectively, which were equal to the required contributions for each year.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)**

**A. Ohio Public Employees Retirement System ("OPERS") (Continued)**

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

**B. Ohio Police and Fire Pension Fund ("OP&F")**

Plan Description – The City contributes to the OP&F sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OP&F to provide OPEB benefits. Authority to establish and amend benefits is provided in Chapter 742 of the ORC.

OP&F issues a stand-alone financial report that includes financial information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The ORC provides for contribution requirements of the participating employers and of plan members to the OP&F. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5% and 24.0% of covered payroll for police and fire employers, respectively. The ORC states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24.0% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2010, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h). The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)**

**B. Ohio Police and Fire Pension Fund ("OP&F") (Continued)**

The City's contributions for health care to the OP&F for the years ending December 31, 2010, 2009, and 2008 were \$130,468, \$121,907 and \$121,961 for police and \$121,927, \$125,783 and \$120,245 for firefighters, respectively, which were equal to the required contributions for each year.

**NOTE 12 – COMPENSATED ABSENCES**

In accordance with GASB Statement No. 16, "*Accounting for Compensated Absences*," vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the balance sheet date, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

At December 31, 2010, the City's accumulated, unpaid compensated absences amounted to \$1,213,719, of which \$889,105 is recorded as a liability of the Governmental Activities and \$324,614 is recorded as a liability of the Business-Type Activities.

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010**

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**NOTE 13 - NOTES PAYABLE**

The Ohio Revised Code provides that notes including renewal notes issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of 20 years from the date of issuance of the original notes. The maximum maturity for notes anticipating general obligation bonds payable from special assessments is five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to and payable no later than those principal maturities required if the bonds had been issued at the expiration of the initial five year period.

	Issue Date	Balance December 31, 2009	Issued (Retired)	Balance December 31, 2010
Debt Service Funds Notes Payable:				
1.75% Street Improvement	3/5/10	\$0	\$1,000,000	\$1,000,000
2.88% Tax Increment Financing	10/20/10	0	7,005,000	7,005,000
3.00% Tax Increment Financing	10/20/10	0	4,975,000	4,975,000
Total Debt Service Funds Notes Payable:		0	12,980,000	12,980,000
Total Notes Payable		\$0	\$12,980,000	\$12,980,000

The 2009 Street Improvement Notes of \$1,200,000 bearing a rate of 2.75% matured on March 4, 2010 and were reissued as 2010 Street Improvement Notes of \$1,000,000 bearing a rate of 1.75%. These notes were issued to finance various City street improvements. These notes will be retired from the City's Debt Service Fund.

The 2009 Coleman's Crossing Tax Increment Financing Notes of \$11,980,000 bearing a rate of 3.00% matured on October 20, 2010 and were reissued as 2010 Coleman's Crossing Tax Increment Financing Notes of \$11,980,000 bearing a rate of 3.00%. These notes were issued to finance certain public improvements within the Coleman's Crossing Tax Increment Financing District. These notes will be retired from the City's Coleman's Crossing TIF Fund.

**CITY OF MARYSVILLE, OHIO****Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010****NOTE 14 - LONG-TERM DEBT**

Long-term debt of the City at December 31, 2010 was as follows:

Date Purchased	Description	Balance December 31, 2009	Additions	(Reductions)	Balance December 31, 2010	Amount Due Within One Year
Governmental Activities:						
Anticipation Notes						
2009	Street Improvement Notes	\$1,000,000	\$0	(\$1,000,000)	\$0	\$0
2009	Tax Increment Financing	7,005,000	0	(7,005,000)	0	0
2009	Tax Increment Financing	4,975,000	0	(4,975,000)	0	0
Total Anticipation Notes		12,980,000	0	(12,980,000)	0	0
General Obligation Bonds:						
2000	Various Purpose	470,000	0	(470,000)	0	0
2007	Various Purpose Refunding Bonds	6,340,000	0	(30,000)	6,310,000	520,000
	Premium	244,197	0	(21,706)	222,491	21,706
Total General Obligation Bonds		7,054,197	0	(521,706)	6,532,491	541,706
Other Long-Term Obligations:						
	Compensated Absences Payable	990,078	889,105	(990,078)	889,105	578,127
	Capital Leases Payable	287,113	0	(49,929)	237,184	43,396
Total Other Long-Term Obligations		1,277,191	889,105	(1,040,007)	1,126,289	621,523
Total Governmental Activities Long-Term Debt		\$21,311,388	\$889,105	(\$14,541,713)	\$7,658,780	\$1,163,229

**2007 Various Improvement Refunding Bonds**

The Various Improvement general obligation bonds are serial bonds issued for the purpose of advance refunding a portion of the 2000 Various Improvement Bonds issued November 1, 2000 (\$6,225,000). The refunding was undertaken for the purpose of reducing interest rates and debt service on the prior bonds. This transaction resulted in a savings to the City of \$271,360. The 2007 bonds are not subject to redemption prior to maturity. The bonds mature on December 1, 2007 through December 1, 2017, and December 1, 2020 in the amount of \$6,515,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. The amount of \$6,673,981 from the 2007 bonds was placed in an escrow fund to defease the 2000 bonds which will be redeemed each June 1 and December 1 annually between 2007 and 2010. Bonds bear an interest rate from 4.00 to 5.00%. These bonds will be retired from the City's Debt Service Fund. \$6,532,491 was outstanding as of December 31, 2010.

# **CITY OF MARYSVILLE, OHIO**

## **Notes to the Basic Financial Statements For the Year Ended December 31, 2010**

### **NOTE 14- LONG-TERM DEBT (Continued)**

Date Purchased	Description	Balance December 31, 2009	Additions	(Reductions)	Balance December 31, 2010	Amount Due Within One Year
<b>Business-Type Activities:</b>						
<b>Anticipation Notes</b>						
2009	Water Acquisition Notes	\$1,710,100	\$0	(\$1,710,100)	\$0	\$0
2009	Wastewater Acquisition Notes	1,779,900	0	(1,779,900)	0	0
2009	Wastewater Treatment System Notes	24,750,000	0	(24,750,000)	0	0
2010	Water Acquisition Notes	0	1,697,850	0	1,697,850	0
2010	Wastewater Acquisition Notes	0	1,767,150	0	1,767,150	0
2010	Wastewater Treatment System Notes	0	24,750,000	0	24,750,000	0
<b>Total Anticipation Notes</b>		<b>28,240,000</b>	<b>28,215,000</b>	<b>(28,240,000)</b>	<b>28,215,000</b>	<b>0</b>
<b>General Obligation Bonds:</b>						
2004	Water Various Improvement Refunding	934,536	0	(332,287)	602,249	238,163
	Premium	1,928	0	(482)	1,446	482
2004	Wastewater Various Improvement Refunding	585,464	0	(87,713)	497,751	196,837
	Premium	1,334	0	(333)	1,001	333
<b>Total General Obligation Bonds</b>		<b>1,523,262</b>	<b>0</b>	<b>(420,815)</b>	<b>1,102,447</b>	<b>435,815</b>
<b>Mortgage Revenue Bonds:</b>						
2002	Water System	2,839,583	0	(164,583)	2,675,000	170,000
	Discount on Sale of Bonds	(36,191)	0	2,784	(33,407)	(2,784)
2003	Water System	6,744,373	0	(479,373)	6,265,000	465,000
	Premium on Sale of Bonds	65,458	0	(5,951)	59,507	5,951
2006	Sewer System	84,976,922	0	(466,922)	84,510,000	710,000
	Premium on Sale of Bonds	1,991,154	0	(55,310)	1,935,844	55,310
2007	Sewer System	31,555,000	0	0	31,555,000	0
	Premium on Sale of Bonds	524,627	0	(14,179)	510,448	14,179
2007	Water System	21,220,000	0	(75,000)	21,145,000	100,000
	Discount on Sale of Bonds	(20,410)	0	729	(19,681)	(729)
<b>Total General Obligation Bonds</b>		<b>149,860,516</b>	<b>0</b>	<b>(1,257,805)</b>	<b>148,602,711</b>	<b>1,516,927</b>
<b>Ohio Public Works Commission Loans:</b>						
	Wastewater Treatment Plant Loan	32,819	0	(5,967)	26,852	5,967
	Sanitary Sewer Loan	8,820	0	(1,960)	6,860	1,960
	Cherry Street and Ninth Street Water	0	591,363	0	591,363	14,784
<b>Total Ohio Public Works Commission Loans</b>		<b>41,639</b>	<b>591,363</b>	<b>(7,927)</b>	<b>625,075</b>	<b>22,711</b>
<b>Other Long-Term Obligations:</b>						
	Compensated Absences Payable	291,356	324,614	(291,356)	324,614	189,381
<b>Total Other Long-Term Obligations</b>		<b>291,356</b>	<b>324,614</b>	<b>(291,356)</b>	<b>324,614</b>	<b>189,381</b>
<b>Total Business-Type Activities Long-Term Debt</b>		<b>\$179,956,773</b>	<b>\$29,130,977</b>	<b>(\$30,217,903)</b>	<b>\$178,869,847</b>	<b>\$2,164,834</b>

### **Water and Sewer Acquisition Notes**

The 2009 Water and Sewer Acquisition Notes of \$3,490,000 bearing a rate of 2.75% matured on January 23, 2010 and were reissued as 2010 Water and Sewer Acquisition Notes of \$3,465,000 bearing a rate of 1.50%. These notes were issued to finance the cost of acquiring certain improvements of a sewage collection system and certain improvements of a water supply and distribution system. These notes will be retired from the City's Water and Sewer funds. On January 21, 2011 these notes were retired with bond anticipation note issues. (See Note 20)

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 14- LONG-TERM DEBT (Continued)**

Wastewater Treatment System and Trunk Sewer Notes

The 2009 Wastewater Treatment System Notes of \$24,750,000 bearing a rate of 1.5% matured on June 3, 2010 and were reissued as 2010 Wastewater Treatment System Notes of \$24,750,000 bearing a rate of 1.25%. These notes were issued to finance the cost of acquiring certain improvements of a sewage collection system and trunk line. These notes will be retired from the Sewer Fund. On January 21, 2011 these notes were retired with bond anticipation note issues. (See Note 20)

2004 Various Purpose Refunding Bonds

The Various Purpose Refunding general obligation bonds are serial bonds issued to currently refund \$3,714,000, including a call premium of \$29,000, of outstanding various purpose general obligation bonds issued in 1992 and 1994. The refunding was undertaken for the purpose of reducing interest rates and debt service on the prior bonds. This transaction resulted in a savings to the City of \$367,615. The 2004 bonds are not subject to redemption prior to maturity. The bonds mature on December 1, 2004, through December 1, 2013, in the amount of \$3,810,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. The amount of \$3,714,000 from the 2004 bonds was placed in an escrow fund to defease the 1992 and 1994 bonds which were then optionally redeemed on June 1, 2004. \$1,102,447 was outstanding as of December 31, 2010. Bonds bear an interest rate from 5.00 to 5.50%. These bonds will be retired from the City's Water and Sewer funds.

2002 Water System Mortgage Revenue Bonds

The Water System Mortgage Revenue Bonds are term bonds which have annual mandatory sinking fund redemption requirements. The bonds mature December 1, 2003 through December 1, 2022, in the amount of \$3,820,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. Bonds bear an interest rate from 2.40 to 5.10%. These bonds will be retired from the City's Water Fund.

2003 Water System Mortgage Revenue Refunding Bonds

The Water System Mortgage Revenue Refunding Bonds were issued to currently refund the City's Series 1993 water system mortgage revenue bonds. The refunding was undertaken for the purpose of reducing interest rates and debt service on the prior bonds. This transaction resulted in a savings to the City of \$667,605. The refunding bonds are term bonds which have annual mandatory sinking fund redemption requirements. The term bonds mature on December 1, 2004, through December 1, 2021, in the amount of \$9,155,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. The serial bonds maturing on or after December 1, 2013, are subject to early redemption, at the sole option of the City, either in whole on any date or in part on any interest payment date, on or after December 1, 2013, in multiples of \$5,000, at a redemption price equal to 100 percent of the principal plus accrued interest. The amount of \$8,908,850 from the 2003 bonds was placed in an escrow fund along with \$847,750 from the debt service reserve fund to defease the 1993 bonds which were then redeemed on December 1, 2003 in their entirety. Bonds bear an interest rate from 2.00 to 4.50%. These bonds will be retired from the City's Water Fund.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 14- LONG-TERM DEBT (Continued)**

2006 Sewer System Mortgage Revenue Refunding Bonds

The Sewer System Mortgage Revenue Bonds are term bonds issued to advance refund \$13,345,000, including a call premium of \$693,172, of mortgage revenue bonds issued in 2005 and to currently refund \$55,000,000 of outstanding mortgage revenue bond anticipation notes issued in 2005 and to provide additional resources for constructing and installing certain sewer treatment system improvements. The bonds maturing on or after December 1, 2016, are subject to early redemption, at the sole option of the City, either in whole or in part on any date, on or after December 1, 2016 at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest. The Series 2006 Bonds maturing December 1, 2031, December 1, 2036, and December 1, 2046 are subject to mandatory sinking fund redemption prior to stated maturity. The amount of \$13,410,965 from the 2006 bonds was placed in an escrow fund to defease the 2005 bonds. Bonds bear an interest rate from 4.00 to 5.25%. These bonds will be retired from the City's Sewer Fund.

2007 Sewer System Mortgage Revenue Bonds

The Sewer System Mortgage Revenue Bonds are a combination of serial bonds maturing December 1, 2012 through December 1, 2023 and term bonds maturing December 1, 2027, December 1, 2037, and December 1, 2047, issued to provide funds for the acquisition, construction, expansion, rehabilitation, and improvement of the City's municipal wastewater collection and treatment system. The series 2007 bonds maturing after December 1, 2017 are subject to early redemption, at the sole option of the City, either in whole or in part on any date, on or after December 1, 2017 at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest. The Series 2007 Bonds maturing December 1, 2027, December 1, 2037, and December 1, 2047 are subject to mandatory sinking fund redemption prior to stated maturity. Bonds bear an interest rate from 4.00 to 5.00%. These bonds will be retired from the City's Sewer Fund.

2007 Water System Mortgage Revenue Bonds

The Water System Mortgage Revenue Bonds are a combination of serial bonds maturing December 1, 2008 through December 1, 2025 and term bonds maturing December 1, 2027, December 1, 2032, and December 1, 2038, issued to provide funds for the acquisition, construction, expansion, rehabilitation, and improvement of the City's municipal water system. The series 2007 bonds maturing after December 1, 2017 are subject to early redemption, at the sole option of the City, either in whole or in part on any date, on or after December 1, 2017 at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest. The Series 2007 Bonds maturing December 1, 2027, December 1, 2032, and December 1, 2038 are subject to mandatory sinking fund redemption prior to stated maturity. Bonds bear an interest rate from 3.75 to 5.00%. These bonds will be retired from the City's Sewer Fund.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 14 - LONG-TERM DEBT (Continued)**

Fund assets, whose uses are restricted under the bond indenture, are presented as restricted assets on the statement of net assets. Restricted assets relating to the sewer mortgage revenue bonds at December 31, 2010, were as follows:

Restricted Assets Held by the Trustee	
Mortgage Revenue Bond Current Debt Service	\$3
Mortgage Revenue Bond Reserve Fund	4,160,769

Restricted assets relating to the water mortgage revenue bonds at December 31, 2010, were as follows:

Restricted Assets Held by the Trustee	
Mortgage Revenue Bond Current Debt Service	\$63,975
Mortgage Revenue Bond Reserve Fund	312,254

Pledged Revenues – In connection with the mortgage revenue bonds previously discussed, the City has pledged future customer revenues, net of specified operating expenses, to repay this debt. Pledged revenues of a given year may also include specified portions of cash balances carried over from the prior year. The bonds are payable, through their final maturities, solely from net revenues applicable to the respective water and sewer funds. The interest and principal remaining to be paid on these bonds is \$304,058,810. Principal and interest paid for the current year and total customer net revenues were \$2,117,101 and \$7,112,359, respectively on water revenue bonds and \$6,064,445 and \$7,752,084, respectively on sewer revenue bonds.

**A. Future Long-Term Financing Requirements**

A summary of the City's future long-term debt funding requirements including principal and interest payments as of December 31, 2010 follows:

Years	<b><u>Governmental Activities</u></b>	
	<u>General Obligation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2011	\$520,000	\$274,150
2012	540,000	253,350
2013	570,000	231,750
2014	590,000	208,950
2015	615,000	185,350
2016-2020	3,475,000	517,100
Totals	<u>\$6,310,000</u>	<u>\$1,670,650</u>

**CITY OF MARYSVILLE, OHIO****Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010****NOTE 14 - LONG-TERM DEBT (Continued)****A. Future Long-Term Financing Requirements (Continued)**

Years	<b>Business-Type Activities</b>					
	General Obligation Bonds		Mortgage Revenue Bonds		OPWC Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$435,000	\$38,310	\$1,445,000	\$6,961,708	\$22,711	\$0
2012	325,000	23,955	1,850,000	6,908,656	37,495	0
2013	340,000	12,580	2,120,000	6,838,164	37,495	0
2014	0	0	2,220,000	6,742,532	36,515	0
2015	0	0	2,345,000	6,637,170	32,552	0
2016-2020	0	0	13,600,000	31,473,033	147,841	0
2021-2025	0	0	15,245,000	28,087,291	147,841	0
2026-2030	0	0	18,235,000	24,157,260	147,841	0
2031-2035	0	0	23,230,000	19,161,440	14,784	0
2036-2040	0	0	26,060,000	13,045,153	0	0
2041-2045	0	0	27,160,000	6,992,002	0	0
2046-2047	0	0	12,640,000	904,401	0	0
Totals	<u>\$1,100,000</u>	<u>\$74,845</u>	<u>\$146,150,000</u>	<u>\$157,908,810</u>	<u>\$625,075</u>	<u>\$0</u>

**NOTE 15 - CAPITAL LEASES**

The City leases equipment under three capital leases. The original cost of the equipment was \$371,450 and the related liability is reported in the Government-Wide Statement of Net Assets.

The following is a schedule of future minimum lease payments under the capital lease together with the present value of the net minimum lease payments as of December 31, 2010:

<u>Year Ending December 31,</u>	<u>Capital Lease</u>
2011	\$53,959
2012	53,959
2013	53,959
2014	53,958
2015	<u>53,958</u>
Minimum Lease Payments	269,793
Less amount representing interest at the City's incremental borrowing rate of interest	<u>(32,609)</u>
Present value of minimum lease payments	<u>\$237,184</u>

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 16 - RISK MANAGEMENT**

The City 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. During 2010, the City contracted for the following insurance coverage:

Type of Coverage	Coverage Limit	Deductible
Buildings/Personal Property	\$104,259,609	\$5,000
Miscellaneous Property	2,383,356	500
Employee Benefit Liability	1,000,000	1,000
Wrongful Acts	3,000,000	1,000
Law Enforcement	3,000,000	2,000
Automobile Liability	3,000,000	0
Electronic Data Processing	25,000 – 263,899	500
Pollution Liability Benefits	250,000	0

Settled claims have not exceeded this commercial coverage in any of the past three years, and there has not been any significant reduction in coverage from the prior year.

Workers' Compensation claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs. The City also pays unemployment claims to the State of Ohio as incurred.

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**CITY OF MARYSVILLE, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010**

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**NOTE 17 - CONSTRUCTION COMMITMENTS**

As of December 31, 2010, the City had the following commitments with respect to capital projects:

Company	Capital Projects	Remaining Construction Commitment
Tyevco, Inc.	CHIP Construction Grants	\$25,000
Capital City Awning	CHIP Construction Grants	8,460
Midwest Roofing & Furnance	CHIP Construction Grants	11,200
Ohio Technical Services	Neighborhood Stabilization Program	975
Concept Building, Inc	Neighborhood Stabilization Program	14,280
Pomante Contractors	Neighborhood Stabilization Program	46,340
DLZ	Engineering - Pump Station Elimination, Trunk Se	44,833
Nickolas Savco & Sons Inc	Collins Avenue Pavement Rehabilitation	96,771
Union Rural Electric	Natural Gas Service to the Job Ready Site	115,626
Burgess & Niple	Engineering - New Water Treatment Facility	3,267,913
Pomeroy & Associates	Storm Detatention Project Design	6,808
E&P Ferris & Associates	Engineering - East Fifth Street Streetscape	2,000
Miller Cable Company	East Fifth Street Streetscape	389,000
Beheler Excavating	Scott's Lawn Road Widening	214,613
CT Consultants	Engineering - Scott's Lawn Road Widening	3,930
Deer Creek Excavating	Scott's Lawn Road Widening Waterline Connectio	19,034
Beheler Excavating	Main Street Pump Station	1,066,922
Buckeye Pumps	Rebuild Pump Station #4	93,508
WE Stilson Consulting Group	Engineering - Milford Avenue Improvements	75,000
Beheler Excavating	Industrial Parkway Culvert	415,943
Beheler Excavating	Cherry Street & Ninth Street Waterline	25,189
	Total	<u>\$5,943,345</u>

**NOTE 18 - CONTINGENCIES**

The City is a party to various legal proceedings, which seek damages or injunctive relief generally incidental to its operations and pending projects. The City's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 19 - JOINTLY GOVERNED ORGANIZATIONS**

***Marysville/Union County Joint Recreation District***

The Marysville/Union County Joint Recreation District (the District) is a jointly governed organization involving the City of Marysville, Union County, and Paris Township. The District was established for acquiring, developing, operating, and maintaining a sports complex and bicycle/walking trail in Union County. The District's Board of Trustees consists of seven members, three appointed by the Mayor of Marysville, three appointed by the County Commissioners, and one appointed by the Paris Township Board of Trustees.

***Union County Community Improvement Corporation***

The Union County Community Improvement Corporation (the Corporation), a non-profit corporation, was established to assist in the financing of economic and industrial development in Union County. It is the responsibility of the Corporation to provide building, zoning, and land controls for the County, townships, and municipal corporations. The Board of Trustees consists of not less than three nor more than twenty-five trustees as such number is fixed by the members from time to time. Two-fifths of the Board of Trustees are composed of appointed or elected officers of such political subdivisions. The Corporation can issue its own debt and is not fiscally dependent on the City. The City of Marysville does not have an ongoing financial interest and/or responsibility with this organization.

***Mid-Ohio Regional Planning Commission***

The City is a participant in the Mid-Ohio Regional Planning Commission (MORPC), a jointly governed organization. MORPC is composed of 74 representatives appointed by member governments who make up the commission, the policy-making body of MORPC, and the oversight board. MORPC is a voluntary association of local governments in central and south-central Ohio and a regional planning agency whose membership includes 42 political subdivisions in and around Franklin, Ross, Fayette, Delaware, Pickaway, Madison, Licking, and Fairfield counties, Ohio. The purpose of the organization is to improve the quality of life for member communities by improving housing conditions, to promote and support livability/sustainability measures as a means of addressing regional growth challenges, and to administer and facilitate the availability of regional environmental infrastructure program funding to the full advantage of MORPC's members.

***Marysville/Union County Port Authority***

The Marysville/Union County Port Authority (the Authority) is a jointly governed organization involving the City of Marysville and Union County. The Authority was established to enhance, foster, aid, provide or promote transportation, economic development, housing, recreation, education, governmental operations, culture, research, and the creation and preservation of jobs and employment opportunities in Union County. The Authority's Board of Trustees consists of seven members, three appointed by the Mayor of Marysville with the advice and consent of City Council, three appointed by the County Commissioners, and one appointed by the Mayor of Marysville with the advice and consent of the City Council and the County Commissioners.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

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**NOTE 20 - SUBSEQUENT EVENT**

On January 21, 2011, the City issued bond anticipation notes, in the amount of \$3,440,000 to retire notes previously issued, in the amount of \$3,465,000 for the acquisition of water lines, sewer lines, pumping stations, and related equipment from Union County, Ohio. The notes have an interest rate of 1.50 percent and mature on January 21, 2012.

On March 3, 2011, the City paid off general obligation bond anticipation notes, in the amount of \$1,000,000, for various street resurfacing projects. The notes had an interest rate of 1.75.

On June 1, 2011, the City issued wastewater improvement bond anticipation notes, in the amount of \$24,750,000 to retire notes previously issued, in the amount of \$24,750,000 for various wastewater improvement projects. The notes have an interest rate of 1.50 percent and mature on June 1, 2012.

**NOTE 21 – CHANGES IN ACCOUNTING PRINCIPLES**

The Coleman's Crossing TIF Fund was previously reported as a special revenue fund in 2009 and has been reclassified as a debt service fund for 2010 based on a change in the fund's use.

The City reclassified the EMS Billing Fund from an Other Governmental fund in 2009 to a General Fund Equivalent for 2010, due to fund use.

The changes had the following effect on the following fund balances at 12/31/09:

	General Fund	Other Governmental Funds
Fund Balance December 31, 2009 as reported	\$4,537,045	\$2,392,404
Adjustments:		
EMS Billing Fund Reclassification	140,180	(140,180)
Fund Balance December 31, 2009 as restated	<u>\$4,677,225</u>	<u>\$2,252,224</u>

For 2010, the City has implemented GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, GASB Statement No. 52, *Accounting for Land and Other Real Estate Held as Investments by Endowments*, GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards* and GASB Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*.

The implementation of GASB Statements No. 51, No. 52, No. 53, No. 55, No. 56 and No. 58 did not result in any change to the City's financial statements.

*C*OMBINING AND *I*NDIVIDUAL *F*UND  
*S*TATEMENTS AND *S*CHEDULES

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***T***HE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE  
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, AND  
FIDUCIARY FUNDS.

***Nonmajor Governmental Funds***

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***Special Revenue Funds***

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Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

**Scott's Financial Incentive Fund**

To account for the transfer of non-tax revenues to be expended as revenue sharing for a financial incentive negotiated with the Scott's Company. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

**Veyance Incentive Fund**

To account for the transfer of non-tax revenues to be expended as revenue sharing for a financial incentive negotiated with the Veyance Company. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

**Univenture Financial Incentive Fund**

To account for the transfer of non-tax revenues to be expended as revenue sharing for a financial incentive negotiated with the Univenture Company.

**Enterprise Zone Revenue Fund**

To account for the Enterprise Zone Agreement between the City of Marysville and the Marysville School District.

**Pool Fund**

To account for specific revenues and expenditures necessary to operate the municipal pool.

**Police Pension Fund**

To account for property taxes levied for the partial payment of the current and accrued liability for police disability and pension.

**Fire Pension Fund**

To account for property taxes levied for the partial payment of the current and accrued liability for fire disability and pension.

**Police Grant Fund**

To account for grant revenues and expenditures associated with the Police Department.

**Fire Grant Fund**

To account for grant revenues and expenditures associated with the Fire Department.

(Continued)

***Special Revenue Funds***

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**Community Development Block Grant (CDBG) Tier II Grant Fund**

To account for grant revenues and expenditures associated with the CDBG Tier II program.

**Street Maintenance Fund**

To account for that portion of the state levied and controlled gasoline tax and motor vehicle license fees designated for local street construction, maintenance and repair. Ninety-two and one-half percent of the tax and fees are allocated to this fund.

**Law Enforcement Trust Fund**

To account for the proceeds from the confiscation of contraband.

**Mandatory Drug Fine Fund**

To account for mandatory fines collected for drug agencies.

**Driving Under the Influence (DUI) Alcohol Education And Enforcement Fund**

To account for fines imposed on DUI offenders. Under state law, disbursements may be made from this fund for law enforcement purposes related to informing the public of laws governing the operation of a motor vehicle while under the influence of alcohol.

**Driving Under the Influence (DUI) Indigent Drivers Treatment Fund**

To account for fines imposed on DUI offenders. Under state law, disbursements may be made from this fund for law enforcement purposes related to treatment services for those persons who cannot afford such services.

**State Highway Fund**

To account for that portion of the state levied and controlled gasoline tax and motor vehicle license fees designated for the maintenance and repair of state highways within the City. Seven and one-half percent of the tax and fees are allocated to this fund.

**Court Computer and Research Fund**

To account for revenues from fines to be used for providing information technology systems to the Municipal Court and for periodic upgrades to these systems.

**Municipal Court Computer Fund**

To account for revenues from fines to be used for providing information technology systems to the Municipal Court and for periodic upgrades to these systems.

**Municipal Court Special Projects Fund**

To account for revenues from fines to be used for providing for other specific items that may arise.

(Continued)

***Special Revenue Funds***

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**Court Probation Fee Fund**

To account for fees designated to the Municipal Court for the operation of the probation program.

**2008 Community Housing Improvement Program (CHIP) Grant Fund**

To account for grant revenues and expenditures associated with the 2008 CHIP program.

**Eljer Park Fund**

To account for the insurance liability for Eljer Park.

**Cemetery Maintenance Fund**

To provide funding for the maintenance of the city owned cemetery.

**Cemetery Endowment Fund**

To account for donations to the cemetery whose use is specified for cemetery operations.

**Municipal Court Local Interlock Fund**

To account for the fines assessed by the City of Marysville for certain DUI cases. Monies collected are to be used for the purchase and installation of an interlock/immobilization device to prevent usage of a motor vehicle by intoxicated drivers.

**Municipal Court State Interlock Fund**

To account for the fines assessed by the State of Ohio for certain DUI cases. Monies collected are to be used for the purchase and installation of an interlock/immobilization device to prevent usage of a motor vehicle by intoxicated drivers.

**2009 Community Housing Improvement Program (CHIP) Grant Fund**

To account for grant revenues and expenditures associated with the 2009 CHIP program.

**Neighborhood Stabilization Project Fund**

To track grant revenues and expenditures for the Neighborhood Stabilization project.

**Ohio Public Works Commission (OPWC) Walnut Street Traffic Signal Fund**

To account for revenues and expenditures associated with the replacement of the traffic signal at Walnut Street.

***Debt Service Funds***

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The Debt Service Funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment levies when the government is obligated in some manner for the payment.

**Debt Service Fund**

To account for resources that are used for payment of principal, interest and fiscal charges on general obligation debt.

***Capital Projects Funds***

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The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

**Parkland Development Fund**

To account for park impact/capacity fees collected to be used to provide neighborhood parks and to make capital improvements to land provided to the City by developers.

**Collins Avenue Pavement Fund**

To account for the activity related to the pavement improvements on Collins Avenue.

**Capital Improvements Projects (CIP) Fund**

To account for the accumulation of funds for the acquisition of capital assets and/or the construction of major capital facilities.

**Citygate TIF Project Fund**

To account for the activity related to the Citygate TIF project.

**Scottslawn Road Widening Project Fund**

To account for the activity related to the road widening of Scottslawn Road.

**Milford Avenue Improvement Project Fund**

To account for the activity related to the street improvements to Milford Avenue.

**Industrial Parkway Culvert Replacement Project Fund**

To account for the activity related to the culvert replacement along Industrial Parkway.

**Community Development Block Grant (CDBG) Formula Grant Fund**

To account for grant revenues and expenditures associated with the CDBG Formula program.

**Job Readiness Site Grant Fund**

To track grant revenues and expenditures for the Job Readiness Site project.



**CITY OF MARYSVILLE, OHIO****Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2010**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 3,034,034	\$ 447,831	\$ 370,634	\$ 3,852,499
Receivables:				
Accounts	6,630	0	0	6,630
Intergovernmental	931,763	0	1,268,714	2,200,477
Interest	24	0	0	24
Property Taxes	207,454	0	0	207,454
Special Assessments	0	162,357	0	162,357
Prepaid Items	19,056	0	0	19,056
<b>Total Assets</b>	<u>\$ 4,198,961</u>	<u>\$ 610,188</u>	<u>\$ 1,639,348</u>	<u>\$ 6,448,497</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 220,338	\$ 0	\$ 20,273	\$ 240,611
Accrued Wages and Benefits Payable	39,585	0	0	39,585
Retainage Payable	0	0	58,877	58,877
Interfund Loans Payable	40,128	0	1,074,416	1,114,544
Deferred Revenue	545,242	162,357	0	707,599
Accrued Interest Payable	0	14,340	0	14,340
General Obligation Notes Payable	0	1,000,000	0	1,000,000
<b>Total Liabilities</b>	<u>845,293</u>	<u>1,176,697</u>	<u>1,153,566</u>	<u>3,175,556</u>
<b>Fund Balances:</b>				
Reserved for Encumbrances	310,598	2,170	829,930	1,142,698
Reserved for Prepaid Items	19,056	0	0	19,056
Undesignated/Unreserved in:				
Special Revenue Funds	3,024,014	0	0	3,024,014
Debt Service Funds	0	(568,679)	0	(568,679)
Capital Projects Funds	0	0	(344,148)	(344,148)
<b>Total Fund (Deficit) Balances</b>	<u>3,353,668</u>	<u>(566,509)</u>	<u>485,782</u>	<u>3,272,941</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 4,198,961</u>	<u>\$ 610,188</u>	<u>\$ 1,639,348</u>	<u>\$ 6,448,497</u>

# **CITY OF MARYSVILLE, OHIO**

## **Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Governmental Funds For the Year Ended December 31, 2010**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Property Taxes	\$ 239,014	\$ 0	\$ 0	\$ 239,014
Other Local Taxes	824,404	0	0	824,404
Intergovernmental Revenues	984,764	0	1,772,487	2,757,251
Charges for Services	142,673	0	0	142,673
Licenses and Permits	0	0	2,000	2,000
Investment Earnings	121	0	0	121
Special Assessments	0	21,510	0	21,510
Fines and Forfeitures	201,803	0	0	201,803
All Other Revenue	38,196	0	735	38,931
<b>Total Revenue</b>	<b>2,430,975</b>	<b>21,510</b>	<b>1,775,222</b>	<b>4,227,707</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property - Police	145,398	0	0	145,398
Security of Persons and Property - Fire	159,421	0	0	159,421
Security of Persons and Property - Other	12,695	0	0	12,695
Public Health and Welfare Services	210	0	0	210
Leisure Time Activities	129,419	0	0	129,419
Community Environment	456,852	0	950,603	1,407,455
Transportation	1,188,364	0	0	1,188,364
General Government	124,105	0	0	124,105
Capital Outlay	0	0	45,986	45,986
Debt Service:				
Principal Retirement	0	1,500,000	0	1,500,000
Interest and Fiscal Charges	0	345,466	0	345,466
<b>Total Expenditures</b>	<b>2,216,464</b>	<b>1,845,466</b>	<b>996,589</b>	<b>5,058,519</b>
Excess (Deficiency) of Revenues Over Expenditures	214,511	(1,823,956)	778,633	(830,812)
<b>Other Financing Sources (Uses):</b>				
Transfers In	442,603	1,300,000	108,926	1,851,529
<b>Total Other Financing Sources (Uses)</b>	<b>442,603</b>	<b>1,300,000</b>	<b>108,926</b>	<b>1,851,529</b>
Net Change In Fund Balance	657,114	(523,956)	887,559	1,020,717
<b>Fund Balances (Deficit) at Beginning of Year</b>	<b>2,696,554</b>	<b>(42,553)</b>	<b>(401,777)</b>	<b>2,252,224</b>
<b>Fund Balances (Deficit) End of Year</b>	<b>\$ 3,353,668</b>	<b>\$ (566,509)</b>	<b>\$ 485,782</b>	<b>\$ 3,272,941</b>

**CITY OF MARYSVILLE, OHIO**

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**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2010**

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	Univenture Financial Incentive	Enterprise Zone Revenue	Pool	Police Pension
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 12,998	\$ 7,000	\$ 65,713	\$ 0
Receivables:				
Accounts	0	0	0	0
Intergovernmental	0	0	0	5,589
Interest	0	0	0	0
Property Taxes	0	0	0	103,727
Prepaid Items	0	0	0	0
<b>Total Assets</b>	<u>\$ 12,998</u>	<u>\$ 7,000</u>	<u>\$ 65,713</u>	<u>\$ 109,316</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 0	\$ 0	\$ 158	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Interfund Loans Payable	0	0	0	0
Deferred Revenue	0	0	0	109,316
<b>Total Liabilities</b>	<u>0</u>	<u>0</u>	<u>158</u>	<u>109,316</u>
<b>Fund Balances:</b>				
Reserved for Encumbrances	0	0	1,272	0
Reserved for Prepaid Items	0	0	0	0
Undesignated/Unreserved	12,998	7,000	64,283	0
<b>Total Fund Balances</b>	<u>12,998</u>	<u>7,000</u>	<u>65,555</u>	<u>0</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 12,998</u>	<u>\$ 7,000</u>	<u>\$ 65,713</u>	<u>\$ 109,316</u>

**CITY OF MARYSVILLE, OHIO**

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Fire Pension	Police Grant	Fire Grant	CDBG Tier II Grant	Street Maintenance	Law Enforcement Trust
\$ 0	\$ 5,032	\$ 2,379	\$ 0	\$ 495,292	\$ 5,337
0	0	0	0	283	0
5,589	0	0	289,846	424,746	0
0	0	0	0	5	0
103,727	0	0	0	0	0
0	0	0	0	19,056	0
<u>\$ 109,316</u>	<u>\$ 5,032</u>	<u>\$ 2,379</u>	<u>\$ 289,846</u>	<u>\$ 939,382</u>	<u>\$ 5,337</u>
\$ 0	\$ 39	\$ 0	\$ 36,200	\$ 78,821	\$ 0
0	0	0	0	39,585	0
0	0	0	8,066	0	0
109,316	0	0	0	300,422	0
<u>109,316</u>	<u>39</u>	<u>0</u>	<u>44,266</u>	<u>418,828</u>	<u>0</u>
0	323	501	38,977	227,670	100
0	0	0	0	19,056	0
0	4,670	1,878	206,603	273,828	5,237
0	4,993	2,379	245,580	520,554	5,337
<u>\$ 109,316</u>	<u>\$ 5,032</u>	<u>\$ 2,379</u>	<u>\$ 289,846</u>	<u>\$ 939,382</u>	<u>\$ 5,337</u>

(Continued)

**CITY OF MARYSVILLE, OHIO**

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**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010**

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	Mandatory Drug Fine	DUI Alcohol Education and Enforcement	DUI Indigent Drivers Treatment	State Highway
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 59,699	\$ 25,947	\$ 161,880	\$ 188,390
Receivables:				
Accounts	1,250	0	0	5,097
Intergovernmental	150	165	0	36,268
Interest	0	0	0	3
Property Taxes	0	0	0	0
Prepaid Items	0	0	0	0
<b>Total Assets</b>	<u>\$ 61,099</u>	<u>\$ 26,112</u>	<u>\$ 161,880</u>	<u>\$ 229,758</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 24,088
Accrued Wages and Benefits Payable	0	0	0	0
Interfund Loans Payable	0	0	0	0
Deferred Revenue	0	0	0	26,188
<b>Total Liabilities</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>50,276</u>
<b>Fund Balances:</b>				
Reserved for Encumbrances	0	861	0	25,884
Reserved for Prepaid Items	0	0	0	0
Undesignated/Unreserved	61,099	25,251	161,880	153,598
<b>Total Fund Balances</b>	<u>61,099</u>	<u>26,112</u>	<u>161,880</u>	<u>179,482</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 61,099</u>	<u>\$ 26,112</u>	<u>\$ 161,880</u>	<u>\$ 229,758</u>

**CITY OF MARYSVILLE, OHIO**

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<u>Court Computer and Research</u>	<u>Municipal Court Computer</u>	<u>Municipal Court Special Projects</u>	<u>Court Probation Fee</u>	<u>2008 CHIP Grant</u>	<u>Eljer Park</u>
\$ 578,886	\$ 288,516	\$ 811,838	\$ 170,513	\$ 69	\$ 31,505
0	0	0	0	0	0
1,750	1,755	5,102	1,613	0	0
0	0	0	0	0	16
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 580,636</u>	<u>\$ 290,271</u>	<u>\$ 816,940</u>	<u>\$ 172,126</u>	<u>\$ 69</u>	<u>\$ 31,521</u>
\$ 0	\$ 1,218	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>1,218</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	11,094	0	0	2,898	0
0	0	0	0	0	0
<u>580,636</u>	<u>277,959</u>	<u>816,940</u>	<u>172,126</u>	<u>(2,829)</u>	<u>31,521</u>
<u>580,636</u>	<u>289,053</u>	<u>816,940</u>	<u>172,126</u>	<u>69</u>	<u>31,521</u>
<u>\$ 580,636</u>	<u>\$ 290,271</u>	<u>\$ 816,940</u>	<u>\$ 172,126</u>	<u>\$ 69</u>	<u>\$ 31,521</u>

(Continued)

**CITY OF MARYSVILLE, OHIO**

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**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010**

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	Cemetery Maintenance	Cemetery Endowment	Municipal Court Local Interlock	Municipal Court State Interlock
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 15,060	\$ 10,655	\$ 38,214	\$ 45,558
Receivables:				
Accounts	0	0	0	0
Intergovernmental	0	2,119	0	6,622
Interest	0	0	0	0
Property Taxes	0	0	0	0
Prepaid Items	0	0	0	0
<b>Total Assets</b>	<u>\$ 15,060</u>	<u>\$ 12,774</u>	<u>\$ 38,214</u>	<u>\$ 52,180</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Interfund Loans Payable	0	0	0	0
Deferred Revenue	0	0	0	0
<b>Total Liabilities</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances:</b>				
Reserved for Encumbrances	0	80	0	0
Reserved for Prepaid Items	0	0	0	0
Undesignated/Unreserved	15,060	12,694	38,214	52,180
<b>Total Fund Balances</b>	<u>15,060</u>	<u>12,774</u>	<u>38,214</u>	<u>52,180</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 15,060</u>	<u>\$ 12,774</u>	<u>\$ 38,214</u>	<u>\$ 52,180</u>

**CITY OF MARYSVILLE, OHIO**

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2009 CHIP Grant	Neighborhood Stabilization Project	OPWC Walnut Street Traffic Signal	Total Nonmajor Special Revenue Funds
\$ 0	\$ 13,553	\$ 0	\$ 3,034,034
0	0	0	6,630
4,872	113,515	32,062	931,763
0	0	0	24
0	0	0	207,454
0	0	0	19,056
<u>\$ 4,872</u>	<u>\$ 127,068</u>	<u>\$ 32,062</u>	<u>\$ 4,198,961</u>
\$ 4,246	\$ 75,568	\$ 0	\$ 220,338
0	0	0	39,585
0	0	32,062	40,128
0	0	0	545,242
<u>4,246</u>	<u>75,568</u>	<u>32,062</u>	<u>845,293</u>
0	0	938	310,598
0	0	0	19,056
626	51,500	(938)	3,024,014
<u>626</u>	<u>51,500</u>	<u>0</u>	<u>3,353,668</u>
<u>\$ 4,872</u>	<u>\$ 127,068</u>	<u>\$ 32,062</u>	<u>\$ 4,198,961</u>



**CITY OF MARYSVILLE, OHIO**

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

	Scott's Financial Incentive	Veyance Incentive	Univenture Financial Incentive	Enterprise Zone Revenue
<b>Revenues:</b>				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Other Local Taxes	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	0
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	0	0	0	0
<b>Total Revenue</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property - Police	0	0	0	0
Security of Persons and Property - Fire	0	0	0	0
Security of Persons and Property - Other	0	0	0	0
Public Health and Welfare Services	0	0	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Transportation	0	0	0	0
General Government	100,000	7,103	17,002	0
<b>Total Expenditures</b>	<u>100,000</u>	<u>7,103</u>	<u>17,002</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	(100,000)	(7,103)	(17,002)	0
<b>Other Financing Sources (Uses):</b>				
Transfers In	100,000	7,103	30,000	7,000
<b>Total Other Financing Sources (Uses)</b>	<u>100,000</u>	<u>7,103</u>	<u>30,000</u>	<u>7,000</u>
Net Change In Fund Balance	0	0	12,998	7,000
<b>Fund Balances (Deficit) at Beginning of Year</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances End of Year</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 12,998</u>	<u>\$ 7,000</u>

***CITY OF MARYSVILLE, OHIO***

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Pool	Police Pension	Fire Pension	Police Grant	Fire Grant	CDBG Tier II Grant
\$ 0	\$ 119,507	\$ 119,507	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
43,727	11,150	11,150	4,962	29,734	415,714
138,123	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
181,850	130,657	130,657	4,962	29,734	415,714
0	130,657	0	2,802	0	0
0	0	130,657	0	28,764	0
0	0	0	0	0	0
0	0	0	0	0	0
129,419	0	0	0	0	0
0	0	0	0	0	137,717
0	0	0	0	0	0
0	0	0	0	0	0
129,419	130,657	130,657	2,802	28,764	137,717
52,431	0	0	2,160	970	277,997
0	0	0	0	0	0
0	0	0	0	0	0
52,431	0	0	2,160	970	277,997
13,124	0	0	2,833	1,409	(32,417)
\$ 65,555	\$ 0	\$ 0	\$ 4,993	\$ 2,379	\$ 245,580

(Continued)

**CITY OF MARYSVILLE, OHIO****Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010**

	Street Maintenance	Law Enforcement Trust	Mandatory Drug Fine	DUI Acohol Education and Enforcement
<b>Revenues:</b>				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Other Local Taxes	762,574	0	0	0
Intergovernmental Revenues	100,000	0	0	0
Charges for Services	0	0	0	0
Investment Earnings	57	0	0	0
Fines and Forfeitures	0	0	14,486	1,494
All Other Revenue	6,154	0	0	0
<b>Total Revenue</b>	<u>868,785</u>	<u>0</u>	<u>14,486</u>	<u>1,494</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property - Police	0	0	11,400	539
Security of Persons and Property - Fire	0	0	0	0
Security of Persons and Property - Other	0	0	0	0
Public Health and Welfare Services	0	0	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Transportation	1,088,147	0	0	0
General Government	0	0	0	0
<b>Total Expenditures</b>	<u>1,088,147</u>	<u>0</u>	<u>11,400</u>	<u>539</u>
Excess (Deficiency) of Revenues Over Expenditures	(219,362)	0	3,086	955
<b>Other Financing Sources (Uses):</b>				
Transfers In	298,500	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>298,500</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change In Fund Balance	79,138	0	3,086	955
<b>Fund Balances (Deficit) at Beginning of Year</b>	<u>441,416</u>	<u>5,337</u>	<u>58,013</u>	<u>25,157</u>
<b>Fund Balances End of Year</b>	<u>\$ 520,554</u>	<u>\$ 5,337</u>	<u>\$ 61,099</u>	<u>\$ 26,112</u>

***CITY OF MARYSVILLE, OHIO***

DUI Indigent Drivers Treatment	State Highway	Court Computer and Research	Municipal Court Computer	Municipal Court Special Projects	Court Probation Fee
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	61,830	0	0	0	0
0	0	0	0	0	0
0	0	0	0	4,550	0
0	42	0	0	0	0
0	0	26,180	26,192	56,893	24,313
0	32,042	0	0	0	0
0	93,914	26,180	26,192	61,443	24,313
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	11,576	250	869
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	100,217	0	0	0	0
0	0	0	0	0	0
0	100,217	0	11,576	250	869
0	(6,303)	26,180	14,616	61,193	23,444
0	0	0	0	0	0
0	0	0	0	0	0
0	(6,303)	26,180	14,616	61,193	23,444
161,880	185,785	554,456	274,437	755,747	148,682
\$ 161,880	\$ 179,482	\$ 580,636	\$ 289,053	\$ 816,940	\$ 172,126

(Continued)

**CITY OF MARYSVILLE, OHIO****Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010**

	2008 CHIP Grant	Eljer Park	Cemetery Maintenance	Cemetery Endowment
<b>Revenues:</b>				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Other Local Taxes	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	0
Investment Earnings	3	16	0	3
Fines and Forfeitures	0	0	0	2,119
All Other Revenue	0	0	0	0
<b>Total Revenue</b>	<u>3</u>	<u>16</u>	<u>0</u>	<u>2,122</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property - Police	0	0	0	0
Security of Persons and Property - Fire	0	0	0	0
Security of Persons and Property - Other	0	0	0	0
Public Health and Welfare Services	0	0	0	210
Leisure Time Activities	0	0	0	0
Community Environment	2,934	0	0	0
Transportation	0	0	0	0
General Government	0	0	0	0
<b>Total Expenditures</b>	<u>2,934</u>	<u>0</u>	<u>0</u>	<u>210</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,931)	16	0	1,912
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change In Fund Balance	(2,931)	16	0	1,912
<b>Fund Balances (Deficit) at Beginning of Year</b>	<u>3,000</u>	<u>31,505</u>	<u>15,060</u>	<u>10,862</u>
<b>Fund Balances End of Year</b>	<u>\$ 69</u>	<u>\$ 31,521</u>	<u>\$ 15,060</u>	<u>\$ 12,774</u>

***CITY OF MARYSVILLE, OHIO***

Municipal Court Local Interlock	Municipal Court State Interlock	2009 CHIP Grant	Neighborhood Stabilization Project	OPWC Walnut Street Traffic Signal	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 239,014
0	0	0	0	0	824,404
0	0	124,406	211,859	32,062	984,764
0	0	0	0	0	142,673
0	0	0	0	0	121
17,790	32,336	0	0	0	201,803
0	0	0	0	0	38,196
<u>17,790</u>	<u>32,336</u>	<u>124,406</u>	<u>211,859</u>	<u>32,062</u>	<u>2,430,975</u>
0	0	0	0	0	145,398
0	0	0	0	0	159,421
0	0	0	0	0	12,695
0	0	0	0	0	210
0	0	0	0	0	129,419
0	0	123,780	160,359	32,062	456,852
0	0	0	0	0	1,188,364
0	0	0	0	0	124,105
<u>0</u>	<u>0</u>	<u>123,780</u>	<u>160,359</u>	<u>32,062</u>	<u>2,216,464</u>
17,790	32,336	626	51,500	0	214,511
0	0	0	0	0	442,603
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>442,603</u>
17,790	32,336	626	51,500	0	657,114
20,424	19,844	0	0	0	2,696,554
<u>\$ 38,214</u>	<u>\$ 52,180</u>	<u>\$ 626</u>	<u>\$ 51,500</u>	<u>\$ 0</u>	<u>\$ 3,353,668</u>

**CITY OF MARYSVILLE, OHIO**

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**Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2010**

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	Parkland Development	Collins Avenue Pavement	CIP	CityGate TIF Project
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 93,464	\$ 125,107	\$ 63,302	\$ 51
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	0	0	0	0
<b>Total Assets</b>	<u>\$ 93,464</u>	<u>\$ 125,107</u>	<u>\$ 63,302</u>	<u>\$ 51</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 0	\$ 0	\$ 2,014	\$ 0
Retainage Payable	0	58,877	0	0
Interfund Loans Payable	0	0	0	0
<b>Total Liabilities</b>	<u>0</u>	<u>58,877</u>	<u>2,014</u>	<u>0</u>
<b>Fund Balances:</b>				
Reserved for Encumbrances	0	85,617	34,982	0
Undesignated/Unreserved	93,464	(19,387)	26,306	51
<b>Total Fund Balances</b>	<u>93,464</u>	<u>66,230</u>	<u>61,288</u>	<u>51</u>
<b>Total Liabilities and Funds Balances</b>	<u>\$ 93,464</u>	<u>\$ 125,107</u>	<u>\$ 63,302</u>	<u>\$ 51</u>

***CITY OF MARYSVILLE, OHIO***

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Scottslawn Road Widening Project	Milford Avenue Improvement Project	Industrial Parkway Culvert Replacement	CDBG Formula Grant	Job Readiness Site Grant	Total Nonmajor Capital Projects Funds
\$ 0	\$ 75,000	\$ 0	\$ 13,710	\$ 0	\$ 370,634
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	55,000	1,213,714	1,268,714
<u>\$ 0</u>	<u>\$ 75,000</u>	<u>\$ 0</u>	<u>\$ 68,710</u>	<u>\$ 1,213,714</u>	<u>\$ 1,639,348</u>
\$ 0	\$ 0	\$ 0	\$ 18,259	\$ 0	\$ 20,273
0	0	0	0	0	58,877
24,156	0	0	0	1,050,260	1,074,416
<u>24,156</u>	<u>0</u>	<u>0</u>	<u>18,259</u>	<u>1,050,260</u>	<u>1,153,566</u>
160,844	75,000	267,000	32,751	173,736	829,930
(185,000)	0	(267,000)	17,700	(10,282)	(344,148)
<u>(24,156)</u>	<u>75,000</u>	<u>0</u>	<u>50,451</u>	<u>163,454</u>	<u>485,782</u>
<u>\$ 0</u>	<u>\$ 75,000</u>	<u>\$ 0</u>	<u>\$ 68,710</u>	<u>\$ 1,213,714</u>	<u>\$ 1,639,348</u>



**CITY OF MARYSVILLE, OHIO**

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***Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2010***

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	Parkland Development	Collins Avenue Pavement	CIP	CityGate TIF Project
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 0	\$ 0	\$ 6,473
Licenses and Permits	2,000	0	0	0
All Other Revenue	735	0	0	0
<b>Total Revenue</b>	<u>2,735</u>	<u>0</u>	<u>0</u>	<u>6,473</u>
<b>Expenditures:</b>				
Community Development	0	0	0	0
Capital Outlay	0	0	21,830	0
<b>Total Expenditures</b>	<u>0</u>	<u>0</u>	<u>21,830</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	2,735	0	(21,830)	6,473
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	0	21,300	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>21,300</u>	<u>0</u>
Net Change In Fund Balance	2,735	0	(530)	6,473
<b>Fund Balances (Deficit) at Beginning of Year</b>	<u>90,729</u>	<u>66,230</u>	<u>61,818</u>	<u>(6,422)</u>
<b>Fund Balances (Deficit) End of Year</b>	<u>\$ 93,464</u>	<u>\$ 66,230</u>	<u>\$ 61,288</u>	<u>\$ 51</u>

***CITY OF MARYSVILLE, OHIO***

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Scottslawn Road Widening Project	Milford Avenue Improvement Project	Industrial Parway Culvert Replacement	CDBG Formula Grant	Job Readiness Site Grant	Total Nonmajor Capital Project Funds
\$ 0	\$ 0	\$ 0	\$ 59,000	\$ 1,707,014	\$ 1,772,487
0	0	0	0	0	2,000
0	0	0	0	0	735
0	0	0	59,000	1,707,014	1,775,222
0	0	0	22,259	928,344	950,603
24,156	0	0	0	0	45,986
24,156	0	0	22,259	928,344	996,589
(24,156)	0	0	36,741	778,670	778,633
0	75,000	0	12,626	0	108,926
0	75,000	0	12,626	0	108,926
(24,156)	75,000	0	49,367	778,670	887,559
0	0	0	1,084	(615,216)	(401,777)
\$ (24,156)	\$ 75,000	\$ 0	\$ 50,451	\$ 163,454	\$ 485,782

**CITY OF MARYSVILLE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Fund – General Fund  
For the Year Ended December 31, 2010***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 1,681,585	\$ 1,559,663	\$ 1,572,934	\$ 13,271
Municipal Income Taxes	8,293,084	9,475,350	9,631,406	156,056
Other Local Taxes	125,000	100,000	108,114	8,114
Intergovernmental Revenues	850,584	948,998	975,146	26,148
Charges for Services	1,649,723	1,426,147	1,408,672	(17,475)
Licenses and Permits	320,803	345,304	322,737	(22,567)
Investment Earnings	200,010	85,003	83,173	(1,830)
Donations	10,000	1,000	706	(294)
Fines and Forfeitures	453,500	502,455	520,325	17,870
All Other Revenues	50,000	98,464	101,313	2,849
Total Revenues	13,634,289	14,542,384	14,724,526	182,142
<b>Expenditures:</b>				
Security of Persons and Property:				
Police:				
Personal Services	3,576,247	3,446,378	3,325,265	121,113
Materials and Supplies	74,894	80,494	75,520	4,974
Contractual Services	155,720	161,720	136,694	25,026
Capital Outlay	42,000	109,000	102,930	6,070
Total Police	3,848,861	3,797,592	3,640,409	157,183
Fire:				
Personal Services	3,098,371	3,091,618	3,030,930	60,688
Materials and Supplies	41,511	41,511	35,808	5,703
Contractual Services	193,674	194,474	175,507	18,967
Capital Outlay	10,000	170,000	165,507	4,493
Total Fire	3,343,556	3,497,603	3,407,752	89,851
Municipal Court:				
Personal Services	769,763	811,424	748,192	63,232
Materials and Supplies	81,406	78,206	72,153	6,053
Contractual Services	67,942	62,142	36,626	25,516
Total Municipal Court	919,111	951,772	856,971	94,801
Total Security of Persons and Property	8,111,528	8,246,967	7,905,132	341,835

(Continued)

**CITY OF MARYSVILLE, OHIO*****Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Fund – General Fund  
For the Year Ended December 31, 2010***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Public Health and Welfare Services:				
Cemetery:				
Personal Services	10,662	39,128	39,070	58
Materials and Supplies	23,312	23,312	12,862	10,450
Contractual Services	22,099	23,324	14,550	8,774
Total Cemetery	56,073	85,764	66,482	19,282
Street Lighting:				
Contractual Services	385,695	385,695	362,442	23,253
Total Public Health and Welfare Services	441,768	471,459	428,924	42,535
Leisure Time Activities:				
Recreation:				
Personal Services	31,496	31,961	30,961	1,000
Materials and Supplies	7,068	7,068	3,496	3,572
Contractual Services	94,510	84,310	67,334	16,976
Total Leisure Time Activities	133,074	123,339	101,791	21,548
Community Environment:				
Public Service:				
Personal Services	138,931	138,931	136,931	2,000
Materials and Supplies	14,642	14,642	9,343	5,299
Contractual Services	42,237	42,237	28,823	13,414
Total Public Service	195,810	195,810	175,097	20,713
Buildings and Grounds:				
Personal Services	296,484	346,499	332,759	13,740
Materials and Supplies	31,101	31,101	26,865	4,236
Contractual Services	123,773	130,298	117,119	13,179
Total Buildings and Grounds	451,358	507,898	476,743	31,155
Total Community Environment	647,168	703,708	651,840	51,868
General Government:				
City Council:				
Personal Services	82,466	82,466	82,861	(395)
Materials and Supplies	5,700	5,700	3,133	2,567
Contractual Services	37,115	37,115	15,130	21,985
Total City Council	125,281	125,281	101,124	24,157

(Continued)

**CITY OF MARYSVILLE, OHIO*****Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Fund – General Fund  
For the Year Ended December 31, 2010***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Mayor:				
Personal Services	16,000	16,000	16,000	0
Materials and Supplies	4,610	4,610	2,884	1,726
Contractual Services	108,200	117,580	109,856	7,724
Total Mayor	128,810	138,190	128,740	9,450
City Administrator:				
Personal Services	152,155	152,982	152,980	2
Materials and Supplies	6,128	6,128	5,098	1,030
Contractual Services	7,982	7,982	7,101	881
Total City Administrator	166,265	167,092	165,179	1,913
Human Resources:				
Personal Services	156,279	156,279	155,543	736
Materials and Supplies	3,475	3,475	3,345	130
Contractual Services	8,939	8,939	6,974	1,965
Total Human Resources	168,693	168,693	165,862	2,831
Law Director:				
Personal Services	115,310	116,160	116,148	12
Materials and Supplies	2,250	2,250	1,533	717
Contractual Services	70,816	69,996	64,061	5,935
Total Law Director	188,376	188,406	181,742	6,664
Finance:				
Personal Services	320,187	324,690	313,709	10,981
Materials and Supplies	10,251	10,781	10,665	116
Contractual Services	75,820	79,800	76,282	3,518
Total Finance	406,258	415,271	400,656	14,615
Employee Benefits:				
Personal Services	748,088	626,163	561,431	64,732
Income Tax Collection:				
Personal Services	125,556	126,558	122,974	3,584
Materials and Supplies	41,021	45,021	42,019	3,002
Contractual Services	11,900	11,900	11,900	0
Total Income Tax Collection	178,477	183,479	176,893	6,586

(Continued)

**CITY OF MARYSVILLE, OHIO*****Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Fund – General Fund  
For the Year Ended December 31, 2010***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Information Technology:				
Contractual Services	77,114	93,114	92,439	675
City Engineer:				
Personal Services	294,308	305,822	293,601	12,221
Materials and Supplies	15,782	18,782	14,098	4,684
Contractual Services	69,632	212,632	45,001	167,631
Total City Engineer	379,722	537,236	352,700	184,536
Civil Service Commission:				
Personal Services	500	500	100	400
Contractual Services	1,000	1,000	300	700
Total Civil Service Commission	1,500	1,500	400	1,100
Planning Commission:				
Personal Services	120,264	128,928	125,311	3,617
Materials and Supplies	6,763	9,763	7,482	2,281
Contractual Services	77,262	72,262	51,440	20,822
Total Planning Commission	204,289	210,953	184,233	26,720
City Hall:				
Materials and Supplies	17,991	17,991	11,716	6,275
Contractual Services	168,708	168,708	129,698	39,010
Total City Hall	186,699	186,699	141,414	45,285
Total General Government	2,959,572	3,042,077	2,652,813	389,264
Total Expenditures	12,293,110	12,587,550	11,740,500	847,050
Excess of Revenues				
Over Expenditures	1,341,179	1,954,834	2,984,026	1,029,192
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	7,000	1,000	49	(951)
Transfers In	6,475,000	6,798,000	6,798,000	0
Transfers Out	(8,050,800)	(8,649,530)	(8,649,529)	1
Total Other Financing Sources (Uses)	(1,568,800)	(1,850,530)	(1,851,480)	(950)
Net Change In Fund Balance	(227,621)	104,304	1,132,546	1,028,242
Fund Balance at Beginning of Year	3,834,720	3,834,720	3,834,720	0
Prior Year Encumbrances	234,521	234,521	234,521	0
Fund Balance at End of Year	<u>\$ 3,841,620</u>	<u>\$ 4,173,545</u>	<u>\$ 5,201,787</u>	<u>\$ 1,028,242</u>

**CITY OF MARYSVILLE, OHIO*****Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Fund – Coleman’s Crossing TIF – Debt Service Fund  
For the Year Ended December 31, 2010***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Payments in Lieu of Taxes	\$ 1,000,000	\$ 921,955	\$ 1,067,337	\$ 145,382
Investment Earnings	0	0	9,391	9,391
Total Revenues	1,000,000	921,955	1,076,728	154,773
<b>Expenditures:</b>				
Community Environment:				
Contractual Services	525,200	672,712	671,669	1,043
Debt Service:				
Principal Retirement	11,980,000	11,980,000	11,980,000	0
Interest and Fiscal Charges	333,000	333,000	331,971	1,029
Total Expenditures	12,838,200	12,985,712	12,983,640	2,072
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,838,200)	(12,063,757)	(11,906,912)	156,845
<b>Other Financing Sources:</b>				
General Obligation Notes Issued	11,700,000	11,980,000	11,983,249	3,249
Total Other Financing Sources	11,700,000	11,980,000	11,983,249	3,249
Net Change In Fund Balance	(138,200)	(83,757)	76,337	160,094
Fund Balance at Beginning of Year	216,320	216,320	216,320	0
Fund Balance at End of Year	\$ 78,120	\$ 132,563	\$ 292,657	\$ 160,094

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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SCOTT'S FINANCIAL INCENTIVE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
General Government:				
Contractual Services	100,000	100,000	100,000	0
Total Expenditures	100,000	100,000	100,000	0
Deficiency of Revenues				
Under Expenditures	(100,000)	(100,000)	(100,000)	0
<b>Other Financing Sources (Uses):</b>				
Transfers In	100,000	100,000	100,000	0
Total Other Financing Sources (Uses)	100,000	100,000	100,000	0
Net Change In Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>



**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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VEYANCE INCENTIVE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
General Government:				
Contractual Services	10,000	7,104	7,103	1
Total Expenditures	10,000	7,104	7,103	1
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,000)	(7,104)	(7,103)	1
<b>Other Financing Sources:</b>				
Transfers In	10,000	7,104	7,103	(1)
Total Other Financing Sources	10,000	7,104	7,103	(1)
Net Change In Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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UNIVENTURE FINANCIAL INCENTIVE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
General Government:				
Contractual Services	30,000	30,000	17,002	12,998
Total Expenditures	30,000	30,000	17,002	12,998
Excess (Deficiency) of Revenues Over (Under) Expenditures	(30,000)	(30,000)	(17,002)	12,998
<b>Other Financing Sources:</b>				
Transfers In	30,000	30,000	30,000	0
Total Other Financing Sources	30,000	30,000	30,000	0
Net Change In Fund Balance	0	0	12,998	12,998
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 12,998	\$ 12,998

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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ENTERPRISE ZONE REVENUE FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
General Government:				
Contractual Services	7,000	7,000	0	7,000
Total Expenditures	7,000	7,000	0	7,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,000)	(7,000)	0	7,000
<b>Other Financing Sources:</b>				
Transfers In	7,000	7,000	7,000	0
Total Other Financing Sources	7,000	7,000	7,000	0
Net Change In Fund Balance	0	0	7,000	7,000
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 7,000	\$ 7,000

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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	POOL FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 40,344	\$ 43,727	\$ 3,383
Charges for Services	171,000	138,087	138,123	36
Total Revenues	171,000	178,431	181,850	3,419
<b>Expenditures:</b>				
Leisure Time Activities:				
Personal Services	100,890	67,973	67,972	1
Materials and Supplies	52,800	46,300	38,860	7,440
Contractual Services	24,900	31,400	24,027	7,373
Total Expenditures	178,590	145,673	130,859	14,814
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,590)	32,758	50,991	18,233
Fund Balance at Beginning of Year	9,592	9,592	9,592	0
Prior Year Encumbrances	3,700	3,700	3,700	0
Fund Balance at End of Year	\$ 5,702	\$ 46,050	\$ 64,283	\$ 18,233

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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	POLICE PENSION FUND			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 128,637	\$ 119,507	\$ 119,507	\$ 0
Intergovernmental Revenues	10,500	11,150	11,150	0
Total Revenues	139,137	130,657	130,657	0
<b>Expenditures:</b>				
Security of Persons and Property - Police:				
Personal Services	135,500	128,735	128,735	0
Contractual Services	3,500	1,922	1,922	0
Total Expenditures	139,000	130,657	130,657	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	137	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ 137	\$ 0	\$ 0	\$ 0

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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	FIRE PENSION FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Property Taxes	\$ 128,637	\$ 119,507	\$ 119,507	\$ 0
Intergovernmental Revenues	10,500	11,150	11,150	0
Total Revenues	139,137	130,657	130,657	0
<b>Expenditures:</b>				
Security of Persons and Property - Fire:				
Personal Services	135,500	128,735	128,735	0
Contractual Services	3,500	1,922	1,922	0
Total Expenditures	139,000	130,657	130,657	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	137	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ 137	\$ 0	\$ 0	\$ 0

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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	POLICE GRANT FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual		
<b>Revenues:</b>					
Intergovernmental Revenues	\$ 10,000	\$ 10,000	\$ 4,962	\$ (5,038)	
Total Revenues	10,000	10,000	4,962	(5,038)	
<b>Expenditures:</b>					
Security of Persons and Property - Police:					
Contractual Services	10,206	10,206	3,125	7,081	
Total Expenditures	10,206	10,206	3,125	7,081	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(206)	(206)	1,837	2,043	
Fund Balance at Beginning of Year	2,627	2,627	2,627	0	
Prior Year Encumbrances	206	206	206	0	
Fund Balance at End of Year	\$ 2,627	\$ 2,627	\$ 4,670	\$ 2,043	

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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	FIRE GRANT FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 40,000	\$ 40,000	\$ 29,734	\$ (10,266)
Total Revenues	40,000	40,000	29,734	(10,266)
<b>Expenditures:</b>				
Security of Persons and Property - Fire:				
Contractual Services	40,000	40,000	29,265	10,735
Total Expenditures	40,000	40,000	29,265	10,735
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	469	469
Fund Balance at Beginning of Year	1,409	1,409	1,409	0
Fund Balance at End of Year	\$ 1,409	\$ 1,409	\$ 1,878	\$ 469



**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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	<b>CDBG TIER II GRANT FUND</b>			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 200,000	\$ 400,000	\$ 125,868	\$ (274,132)
Total Revenues	<u>200,000</u>	<u>400,000</u>	<u>125,868</u>	<u>(274,132)</u>
<b>Expenditures:</b>				
Community Environment:				
Contractual Services	200,000	350,500	123,412	227,088
Capital Outlay	<u>37,916</u>	<u>37,916</u>	<u>37,916</u>	<u>0</u>
Total Expenditures	<u>237,916</u>	<u>388,416</u>	<u>161,328</u>	<u>227,088</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(37,916)	11,584	(35,460)	(47,044)
Fund Balance at Beginning of Year	(49,500)	(49,500)	(49,500)	0
Prior Year Encumbrances	<u>37,916</u>	<u>37,916</u>	<u>37,916</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (49,500)</u>	<u>\$ 0</u>	<u>\$ (47,044)</u>	<u>\$ (47,044)</u>

**CITY OF MARYSVILLE, OHIO*****Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

STREET MAINTENANCE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Other Local Taxes	\$ 800,000	\$ 760,000	\$ 760,223	\$ 223
Intergovernmental Revenues	150,000	100,000	100,000	0
Investment Earnings	500	50	52	2
All Other Revenues	0	0	5,871	5,871
Total Revenues	950,500	860,050	866,146	6,096
<b>Expenditures:</b>				
Transportation:				
Personal Services	676,744	709,244	669,243	40,001
Materials and Supplies	322,058	322,058	225,615	96,443
Contractual Services	267,009	267,009	218,810	48,199
Capital Outlay	15,002	206,002	205,237	765
Total Expenditures	1,280,813	1,504,313	1,318,905	185,408
Excess (Deficiency) of Revenues Over (Under) Expenditures	(330,313)	(644,263)	(452,759)	191,504
<b>Other Financing Sources:</b>				
Transfers In	100,000	298,500	298,500	0
Total Other Financing Sources	100,000	298,500	298,500	0
Net Change In Fund Balance	(230,313)	(345,763)	(154,259)	191,504
Fund Balance at Beginning of Year	239,854	239,854	239,854	0
Prior Year Encumbrances	106,779	106,779	106,779	0
Fund Balance at End of Year	\$ 116,320	\$ 870	\$ 192,374	\$ 191,504

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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<b>LAW ENFORCEMENT TRUST FUND</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
All Other Revenues	\$ 15,000	\$ 0	\$ 0	\$ 0
Total Revenues	<u>15,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Expenditures:</b>				
Security of Persons and Property - Police:				
Materials and Supplies	5,100	100	100	0
Contractual Services	5,000	0	0	0
Capital Outlay	<u>5,161</u>	<u>161</u>	<u>0</u>	<u>161</u>
Total Expenditures	<u>15,261</u>	<u>261</u>	<u>100</u>	<u>161</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(261)	(261)	(100)	161
Fund Balance at Beginning of Year	5,076	5,076	5,076	0
Prior Year Encumbrances	<u>261</u>	<u>261</u>	<u>261</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 5,076</u>	<u>\$ 5,076</u>	<u>\$ 5,237</u>	<u>\$ 161</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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MANDATORY DRUG FINE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 20,000	\$ 14,000	\$ 14,266	\$ 266
Total Revenues	<u>20,000</u>	<u>14,000</u>	<u>14,266</u>	<u>266</u>
<b>Expenditures:</b>				
Security of Persons and Property - Police:				
Materials and Supplies	6,000	6,000	4,000	2,000
Capital Outlay	<u>10,665</u>	<u>10,665</u>	<u>7,400</u>	<u>3,265</u>
Total Expenditures	<u>16,665</u>	<u>16,665</u>	<u>11,400</u>	<u>5,265</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,335	(2,665)	2,866	5,531
Fund Balance at Beginning of Year	56,168	56,168	56,168	0
Prior Year Encumbrances	<u>665</u>	<u>665</u>	<u>665</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 60,168</u>	<u>\$ 54,168</u>	<u>\$ 59,699</u>	<u>\$ 5,531</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 4,000	\$ 1,300	\$ 1,477	\$ 177
Total Revenues	4,000	1,300	1,477	177
<b>Expenditures:</b>				
Security of Persons and Property - Police:				
Contractual Services	11,036	11,036	1,400	9,636
Total Expenditures	11,036	11,036	1,400	9,636
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,036)	(9,736)	77	9,813
Fund Balance at Beginning of Year	23,973	23,973	23,973	0
Prior Year Encumbrances	1,036	1,036	1,036	0
Fund Balance at End of Year	<u>\$ 17,973</u>	<u>\$ 15,273</u>	<u>\$ 25,086</u>	<u>\$ 9,813</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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**DUI INDIGENT DRIVERS TREATMENT FUND**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	161,880	161,880	161,880	0
Fund Balance at End of Year	<u>\$ 161,880</u>	<u>\$ 161,880</u>	<u>\$ 161,880</u>	<u>\$ 0</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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	STATE HIGHWAY FUND			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Other Local Taxes	\$ 71,000	\$ 62,000	\$ 61,640	\$ (360)
Investment Earnings	500	40	44	4
All Other Revenues	30,000	30,000	36,162	6,162
Total Revenues	101,500	92,040	97,846	5,806
<b>Expenditures:</b>				
Transportation:				
Materials and Supplies	101,558	101,558	75,039	26,519
Contractual Services	64,019	64,019	55,563	8,456
Total Expenditures	165,577	165,577	130,602	34,975
Excess (Deficiency) of Revenues Over (Under) Expenditures	(64,077)	(73,537)	(32,756)	40,781
Fund Balance at Beginning of Year	133,598	133,598	133,598	0
Prior Year Encumbrances	37,577	37,577	37,577	0
Fund Balance at End of Year	\$ 107,098	\$ 97,638	\$ 138,419	\$ 40,781

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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COURT COMPUTER AND RESEARCH FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 35,000	\$ 25,000	\$ 26,648	\$ 1,648
Total Revenues	<u>35,000</u>	<u>25,000</u>	<u>26,648</u>	<u>1,648</u>
<b>Expenditures:</b>				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues				
Over Expenditures	35,000	25,000	26,648	1,648
Fund Balance at Beginning of Year	<u>552,238</u>	<u>552,238</u>	<u>552,238</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 587,238</u>	<u>\$ 577,238</u>	<u>\$ 578,886</u>	<u>\$ 1,648</u>



**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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**MUNICIPAL COURT COMPUTER FUND**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 32,500	\$ 25,000	\$ 26,652	\$ 1,652
Total Revenues	<u>32,500</u>	<u>25,000</u>	<u>26,652</u>	<u>1,652</u>
<b>Expenditures:</b>				
Security of Persons and Property - Other:				
Contractual Services	<u>42,097</u>	<u>42,097</u>	<u>23,032</u>	<u>19,065</u>
Total Expenditures	<u>42,097</u>	<u>42,097</u>	<u>23,032</u>	<u>19,065</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,597)	(17,097)	3,620	20,717
Fund Balance at Beginning of Year	260,487	260,487	260,487	0
Prior Year Encumbrances	<u>12,097</u>	<u>12,097</u>	<u>12,097</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 262,987</u>	<u>\$ 255,487</u>	<u>\$ 276,204</u>	<u>\$ 20,717</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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**MUNICIPAL COURT SPECIAL PROJECTS FUND**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 27,000	\$ 4,000	\$ 4,550	\$ 550
Fines and Forfeitures	60,000	55,000	56,694	1,694
Total Revenues	87,000	59,000	61,244	2,244
<b>Expenditures:</b>				
Security of Persons and Property - Other:				
Contractual Services	125,946	125,946	250	125,696
Total Expenditures	125,946	125,946	250	125,696
Excess (Deficiency) of Revenues Over (Under) Expenditures	(38,946)	(66,946)	60,994	127,940
Fund Balance at Beginning of Year	749,898	749,898	749,898	0
Prior Year Encumbrances	946	946	946	0
Fund Balance at End of Year	\$ 711,898	\$ 683,898	\$ 811,838	\$ 127,940

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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	COURT PROBATION FEE FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual		
<b>Revenues:</b>					
Fines and Forfeitures	\$ 27,500	\$ 25,000	\$ 25,159	\$ 159	
Total Revenues	27,500	25,000	25,159	159	
<b>Expenditures:</b>					
Security of Persons and Property - Other:					
Contractual Services	2,000	2,000	869	1,131	
Total Expenditures	2,000	2,000	869	1,131	
Excess of Revenues Over Expenditures	25,500	23,000	24,290	1,290	
Fund Balance at Beginning of Year	146,223	146,223	146,223	0	
Fund Balance at End of Year	\$ 171,723	\$ 169,223	\$ 170,513	\$ 1,290	

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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2008 CHIP GRANT FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Investment Earnings	\$ 0	\$ 0	\$ 3	\$ 3
Total Revenues	0	0	3	3
<b>Expenditures:</b>				
Community Environment:				
Contractual Services	2,898	2,898	5,832	(2,934)
Total Expenditures	2,898	2,898	5,832	(2,934)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,898)	(2,898)	(5,829)	(2,931)
Fund Balance at Beginning of Year	102	102	102	0
Prior Year Encumbrances	2,898	2,898	2,898	0
Fund Balance at End of Year	\$ 102	\$ 102	\$ (2,829)	\$ (2,931)

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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ELJER PARK FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Investment Earnings	\$ 200	\$ 16	\$ 16	\$ 0
Total Revenues	200	16	16	0
<b>Expenditures:</b>				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	200	16	16	0
Fund Balance at Beginning of Year	31,489	31,489	31,489	0
Fund Balance at End of Year	\$ 31,689	\$ 31,505	\$ 31,505	\$ 0

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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CEMETERY MAINTENANCE FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	15,060	15,060	15,060	0
Fund Balance at End of Year	<u>\$ 15,060</u>	<u>\$ 15,060</u>	<u>\$ 15,060</u>	<u>\$ 0</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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	CEMETERY ENDOWMENT FUND			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Investment Earnings	\$ 10	\$ 2	\$ 3	\$ 1
Total Revenues	10	2	3	1
<b>Expenditures:</b>				
Security of Persons and Property:				
Materials and Supplies	340	340	290	50
Total Expenditures	340	340	290	50
Excess (Deficiency) of Revenues Over (Under) Expenditures	(330)	(338)	(287)	51
Fund Balance at Beginning of Year	10,822	10,822	10,822	0
Prior Year Encumbrances	40	40	40	0
Fund Balance at End of Year	<u>\$ 10,532</u>	<u>\$ 10,524</u>	<u>\$ 10,575</u>	<u>\$ 51</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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**MUNICIPAL COURT LOCAL INTERLOCK FUND**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 35,000	\$ 18,000	\$ 19,700	\$ 1,700
Total Revenues	<u>35,000</u>	<u>18,000</u>	<u>19,700</u>	<u>1,700</u>
<b>Expenditures:</b>				
Security of Persons and Property - Other:				
Contractual Services	<u>30,000</u>	<u>30,000</u>	<u>0</u>	<u>30,000</u>
Total Expenditures	<u>30,000</u>	<u>30,000</u>	<u>0</u>	<u>30,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,000	(12,000)	19,700	31,700
Fund Balance at Beginning of Year	<u>18,514</u>	<u>18,514</u>	<u>18,514</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 23,514</u>	<u>\$ 6,514</u>	<u>\$ 38,214</u>	<u>\$ 31,700</u>



**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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MUNICIPAL COURT STATE INTERLOCK FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Fines and Forfeitures	\$ 5,000	\$ 22,000	\$ 27,005	\$ 5,005
Total Revenues	<u>5,000</u>	<u>22,000</u>	<u>27,005</u>	<u>5,005</u>
<b>Expenditures:</b>				
Security of Persons and Property - Other:				
Contractual Services	<u>5,000</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>
Total Expenditures	<u>5,000</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	17,000	27,005	10,005
Fund Balance at Beginning of Year	<u>18,553</u>	<u>18,553</u>	<u>18,553</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 18,553</u>	<u>\$ 35,553</u>	<u>\$ 45,558</u>	<u>\$ 10,005</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

---

	2009 CHIP GRANT FUND			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 250,000	\$ 250,000	\$ 119,534	\$ (130,466)
Total Revenues	250,000	250,000	119,534	(130,466)
<b>Expenditures:</b>				
Community Environment:				
Contractual Services	250,000	250,000	119,534	130,466
Total Expenditures	250,000	250,000	119,534	130,466
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0	\$ 0

**CITY OF MARYSVILLE, OHIO**

---

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

---

NEIGHBORHOOD STABILIZATION PROJECT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 103,632	\$ 103,632	\$ 98,344	\$ (5,288)
Total Revenues	<u>103,632</u>	<u>103,632</u>	<u>98,344</u>	<u>(5,288)</u>
<b>Expenditures:</b>				
Community Environment:				
Capital Outlay	<u>103,632</u>	<u>103,632</u>	<u>84,791</u>	<u>18,841</u>
Total Expenditures	<u>103,632</u>	<u>103,632</u>	<u>84,791</u>	<u>18,841</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	13,553	13,553
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 13,553</u>	<u>\$ 13,553</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

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**OPWC WALNUT STREET TRAFFIC SIGNAL FUND**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 170,000	\$ 33,000	\$ 0	\$ (33,000)
Total Revenues	<u>170,000</u>	<u>33,000</u>	<u>0</u>	<u>(33,000)</u>
<b>Expenditures:</b>				
Community Environment:				
Contractual Services	<u>170,000</u>	<u>33,000</u>	<u>33,000</u>	<u>0</u>
Total Expenditures	<u>170,000</u>	<u>33,000</u>	<u>33,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	(33,000)	(33,000)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (33,000)</u>	<u>\$ (33,000)</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Debt Service Funds  
For the Year Ended December 31, 2010***

---

DEBT SERVICE FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Special Assessments	\$ 25,000	\$ 22,000	\$ 21,510	\$ (490)
Total Revenues	25,000	22,000	21,510	(490)
<b>Expenditures:</b>				
Debt Service:				
Principal Retirement	1,700,000	1,700,000	1,700,000	0
Interest and Fiscal Charges	349,079	349,079	333,928	15,151
Total Expenditures	2,049,079	2,049,079	2,033,928	15,151
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,024,079)	(2,027,079)	(2,012,418)	14,661
<b>Other Financing Sources:</b>				
Proceeds from General Obligation Notes	600,000	1,000,632	1,000,632	0
Transfers In	1,300,000	1,300,000	1,300,000	0
Total Other Financing Sources	1,900,000	2,300,632	2,300,632	0
Net Change In Fund Balance	(124,079)	273,553	288,214	14,661
Fund Balance at Beginning of Year	155,277	155,277	155,277	0
Prior Year Encumbrances	2,170	2,170	2,170	0
Fund Balance at End of Year	<u>\$ 33,368</u>	<u>\$ 431,000</u>	<u>\$ 445,661</u>	<u>\$ 14,661</u>

**CITY OF MARYSVILLE, OHIO**

---

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2010***

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PARKLAND DEVELOPMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Licenses and Permits	\$ 20,000	\$ 1,000	\$ 2,000	\$ 1,000
All Other Revenues	2,500	0	735	735
Total Revenues	22,500	1,000	2,735	1,735
<b>Expenditures:</b>				
Capital Outlay:				
Parks and Recreation	100,000	0	0	0
Total Expenditures	100,000	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(77,500)	1,000	2,735	1,735
Fund Balance at Beginning of Year	90,729	90,729	90,729	0
Fund Balance at End of Year	\$ 13,229	\$ 91,729	\$ 93,464	\$ 1,735

**CITY OF MARYSVILLE, OHIO**

---

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2010***

---

COLLINS AVENUE PAVEMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Capital Outlay:				
Street Maintenance	125,107	125,107	85,617	39,490
Total Expenditures	125,107	125,107	85,617	39,490
Excess (Deficiency) of Revenues Over (Under) Expenditures	(125,107)	(125,107)	(85,617)	39,490
Fund Balance at Beginning of Year	39,490	39,490	39,490	0
Prior Year Encumbrances	85,617	85,617	85,617	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 39,490	\$ 39,490

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2010***

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	CIP FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Capital Outlay:				
Engineering	65,908	65,908	57,074	8,834
Total Expenditures	65,908	65,908	57,074	8,834
Excess (Deficiency) of Revenues Over (Under) Expenditures	(65,908)	(65,908)	(57,074)	8,834
<b>Other Financing Sources:</b>				
Transfers In	21,300	21,300	21,300	0
Total Other Financing Sources	21,300	21,300	21,300	0
Net Change In Fund Balance	(44,608)	(44,608)	(35,774)	8,834
Fund Balance at Beginning of Year	58,666	58,666	58,666	0
Prior Year Encumbrances	3,414	3,414	3,414	0
Fund Balance at End of Year	<u>\$ 17,472</u>	<u>\$ 17,472</u>	<u>\$ 26,306</u>	<u>\$ 8,834</u>



**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2010***

---

CITYGATE TIF PROJECT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Capital Outlay:				
Street Maintenance	123,781	123,781	123,730	51
Total Expenditures	123,781	123,781	123,730	51
Excess (Deficiency) of Revenues Over (Under) Expenditures	(123,781)	(123,781)	(123,730)	51
Fund Balance at Beginning of Year	123,781	123,781	123,781	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 51	\$ 51

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2010***

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SCOTTSLAWN ROAD WIDENING PROJECT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Capital Outlay:				
Street Maintenance	185,000	30,000	185,000	(155,000)
Total Expenditures	185,000	30,000	185,000	(155,000)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(185,000)	(30,000)	(185,000)	(155,000)
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ (185,000)	\$ (30,000)	\$ (185,000)	\$ (155,000)

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2010***

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<b>MILFORD AVENUE IMPROVEMENT PROJECT FUND</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Capital Outlay:				
Street Maintenance	0	75,000	75,000	0
Total Expenditures	0	75,000	75,000	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(75,000)	(75,000)	0
<b>Other Financing Sources:</b>				
Transfers In	0	75,000	75,000	0
Total Other Financing Sources	0	75,000	75,000	0
Net Change In Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2010***

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INDUSTRIAL PARKWAY CULVERT REPLACEMENT PROJECT FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 267,000	\$ 267,000	\$ 0	\$ (267,000)
Total Revenues	267,000	267,000	0	(267,000)
<b>Expenditures:</b>				
Capital Outlay:				
Street Maintenance	267,000	267,000	267,000	0
Total Expenditures	267,000	267,000	267,000	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	(267,000)	(267,000)
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ (267,000)	\$ (267,000)

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2010***

---

	CDBG FORMULA GRANT FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 44,600	\$ 48,000	\$ 3,400
Total Revenues	0	44,600	48,000	3,400
<b>Expenditures:</b>				
Community Environment:				
Contractual Services	57,225	114,451	110,326	4,125
Total Expenditures	57,225	114,451	110,326	4,125
Excess (Deficiency) of Revenues Over (Under) Expenditures	(57,225)	(69,851)	(62,326)	7,525
<b>Other Financing Sources:</b>				
Transfers In	0	12,626	12,626	0
Total Other Financing Sources	0	12,626	12,626	0
Net Change In Fund Balance	(57,225)	(57,225)	(49,700)	7,525
Fund Balance at Beginning of Year	(44,825)	(44,825)	(44,825)	0
Prior Year Encumbrances	57,225	57,225	57,225	0
Fund Balance at End of Year	<u>\$ (44,825)</u>	<u>\$ (44,825)</u>	<u>\$ (37,300)</u>	<u>\$ 7,525</u>

**CITY OF MARYSVILLE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2010***

---

JOB READINESS SITE GRANT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 2,092,575	\$ 493,300	\$ (1,599,275)
Total Revenues	0	2,092,575	493,300	(1,599,275)
<b>Expenditures:</b>				
Community Environment:				
Capital Outlay	725,049	1,690,935	1,315,656	375,279
Total Expenditures	725,049	1,690,935	1,315,656	375,279
Excess (Deficiency) of Revenues Over (Under) Expenditures	(725,049)	401,640	(822,356)	(1,223,996)
Fund Balance at Beginning of Year	(1,126,689)	(1,126,689)	(1,126,689)	0
Prior Year Encumbrances	725,049	725,049	725,049	0
Fund Balance at End of Year	\$ (1,126,689)	\$ 0	\$ (1,223,996)	\$ (1,223,996)

***Fiduciary Funds***

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Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

***Agency Funds***

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**Municipal Court Fund**

To account for funds that flow through the municipal court office.

**Law Library Fund**

To account for the share of fines collected by the Municipal Court to provide a County Law Library and resources for use by members of the County Bar Association.

**Unclaimed Monies Fund**

To account for monies that are due to others who cannot be immediately located.

**CITY OF MARYSVILLE, OHIO*****Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Year Ended December 31, 2010***

	Balance December 31, 2009	Additions	Deductions	Balance December 31, 2010
<u>Municipal Court</u>				
Assets:				
Cash and Cash Equivalents	\$167,109	\$2,284,251	(\$2,301,502)	\$149,858
Total Assets	<u>\$167,109</u>	<u>\$2,284,251</u>	<u>(\$2,301,502)</u>	<u>\$149,858</u>
Liabilities:				
Due to Others	\$167,109	\$2,284,251	(\$2,301,502)	\$149,858
Total Liabilities	<u>\$167,109</u>	<u>\$2,284,251</u>	<u>(\$2,301,502)</u>	<u>\$149,858</u>
<u>Law Library</u>				
Assets:				
Cash and Cash Equivalents	\$4,255	\$56,381	(\$54,977)	\$5,659
Total Assets	<u>\$4,255</u>	<u>\$56,381</u>	<u>(\$54,977)</u>	<u>\$5,659</u>
Liabilities:				
Due to Others	\$4,255	\$56,381	(\$54,977)	\$5,659
Total Liabilities	<u>\$4,255</u>	<u>\$56,381</u>	<u>(\$54,977)</u>	<u>\$5,659</u>
<u>Unclaimed Monies</u>				
Assets:				
Cash and Cash Equivalents	\$18,664	\$28	(\$75)	\$18,617
Total Assets	<u>\$18,664</u>	<u>\$28</u>	<u>(\$75)</u>	<u>\$18,617</u>
Liabilities:				
Due to Others	\$18,664	\$28	(\$75)	\$18,617
Total Liabilities	<u>\$18,664</u>	<u>\$28</u>	<u>(\$75)</u>	<u>\$18,617</u>
<u>Totals - Agency Funds</u>				
Assets:				
Cash and Cash Equivalents	\$190,028	\$2,340,660	(\$2,356,554)	\$174,134
Total Assets	<u>\$190,028</u>	<u>\$2,340,660</u>	<u>(\$2,356,554)</u>	<u>\$174,134</u>
Liabilities:				
Due to Others	\$190,028	\$2,340,660	(\$2,356,554)	\$174,134
Total Liabilities	<u>\$190,028</u>	<u>\$2,340,660</u>	<u>(\$2,356,554)</u>	<u>\$174,134</u>





## ***STATISTICAL TABLES***

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

### ***Contents***

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<b>Financial Trends</b>	S 2 – S 13
These schedules contain trend information to help the reader understand how the City's financial position has changed over time.	
<b>Revenue Capacity</b>	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue source, the income tax.	
<b>Debt Capacity</b>	S 18 – S 26
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
<b>Economic and Demographic Information</b>	S 28 – S 33
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
<b>Operating Information</b>	S 34 – S 37
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	
<b>Sources Note:</b>	
Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2001; schedules presenting government-wide information include information beginning in that year.	

## ***CITY OF MARYSVILLE, OHIO***

*Net Assets by Component  
Last Ten Years  
(accrual basis of accounting)*

	2001	2002	2003	2004
<b>Governmental Activities:</b>				
Invested in Capital Assets, Net of Related Debt	\$24,591,244	\$24,098,034	\$23,285,590	\$22,293,967
Restricted	2,277,520	2,054,273	2,213,598	4,945,925
Unrestricted	2,930,166	2,093,763	3,057,723	1,533,015
Total Governmental Activities Net Assets	<u>\$29,798,930</u>	<u>\$28,246,070</u>	<u>\$28,556,911</u>	<u>\$28,772,907</u>
<b>Business-type Activities:</b>				
Invested in Capital Assets, Net of Related Debt	\$13,109,022	\$13,433,455	\$14,250,587	\$8,511,737
Restricted	3,830,103	4,058,339	5,100,024	13,439,635
Unrestricted	851,248	2,714,689	4,735,875	6,411,633
Total Business-type Activities Net Assets	<u>\$17,790,373</u>	<u>\$20,206,483</u>	<u>\$24,086,486</u>	<u>\$28,363,005</u>
<b>Primary Government:</b>				
Invested in Capital Assets, Net of Related Debt	\$37,700,266	\$37,531,489	\$37,536,177	\$30,805,704
Restricted	6,107,623	6,112,612	7,313,622	18,385,560
Unrestricted	3,781,414	4,808,452	7,793,598	7,944,648
Total Primary Government Net Assets	<u>\$47,589,303</u>	<u>\$48,452,553</u>	<u>\$52,643,397</u>	<u>\$57,135,912</u>

Source: Finance Director's Office

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***CITY OF MARYSVILLE, OHIO***

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2005	2006	2007	2008	2009	2010
\$21,744,004	\$21,504,703	\$19,705,560	\$21,116,933	\$22,141,194	\$21,674,744
3,268,064	6,754,627	4,358,757	4,008,736	3,328,917	4,110,446
4,956,121	2,424,444	6,541,734	5,130,470	4,529,769	8,555,721
<u>\$29,968,189</u>	<u>\$30,683,774</u>	<u>\$30,606,051</u>	<u>\$30,256,139</u>	<u>\$29,999,880</u>	<u>\$34,340,911</u>
\$20,628,847	\$12,880,967	\$23,197,827	\$30,514,074	\$22,937,908	\$21,138,692
66,798,211	77,051,521	106,406,724	32,676,639	6,781,143	4,537,001
(55,073,620)	(55,330,568)	(90,006,281)	(13,779,372)	26,650,472	30,609,300
<u>\$32,353,438</u>	<u>\$34,601,920</u>	<u>\$39,598,270</u>	<u>\$49,411,341</u>	<u>\$56,369,523</u>	<u>\$56,284,993</u>
\$42,372,851	\$34,385,670	\$42,903,387	\$51,631,007	\$45,079,102	\$42,813,436
70,066,275	83,806,148	110,765,481	36,685,375	10,110,060	8,647,447
(50,117,499)	(52,906,124)	(83,464,547)	(8,648,902)	31,180,241	39,165,021
<u>\$62,321,627</u>	<u>\$65,285,694</u>	<u>\$70,204,321</u>	<u>\$79,667,480</u>	<u>\$86,369,403</u>	<u>\$90,625,904</u>

## CITY OF MARYSVILLE, OHIO

*Changes in Net Assets  
Last Ten Years  
(accrual basis of accounting)*

	2001	2002	2003
<b>Expenses</b>			
Governmental Activities:			
Security of Persons and Property	\$4,986,830	\$5,115,900	\$5,986,391
Public Health Services	288,371	320,498	317,303
Leisure Time Activities	420,364	463,396	316,948
Community Environment	368,533	348,582	470,884
Transportation	2,567,479	2,255,179	2,282,617
General Government	2,093,649	2,846,154	1,850,246
Interest and Fiscal Charges	735,307	541,226	511,610
<i>Total Governmental Activities Expenses</i>	<u>11,460,533</u>	<u>11,890,935</u>	<u>11,735,999</u>
Business-type Activities:			
Sewer	3,047,124	2,860,588	3,328,295
Water	3,236,614	3,373,284	3,628,656
Stormwater	0	0	0
Sanitation	811,060	873,882	865,185
<i>Total Business-type Activities Expenses</i>	<u>7,094,798</u>	<u>7,107,754</u>	<u>7,822,136</u>
<i>Total Primary Government Expenses</i>	<u>\$18,555,331</u>	<u>\$18,998,689</u>	<u>\$19,558,135</u>
<b>Program Revenues</b>			
Governmental Activities:			
Charges for Services			
Security of Persons and Property	\$967,752	\$1,123,817	\$1,379,319
Public Health Services	49,126	85,144	56,018
Leisure Time Activities	170,232	207,506	212,195
Community Environment	0	0	0
Transportation	0	0	0
General Government	7,530	56,250	33,940
Operating Grants and Contributions	619,922	684,005	867,650
Capital Grants and Contributions	217,500	0	0
<i>Total Governmental Activities Program Revenues</i>	<u>2,032,062</u>	<u>2,156,722</u>	<u>2,549,122</u>

***CITY OF MARYSVILLE, OHIO***

2004	2005	2006	2007	2008	2009	2010
\$6,148,640	\$6,527,339	\$6,591,145	\$6,996,140	\$7,823,056	\$8,231,839	\$8,065,669
370,217	422,898	486,248	524,249	516,104	533,704	356,768
290,630	313,423	394,331	372,573	340,268	357,477	318,027
792,174	976,322	874,592	1,000,616	995,303	1,592,190	1,785,546
2,301,526	2,432,895	2,525,637	2,962,282	3,146,685	2,937,757	2,826,219
1,998,307	1,959,350	2,184,451	2,520,151	2,802,315	2,890,567	3,083,726
551,204	720,986	1,002,941	1,458,978	843,246	882,409	572,550
<u>12,452,698</u>	<u>13,353,213</u>	<u>14,059,345</u>	<u>15,834,989</u>	<u>16,466,977</u>	<u>17,425,943</u>	<u>17,008,505</u>
3,804,403	5,934,435	10,067,019	10,152,835	6,766,573	5,109,903	11,703,017
3,300,814	3,313,383	3,633,286	4,499,050	4,169,129	4,636,236	5,499,245
20,596	179,658	263,048	373,767	551,882	464,076	362,964
938,280	866,181	1,124,480	1,160,948	1,139,329	1,244,236	1,271,205
<u>8,064,093</u>	<u>10,293,657</u>	<u>15,087,833</u>	<u>16,186,600</u>	<u>12,626,913</u>	<u>11,454,451</u>	<u>18,836,431</u>
<u>\$20,516,791</u>	<u>\$23,646,870</u>	<u>\$29,147,178</u>	<u>\$32,021,589</u>	<u>\$29,093,890</u>	<u>\$28,880,394</u>	<u>\$35,844,936</u>
\$1,364,157	\$1,298,850	\$1,644,050	\$1,550,623	\$1,471,439	\$1,526,755	\$1,539,922
64,024	59,581	62,746	50,426	51,108	62,362	46,000
219,801	219,748	251,257	167,362	181,849	119,681	721,751
0	0	17,345	0	0	0	0
0	0	0	0	0	79,235	142,033
192,281	227,789	381,997	229,954	0	1,991	279,985
1,304,976	1,027,791	1,038,267	1,082,881	1,355,899	1,010,400	1,871,206
0	1,046,112	158,822	447,806	465,554	1,427,027	1,766,014
<u>3,145,239</u>	<u>3,879,871</u>	<u>3,554,484</u>	<u>3,529,052</u>	<u>3,525,849</u>	<u>4,227,451</u>	<u>6,366,911</u>

(Continued)

# CITY OF MARYSVILLE, OHIO

## Changes in Net Assets

Last Ten Years

(accrual basis of accounting)

	2001	2002	2003	2004
Business-type Activities:				
Charges for Services				
Sewer	3,122,546	4,232,248	5,669,230	5,936,165
Water	3,755,714	4,311,906	4,860,691	5,177,186
Stormwater	0	0	0	356,595
Sanitation	806,862	890,704	877,811	995,278
Operating Grants and Contributions	0	0	0	0
Capital Grants and Contributions	1,139,081	30,000	99,387	0
<i>Total Business-type Activities Program Revenues</i>	<u>8,824,203</u>	<u>9,464,858</u>	<u>11,507,119</u>	<u>12,465,224</u>
<i>Total Primary Government Program Revenues</i>	<u>10,856,265</u>	<u>11,621,580</u>	<u>14,056,241</u>	<u>15,610,463</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(9,428,471)	(9,734,213)	(9,186,877)	(9,307,459)
Business-type Activities	1,729,405	2,357,104	3,684,983	4,401,131
<i>Total Primary Government</i>				
<i>Net (Expense)/Revenue</i>	<u>(\$7,699,066)</u>	<u>(\$7,377,109)</u>	<u>(\$5,501,894)</u>	<u>(\$4,906,328)</u>
<b>General Revenues and Other Changes in Net Assets</b>				
Governmental Activities:				
Property Taxes	\$1,202,006	\$1,369,561	\$1,373,320	\$1,501,443
Municipal Income Taxes	4,797,935	5,716,537	6,245,289	6,762,402
Other Local Taxes	13,972	39,113	62,838	95,545
Payments in Lieu of Taxes	0	0	0	0
Grants and Entitlements not				
Restricted to Specific Programs	\$1,235,836	\$664,477	\$1,061,165	\$683,543
Investment Earnings	292,377	134,332	104,164	170,432
Miscellaneous	212,027	257,333	650,942	310,090
Transfers	227,562	0	0	0
<i>Total Governmental Activities</i>	<u>7,981,715</u>	<u>8,181,353</u>	<u>9,497,718</u>	<u>9,523,455</u>
Business-type Activities:				
Payments in Lieu of Taxes	0	0	0	0
Investment Earnings	59,930	37,826	40,587	3,712
Miscellaneous	7,448	21,180	154,433	67,096
Transfers	(227,562)	0	0	0
<i>Total Business-type Activities</i>	<u>(160,184)</u>	<u>59,006</u>	<u>195,020</u>	<u>70,808</u>
<i>Total Primary Government</i>	<u>\$7,821,531</u>	<u>\$8,240,359</u>	<u>\$9,692,738</u>	<u>\$9,594,263</u>
<b>Change in Net Assets</b>				
Governmental Activities	(\$1,446,756)	(\$1,552,860)	\$310,841	\$215,996
Business-type Activities	1,569,221	2,416,110	3,880,003	4,471,939
<i>Total Primary Government Change in Net Assets</i>	<u>\$122,465</u>	<u>\$863,250</u>	<u>\$4,190,844</u>	<u>\$4,687,935</u>

Source: Finance Director's Office

**CITY OF MARYSVILLE, OHIO**

2005	2006	2007	2008	2009	2010
6,134,515	6,544,342	8,064,427	7,630,582	7,458,511	7,762,151
5,670,924	6,130,787	6,915,380	6,312,969	6,816,999	7,103,702
470,772	485,587	538,506	493,176	503,772	560,719
1,027,384	1,121,201	1,139,063	1,122,553	1,391,143	1,365,302
0	0	0	8,787	6,881	0
0	600,000	707,441	3,612,353	1,386,178	905,366
<u>13,303,595</u>	<u>14,881,917</u>	<u>17,364,817</u>	<u>19,180,420</u>	<u>17,563,484</u>	<u>17,697,240</u>
<u>17,183,466</u>	<u>18,436,401</u>	<u>20,893,869</u>	<u>22,706,269</u>	<u>21,790,935</u>	<u>24,064,151</u>
(9,473,342)	(10,504,861)	(12,305,937)	(12,941,128)	(13,198,492)	(10,641,594)
<u>3,009,938</u>	<u>(205,916)</u>	<u>1,178,217</u>	<u>6,553,507</u>	<u>6,109,033</u>	<u>(1,139,191)</u>
<u>(\$6,463,404)</u>	<u>(\$10,710,777)</u>	<u>(\$11,127,720)</u>	<u>(\$6,387,621)</u>	<u>(\$7,089,459)</u>	<u>(\$11,780,785)</u>
\$1,721,313	\$1,776,516	\$2,238,058	\$1,889,982	\$1,874,723	\$1,828,092
6,762,338	7,298,756	8,053,835	8,286,787	8,347,026	10,878,400
121,544	116,899	104,878	159,316	120,864	109,895
0	0	0	823,062	1,022,086	1,026,468
\$802,391	\$570,918	\$588,945	\$701,953	\$724,478	\$846,810
789,859	1,036,575	915,825	376,615	142,515	135,196
329,369	420,782	279,689	356,990	577,549	157,764
0	0	0	0	132,992	0
<u>10,526,814</u>	<u>11,220,446</u>	<u>12,181,230</u>	<u>12,594,705</u>	<u>12,942,233</u>	<u>14,982,625</u>
0	0	0	1,021,540	982,141	1,051,955
13,757	2,340,070	3,640,525	0	0	2,706
80,857	114,328	156,846	0	0	0
0	0	0	0	(132,992)	0
<u>94,614</u>	<u>2,454,398</u>	<u>3,797,371</u>	<u>1,021,540</u>	<u>849,149</u>	<u>1,054,661</u>
<u>\$10,621,428</u>	<u>\$13,674,844</u>	<u>\$15,978,601</u>	<u>\$13,616,245</u>	<u>\$13,791,382</u>	<u>\$16,037,286</u>
\$1,053,472	\$715,585	(\$124,707)	(\$346,423)	(\$256,259)	\$4,341,031
<u>3,104,552</u>	<u>2,248,482</u>	<u>4,975,588</u>	<u>7,575,047</u>	<u>6,958,182</u>	<u>(84,530)</u>
<u>\$4,158,024</u>	<u>\$2,964,067</u>	<u>\$4,850,881</u>	<u>\$7,228,624</u>	<u>\$6,701,923</u>	<u>\$4,256,501</u>



## ***CITY OF MARYSVILLE, OHIO***

### *Fund Balances, Governmental Funds Last Ten Years (modified accrual basis of accounting)*

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
General Fund				
Reserved	\$403,336	\$401,631	\$97,262	\$266,330
Unreserved	<u>2,390,120</u>	<u>1,658,557</u>	<u>2,998,226</u>	<u>4,033,758</u>
<i>Total General Fund</i>	<u>2,793,456</u>	<u>2,060,188</u>	<u>3,095,488</u>	<u>4,300,088</u>
 All Other Governmental Funds				
Reserved	733,919	348,554	196,373	2,578,062
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,042,778	1,303,799	1,448,120	1,730,387
Debt Service Funds	20,028	17,220	14,913	29,424
Capital Projects Funds	<u>192,196</u>	<u>86,378</u>	<u>160,941</u>	<u>232,967</u>
Total All Other Governmental Funds	<u>1,988,921</u>	<u>1,755,951</u>	<u>1,820,347</u>	<u>4,570,840</u>
<i>Total Governmental Funds</i>	<u><u>\$4,782,377</u></u>	<u><u>\$3,816,139</u></u>	<u><u>\$4,915,835</u></u>	<u><u>\$8,870,928</u></u>

Source: Finance Director's Office

***CITY OF MARYSVILLE, OHIO***

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<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$289,190	\$330,564	\$663,155	\$381,782	\$172,544	\$436,883
<u>4,078,034</u>	<u>5,503,111</u>	<u>5,485,156</u>	<u>4,631,940</u>	<u>4,364,501</u>	<u>6,289,373</u>
<u>4,367,224</u>	<u>5,833,675</u>	<u>6,148,311</u>	<u>5,013,722</u>	<u>4,537,045</u>	<u>6,726,256</u>
897,959	576,059	308,493	581,963	830,005	1,161,754
1,809,824	2,005,973	2,391,799	2,450,489	1,699,856	3,024,014
22,653	24,801	117,937	(661,153)	(44,723)	(12,516,434)
<u>225,021</u>	<u>3,804,500</u>	<u>1,258,040</u>	<u>228,158</u>	<u>123,586</u>	<u>(344,148)</u>
<u>2,955,457</u>	<u>6,411,333</u>	<u>4,076,269</u>	<u>2,599,457</u>	<u>2,608,724</u>	<u>(8,674,814)</u>
<u>\$7,322,681</u>	<u>\$12,245,008</u>	<u>\$10,224,580</u>	<u>\$7,613,179</u>	<u>\$7,145,769</u>	<u>(\$1,948,558)</u>

# CITY OF MARYSVILLE, OHIO

## Changes in Fund Balances, Governmental Funds Last Ten Years (modified accrual basis of accounting)

	2001	2002	2003	2004
<b>Revenues:</b>				
Taxes	\$6,044,430	\$7,174,565	\$7,485,745	\$8,524,697
Payments in Lieu of Taxes	0	0	0	0
Intergovernmental Revenues	1,835,290	1,375,430	1,906,757	1,878,189
Charges for Services	512,216	711,815	1,348,052	1,068,556
Fees, Licenses and Permits	292,297	355,075	408,354	582,701
Investment Earnings	298,371	141,152	104,164	170,432
Contributions and Donations	92,619	6,187	53,795	52,155
Special Assessments	27,903	26,531	25,400	27,659
Fines and Forfeitures	474,185	535,947	524,450	435,468
All Other Revenue	115,736	47,424	33,799	51,986
<b>Total Revenue</b>	<b>9,693,047</b>	<b>10,374,126</b>	<b>11,890,516</b>	<b>12,791,843</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	4,724,355	4,939,655	5,719,983	6,044,306
Public Health Services	238,073	292,197	304,667	353,082
Leisure Time Activities	404,373	410,024	261,762	235,950
Community Environment	324,092	335,139	452,014	738,993
Transportation	830,937	858,741	891,904	918,939
General Government	1,803,762	2,859,868	1,894,539	1,818,068
Capital Outlay	1,167,616	653,737	264,446	5,569,557
Debt Service:				
Principal Retirement	2,049,194	1,439,883	1,343,409	1,248,634
Interest and Fiscal Charges	740,499	559,636	520,088	495,236
Bond Anticipation Notes Issuance Costs	0	0	0	0
<b>Total Expenditures</b>	<b>12,282,901</b>	<b>12,348,880</b>	<b>11,652,812</b>	<b>17,422,765</b>
Excess (Deficiency) of Revenues Over Expenditures	(2,589,854)	(1,974,754)	237,704	(4,630,922)

***CITY OF MARYSVILLE, OHIO***

2005	2006	2007	2008	2009	2010
\$8,124,862	\$9,454,253	\$10,156,609	\$10,412,641	\$10,424,239	\$12,664,636
0	0	0	823,031	956,394	1,067,337
2,854,151	1,757,028	2,124,856	2,472,263	3,163,702	3,772,289
986,047	1,383,262	1,150,496	917,822	1,115,969	1,580,001
447,374	547,293	313,953	362,911	362,866	327,127
789,859	1,036,575	915,825	376,615	142,515	135,196
83,762	41,019	68,844	0	750	706
24,588	31,963	25,074	20,618	0	21,510
553,404	594,969	761,734	602,828	632,938	720,749
47,685	98,837	44,544	73,629	176,464	143,017
13,911,732	14,945,199	15,561,935	16,062,358	16,975,837	20,432,568
6,724,087	6,269,659	6,725,226	7,491,598	7,783,003	7,859,772
405,125	466,891	503,740	488,881	511,803	357,142
253,331	324,833	297,919	263,906	276,068	228,893
1,001,750	844,197	972,789	969,012	1,560,124	2,895,717
1,048,529	1,007,594	1,274,664	1,394,077	980,343	1,188,364
1,701,711	1,874,334	2,232,901	2,508,509	2,555,439	2,728,701
4,144,612	3,505,403	4,352,293	2,434,010	2,306,626	45,986
8,964,079	9,867,413	15,406,274	15,494,363	13,808,875	13,480,000
676,877	793,789	1,083,407	980,620	888,531	742,369
26,865	0	0	0	0	0
24,946,966	24,954,113	32,849,213	32,024,976	30,670,812	29,526,944
(11,035,234)	(10,008,914)	(17,287,278)	(15,962,618)	(13,694,975)	(9,094,376)

(Continued)

# CITY OF MARYSVILLE, OHIO

## Changes in Fund Balances, Governmental Funds Last Ten Years (modified accrual basis of accounting)

	2001	2002	2003	2004
<b>Other Financing Sources (Uses):</b>				
Bond Anticipation Notes Issued	1,065,000	950,000	835,000	8,567,931
Premium on Bond Anticipation Notes Issued	0	0	0	0
Sale of Capital Assets	42,513	5,509	500	2,640
Inception of Capital Lease	0	72,969	26,492	15,444
General Obligation Bonds Issued	0	0	0	0
Premium on General Obligation Bonds Issued	0	0	0	0
Payment to Escrow Agent	0	0	0	0
Transfers In	2,279,304	1,513,750	1,429,409	1,338,823
Transfers Out	(2,051,742)	(1,513,750)	(1,429,409)	(1,338,823)
<b>Total Other Financing Sources (Uses)</b>	<u>1,335,075</u>	<u>1,028,478</u>	<u>861,992</u>	<u>8,586,015</u>
<b>Net Change in Fund Balance</b>	<u>(\$1,254,779)</u>	<u>(\$946,276)</u>	<u>\$1,099,696</u>	<u>\$3,955,093</u>
 <b>Debt Service as a Percentage of Noncapital Expenditures</b>	 18.32%	 12.50%	 11.99%	 7.29%

Source: Finance Director's Office

***CITY OF MARYSVILLE, OHIO***

2005	2006	2007	2008	2009	2010
9,345,000	14,865,000	15,030,000	13,280,000	12,980,000	0
83,107	46,984	64,098	66,669	80,396	0
9,610	19,257	27,844	8,037	34,177	49
49,270	0	0	0	0	0
0	0	6,515,000	0	0	0
0	0	303,889	0	0	0
0	0	(6,673,981)	0	0	0
1,825,034	2,410,028	2,793,779	3,128,061	2,447,091	1,851,529
(1,825,034)	(2,410,028)	(2,793,779)	(3,128,061)	(2,314,099)	(1,851,529)
9,486,987	14,931,241	15,266,850	13,354,706	13,227,565	49
(\$1,548,247)	\$4,922,327	(\$2,020,428)	(\$2,607,912)	(\$467,410)	(\$9,094,327)
40.28%	41.03%	48.20%	49.93%	49.14%	48.21%

## ***CITY OF MARYSVILLE, OHIO***

### *Income Tax Revenues by Source, Governmental Funds Last Ten Years (cash basis of accounting)*

<b>Tax year</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
Income Tax Rate*	1.00%	1.00%	1.00%	1.00%	1.00%
Estimated Personal Income (in thousands)	\$441,845	\$452,946	\$481,017	\$507,131	\$530,849
Total Tax Collected	\$5,118,318	\$5,205,007	\$6,082,292	\$6,275,737	\$7,078,121
Income Tax Receipts					
Withholding	4,411,635	4,185,169	4,944,073	5,076,716	5,917,841
Percentage	86.19%	80.41%	81.29%	80.89%	83.60%
Business	244,477	128,821	252,988	242,759	313,307
Percentage	4.78%	2.47%	4.16%	3.87%	4.43%
Individuals	462,206	891,017	885,231	956,262	846,973
Percentage	9.03%	17.12%	14.55%	15.24%	11.97%

Source: City Income Tax Department  
n/a - Data is not available

\* Voters approved an increase in the income tax rate from 1.0% to 1.5% effective July 1, 2010.

***CITY OF MARYSVILLE, OHIO***

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2006	2007	2008	2009	2010
1.00%	1.00%	1.00%	1.00%	1.50%
\$557,860	\$607,483	\$628,769	\$633,765	n/a
\$7,463,770	\$7,877,319	\$8,317,558	\$8,385,684	\$9,631,406
5,787,472	6,183,401	6,267,374	6,489,432	7,689,978
77.54%	78.50%	75.35%	77.39%	79.85%
272,852	315,022	408,327	214,131	420,165
3.66%	4.00%	4.91%	2.55%	4.36%
1,403,446	1,378,896	1,641,857	1,682,121	1,521,264
18.80%	17.50%	19.74%	20.06%	15.79%





## ***CITY OF MARYSVILLE, OHIO***

### *Income Tax Collections Current Year and Five Years Ago*

Range of Withholding	Income Tax Year 2010	
	Number of Filers	Percent of Total
\$0 - \$24,999	1,476	98.07%
25,000 - 49,999	13	0.86%
50,000 - 74,999	2	0.13%
75,000 - 99,999	3	0.20%
Over 100,000	11	0.74%
Total	1,505	100.01%

Range of Withholding	Income Tax Year 2005	
	Number of Filers	Percent of Total
\$0 - \$24,999	1,298	98.11%
25,000 - 49,999	13	0.98%
50,000 - 74,999	2	0.15%
75,000 - 99,999	0	0.00%
Over 100,000	10	0.76%
Total	1,323	100.00%

Source: City Income Tax Department

Note: Due to confidentiality issues, the names of the 10 largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

Information is not available in this format prior to 2005

# CITY OF MARYSVILLE, OHIO

## Ratio of Outstanding Debt By Type Last Ten Years

	2001	2002	2003	2004
<b>Governmental Activities</b> <sup>(1)</sup>				
General Obligation Bonds	\$9,880,000	\$9,530,000	\$9,165,000	\$8,785,000
Special Assessment Bonds	20,000	15,000	10,000	5,000
Capital Leases	40,760	90,514	85,629	72,439
Notes Payable	1,065,000	950,000	835,000	8,567,931
<b>Business-type Activities</b> <sup>(1)</sup>				
General Obligation Bonds	\$4,240,000	\$3,970,000	\$3,685,000	\$3,488,153
Mortgage Revenue Bonds	11,275,000	14,454,321	13,314,219	12,457,209
Capital Leases	6,050	1,585	456	12,109
Notes Payable	9,760,000	6,494,000	6,804,000	13,396,260
Ohio Public Works Commission Loan	0	0	0	0
Total Primary Government	<u>\$36,286,810</u>	<u>\$35,505,420</u>	<u>\$33,899,304</u>	<u>\$46,784,101</u>
<b>Population</b> <sup>(2)</sup>				
City of Marysville	16,434	16,382	16,422	16,949
Outstanding Debt Per Capita	\$2,208	\$2,167	\$2,064	\$2,760
<b>Income</b> <sup>(3)</sup>				
Personal (in thousands)	441,845	452,946	481,017	507,131
Percentage of Personal Income	8.21%	7.84%	7.05%	9.23%

### Sources:

(1) Finance Director's Office

(2) Mid Ohio Regional Planning Commission and US Bureau of Census, Population Division

(3) US Department of Commerce, Bureau of Economic Analysis

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

n/a - Data is not available

***CITY OF MARYSVILLE, OHIO***

2005	2006	2007	2008	2009	2010
\$8,385,000	\$7,970,000	\$8,022,609	\$7,550,903	\$7,054,197	\$6,532,491
0	0	0	0	0	0
82,630	58,324	33,171	18,808	287,113	237,184
9,428,107	14,911,984	15,030,000	13,280,000	12,980,000	12,980,000
\$3,113,153	\$2,733,153	\$2,334,892	\$1,934,077	\$1,523,262	\$1,102,447
25,640,569	99,255,843	151,754,370	150,827,443	149,860,516	148,602,711
9,638	6,915	3,964	271	0	0
55,594,000	4,053,413	28,565,001	28,365,000	28,240,000	28,215,000
0	65,420	57,493	49,566	41,639	625,075
<u>\$102,253,097</u>	<u>\$129,055,052</u>	<u>\$205,801,500</u>	<u>\$202,026,068</u>	<u>\$199,986,727</u>	<u>\$198,294,908</u>
17,287	17,651	18,123	18,249	18,394	22,094
\$5,915	\$7,311	\$11,356	\$11,071	\$10,872	\$8,975
530,849	557,860	607,483	628,769	633,765	n/a
19.26%	23.13%	33.88%	32.13%	31.56%	n/a

## ***CITY OF MARYSVILLE, OHIO***

### ***Ratios of General Bonded Debt Outstanding Last Ten Years***

<b>Year</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
<b>Population</b> <sup>(1)</sup>	16,434	16,382	16,422	16,949
<b>Income</b> <sup>(2)</sup>				
Personal (in thousands)	\$441,845	\$452,946	\$481,017	\$507,131
<b>General Bonded Debt</b>				
General Obligation Bonds	\$14,120,000	\$13,500,000	\$12,850,000	\$12,273,153
<b>Resources Available to Pay Principal</b> <sup>(3)</sup>	\$0	\$0	\$0	\$0
<b>Net General Bonded Debt</b>	\$14,120,000	\$13,500,000	\$12,850,000	\$12,273,153
<b>Ratio of Net Bonded Debt to Personal Income</b>	3.20%	2.98%	2.67%	2.42%
<b>Net Bonded Debt per Capita</b>	\$859.19	\$824.08	\$782.49	\$724.12

**Source:**

(1) Mid Ohio Regional Planning Commission and US Bureau of Census, Population Division

(2) US Department of Commerce, Bureau of Economic Analysis

(3) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

n/a - Data is not available

***CITY OF MARYSVILLE, OHIO***

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2005	2006	2007	2008	2009	2010
17,287	17,651	18,123	18,249	18,394	22,094
\$530,849	\$557,860	\$607,483	\$628,769	\$633,765	n/a
\$11,498,153	\$10,703,153	\$10,357,501	\$9,484,980	\$8,577,459	\$7,634,938
\$0	\$0	\$0	\$0	\$0	\$0
\$11,498,153	\$10,703,153	\$10,357,501	\$9,484,980	\$8,577,459	\$7,634,938
2.17%	1.92%	1.70%	1.51%	1.35%	n/a
\$665.13	\$606.38	\$571.51	\$519.75	\$466.32	\$345.57



## ***CITY OF MARYSVILLE, OHIO***

### *Computation of Direct and Overlapping Debt Attributable to Governmental Activities December 31, 2010*

<b>Jurisdiction</b>	<b>Net Debt Outstanding</b>	<b>Percentage Applicable to the City of Marysville</b>	<b>Amount Applicable to the City of Marysville</b>
<b>Direct:</b>			
City of Marysville	\$198,294,908	100.00%	\$198,294,908
<b>Overlapping:</b>			
Union County	5,695,000	28.88%	1,644,716
Marysville Exempted Village School District	89,542,114	54.61%	48,898,948
Fairbanks Local School District	10,535,062	4.07%	428,777
Tolles Career & Technical Center JVS District	4,820,000	0.12%	5,784
		Subtotal	50,978,225
		Total	\$249,273,133

Source: Union County Auditor



# CITY OF MARYSVILLE, OHIO

## Debt Limitations Last Ten Years

Tax Year	2001	2002	2003	2004
<b>Total Debt</b>				
Net Assessed Valuation	\$325,626,600	\$344,177,645	\$353,286,300	\$403,239,190
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	34,190,793	36,138,653	37,095,062	42,340,115
City Debt Outstanding (2)	10,945,000	10,480,000	10,000,000	17,352,931
Less: Applicable Debt Service Fund Amounts	0	0	0	0
Net Indebtedness Subject to Limitation	10,945,000	10,480,000	10,000,000	17,352,931
Overall Legal Debt Margin	<u>\$23,245,793</u>	<u>\$25,658,653</u>	<u>\$27,095,062</u>	<u>\$24,987,184</u>
<b>Unvoted Debt</b>				
Net Assessed Valuation	\$325,626,600	\$344,177,645	\$353,286,300	\$403,239,190
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	17,909,463	18,929,770	19,430,747	22,178,155
City Debt Outstanding (2)	10,945,000	10,480,000	10,000,000	17,352,931
Less: Applicable Debt Service Fund Amounts	0	0	0	0
Net Indebtedness Subject to Limitation	10,945,000	10,480,000	10,000,000	17,352,931
Overall Legal Debt Margin	<u>\$6,964,463</u>	<u>\$8,449,770</u>	<u>\$9,430,747</u>	<u>\$4,825,224</u>

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only.  
Enterprise Debt is not considered in the computation of the Legal Debt Margin.

Source: Finance Director's Office

***CITY OF MARYSVILLE, OHIO***

2005	2006	2007	2008	2009	2010
\$422,188,272	\$424,151,346	\$426,222,476	\$413,185,230	\$382,583,330	\$384,565,260
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
44,329,769	44,535,891	44,753,360	43,384,449	40,171,250	40,379,352
17,813,107	22,881,984	23,052,609	20,830,903	20,034,197	19,512,491
0	0	0	0	0	0
17,813,107	22,881,984	23,052,609	20,830,903	20,034,197	19,512,491
<u>\$26,516,662</u>	<u>\$21,653,907</u>	<u>\$21,700,751</u>	<u>\$22,553,546</u>	<u>\$20,137,053</u>	<u>\$20,866,861</u>
\$422,188,272	\$424,151,346	\$426,222,476	\$413,185,230	\$382,583,330	\$384,565,260
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
23,220,355	23,328,324	23,442,236	22,725,188	21,042,083	21,151,089
17,813,107	22,881,984	23,052,609	20,830,903	20,034,197	19,512,491
0	0	0	0	0	0
17,813,107	22,881,984	23,052,609	20,830,903	20,034,197	19,512,491
<u>\$5,407,248</u>	<u>\$446,340</u>	<u>\$389,627</u>	<u>\$1,894,285</u>	<u>\$1,007,886</u>	<u>\$1,638,598</u>

# CITY OF MARYSVILLE, OHIO

## Pledged Revenue Coverage Last Ten Years

	2001	2002	2003	2004
<b>Water System Bonds (1 a)</b>				
Gross Revenues (2)	N/A	\$4,338,379	\$5,049,042	\$5,245,349
Direct Operating Expenses (3)	N/A	1,872,379	1,819,861	1,926,494
Net Revenue Available for Debt Service	N/A	2,466,000	3,229,181	3,318,855
Annual Debt Service Requirement (4)	N/A	115,993	298,990	300,990
Coverage	N/A	21.26	10.80	11.03
<b>Water System Bonds (1 b)</b>				
Gross Revenues (2)	N/A	N/A	\$5,049,042	\$5,245,349
Direct Operating Expenses (3)	N/A	N/A	1,819,861	1,926,494
Net Revenue Available for Debt Service	N/A	N/A	3,229,181	3,318,855
Annual Debt Service Requirement (4)	N/A	N/A	846,685	726,299
Coverage	N/A	N/A	3.81	4.57
<b>Sewer System Bonds (1 c)</b>				
Gross Revenues (2)	N/A	N/A	N/A	N/A
Direct Operating Expenses (3)	N/A	N/A	N/A	N/A
Net Revenue Available for Debt Service	N/A	N/A	N/A	N/A
Annual Debt Service Requirement (4)	N/A	N/A	N/A	N/A
Coverage	N/A	N/A	N/A	N/A
<b>Sewer System Bonds (1 d)</b>				
Gross Revenues (2)	N/A	N/A	N/A	N/A
Direct Operating Expenses (3)	N/A	N/A	N/A	N/A
Net Revenue Available for Debt Service	N/A	N/A	N/A	N/A
Annual Debt Service Requirement (4)	N/A	N/A	N/A	N/A
Coverage	N/A	N/A	N/A	N/A
<b>Water System Bonds (1 e)</b>				
Gross Revenues (5)	N/A	N/A	N/A	N/A
Direct Operating Expenses (3)	N/A	N/A	N/A	N/A
Net Revenue Available for Debt Service	N/A	N/A	N/A	N/A
Annual Debt Service Requirement (4)	N/A	N/A	N/A	N/A
Coverage	N/A	N/A	N/A	N/A

(1) The Mortgage Revenue Bonds were issued as follows:

- (a) The Water system Mortgage Revenue Bonds were issued in 2002, in the amount of \$3,820,000.
- (b) The Water system Mortgage Revenue Bonds were issued in 2003, in the amount of \$9,262,114.
- (c) The Sewer system Mortgage Revenue Bonds were issued in 2006, in the amount of \$85,885,000.
- (d) The Sewer system Mortgage Revenue Bonds were issued in 2007, in the amount of \$31,555,000.
- (e) The Water system Mortgage Revenue Bonds were issued in 2007, in the amount of \$21,335,000.

(2) Gross revenues include operating revenues plus interest income.

(3) Direct operating expenses include operating expenses less depreciation.

(4) Annual debt service requirements include principal and interest on revenue bonds only.

N/A - Data is not available

Source: Finance Director's Office

***CITY OF MARYSVILLE, OHIO***

2005	2006	2007	2008	2009	2010
\$5,710,991	\$6,209,239	\$7,260,525	\$6,718,925	\$6,842,361	\$7,118,061
2,104,063	2,345,854	2,685,502	2,536,687	3,130,754	2,918,705
3,606,928	3,863,385	4,575,023	4,182,238	3,711,607	4,199,356
302,155	302,565	302,385	301,585	300,360	303,695
11.94	12.77	15.13	13.87	12.36	13.83
\$5,710,991	\$6,209,239	\$7,260,525	\$6,718,925	\$6,842,361	\$7,118,061
2,104,063	2,345,854	2,685,502	2,536,687	3,130,754	2,918,705
3,606,928	3,863,385	4,575,023	4,182,238	3,711,607	4,199,356
726,664	728,664	730,462	726,644	726,018	729,119
4.96	5.30	6.26	5.76	5.11	5.76
N/A	\$8,918,624	\$11,498,315	\$10,836,979	\$8,059,976	\$7,749,088
N/A	4,095,683	2,891,378	2,721,283	3,702,375	3,313,906
N/A	4,822,941	8,606,937	8,115,696	4,357,601	4,435,182
N/A	1,176,160	4,371,625	4,372,825	4,373,625	4,374,025
N/A	4.10	1.97	1.86	1.00	1.01
N/A	N/A	\$11,498,315	\$10,836,979	\$8,059,976	\$7,749,088
N/A	N/A	2,891,378	2,721,283	3,702,375	3,313,906
N/A	N/A	8,606,937	8,115,696	4,357,601	4,435,182
N/A	N/A	0	1,473,498	1,473,497	1,473,498
N/A	N/A	N/A	5.51	2.96	3.01
N/A	N/A	\$7,260,525	\$6,718,925	\$6,842,361	\$7,118,061
N/A	N/A	2,685,502	2,536,687	3,130,754	2,918,705
N/A	N/A	4,575,023	4,182,238	3,711,607	4,199,356
N/A	N/A	0	1,155,059	1,047,831	1,055,394
N/A	N/A	N/A	3.62	3.54	3.98

## ***CITY OF MARYSVILLE, OHIO***

### ***Demographic and Economic Statistics Last Ten Years***

Calendar Year	2001	2002	2003	2004	2005
<b>Population</b> <sup>(1)</sup>					
City of Marysville	16,434	16,382	16,422	16,949	17,287
Union County	42,479	42,899	43,719	44,642	45,387
<b>Income</b> <sup>(2) (a)</sup>					
Total Personal (in thousands)	\$441,845	\$452,946	\$481,017	\$507,131	\$530,849
Per Capita	\$26,886	\$27,649	\$29,291	\$29,921	\$30,708
<b>Unemployment Rate</b> <sup>(3)</sup>					
Federal	4.7%	5.8%	6.0%	5.5%	5.1%
State	4.4%	5.7%	6.2%	6.1%	5.9%
Union County	3.1%	4.2%	4.7%	5.0%	4.9%
<b>Civilian Work Force Estimates</b> <sup>(3)</sup>					
State	5,826,000	5,838,000	5,860,000	5,863,000	5,882,000
Union County	22,900	23,000	23,400	23,900	24,400

#### **Sources:**

(1) US Bureau of Census, Population Division for 2001-2010

(2) US Department of Commerce, Bureau of Economic Analysis

(a) Per Capita Income is only available by County, Total Personal Income is a calculation.

(3) State Department of Labor Statistics

n/a - Data is not available

***CITY OF MARYSVILLE, OHIO***

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2006	2007	2008	2009	2010
17,651	18,123	18,249	18,394	22,094
46,680	47,719	48,339	48,903	52,300
\$557,860	\$607,483	\$628,769	\$633,765	n/a
\$31,605	\$33,520	\$34,455	\$34,455	n/a
4.6%	4.6%	5.8%	9.3%	9.6%
5.4%	5.6%	6.6%	10.1%	10.1%
4.5%	4.3%	5.2%	8.3%	8.4%
5,924,000	5,961,000	5,961,000	5,936,000	5,898,000
25,200	25,400	25,900	26,000	25,900



# CITY OF MARYSVILLE, OHIO

## Principal Employers Current Year and Two Years Ago

Employer	Nature of Business	2010		
		Number of Employees	Rank	Percentage of Total Employment
The Scotts Miracle-Gro Company	Lawn Care Products	1,250	1	14.34%
Memorial Hospital of Union County	Healthcare	697	2	8.00%
Marysville Exempted School District	Education	626	3	7.18%
Union County	Government	478	4	5.48%
Ohio Reformatory for Women	Government	477	5	5.47%
Wal-mart	Retail	315	6	3.61%
Scioto Corporation	Custodial/Janitor Supplies	256	7	2.94%
Veyance Technologies	Manufacturing	250	8	2.87%
Nestle R&D Center Inc.	Research & Development	230	9	2.64%
Parker Hannifin Hydraulics	Manufacturing	200	10	2.29%
Total		4,779		54.82%
Total Employment within the City		8,717		

Employer	Nature of Business	2008		
		Number of Employees	Rank	Percentage of Total Employment
The Scotts Miracle-Gro Company	Lawn Care Products	1,250	1	13.39%
Marysville Exempted School District	Education	758	2	8.12%
Memorial Hospital of Union County	Healthcare	732	3	7.84%
Union County	Government	487	4	5.22%
Ohio Reformatory for Women	Government	483	5	5.18%
Veyance Technologies	Manufacturing	340	6	3.64%
Wal-mart	Retail	320	7	3.43%
Scioto Corporation	Custodial/Janitor Supplies	269	8	2.88%
Nestle R&D Center Inc.	Research & Development	241	9	2.58%
Parker Hannifin Hydraulics	Manufacturing	220	10	2.36%
Total		5,100		54.65%
Total Employment within the City		9,332		

Source: City Income Tax Department

Information is not available in this format prior to 2008



# **CITY OF MARYSVILLE, OHIO**

## *Full Time Equivalent Employees by Function Last Ten Years*

	2001	2002	2003	2004	2005
<b>Governmental Activities</b>					
General Government					
Finance	10.00	9.00	8.00	7.00	8.00
City Council	4.50	4.50	4.50	4.50	4.50
Computer Systems	0.00	0.00	1.00	1.00	1.00
City Administration	2.00	2.00	2.00	2.00	2.00
Human Resources	0.00	2.00	2.00	2.00	2.00
City Attorney	1.50	1.50	1.50	1.50	1.50
Mayor	0.50	0.50	0.50	0.50	0.50
Engineer	5.00	5.00	5.00	5.00	6.00
Security of Persons and Property					
Police	33.50	36.50	36.50	36.50	36.50
Fire	32.00	32.00	32.00	32.00	31.00
Municipal Court	12.00	12.00	12.00	12.00	12.00
Transportation					
Street	14.00	14.00	13.00	13.00	14.00
Leisure Time Activities					
Parks and Recreation	0.50	0.50	0.50	0.50	0.50
Community Environment					
Buildings & Grounds	7.00	8.00	8.00	8.00	8.50
Service	2.00	3.00	3.00	3.00	3.00
<b>Business-Type Activities</b>					
Utilities					
Water	15.00	15.00	15.00	15.00	15.00
Sewer	13.00	15.00	15.00	15.00	15.50
<i>Total Employees</i>	<u>152.50</u>	<u>160.50</u>	<u>159.50</u>	<u>158.50</u>	<u>161.50</u>

**Method:** 1.00 for each full-time, 0.50 for each part-time and seasonal employees are calculated based on hours paid.

Source: Finance Director's Office

***CITY OF MARYSVILLE, OHIO***

2006	2007	2008	2009	2010
9.00	9.00	9.00	9.00	8.00
4.50	4.50	4.50	4.50	4.50
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00
1.50	1.50	1.50	1.50	1.50
0.50	0.50	0.50	0.50	0.50
6.00	7.00	7.00	9.00	8.00
36.50	37.50	38.00	38.50	36.50
31.00	32.00	32.00	32.00	28.50
12.00	12.00	12.00	12.00	12.00
15.00	16.00	16.00	19.50	19.50
0.50	0.50	0.50	24.50	24.50
7.50	6.50	6.50	10.00	7.50
3.00	3.00	3.00	3.00	3.00
15.00	15.00	15.00	17.00	17.00
16.50	16.50	17.00	17.00	17.00
163.50	166.50	167.50	203.00	193.00

# CITY OF MARYSVILLE, OHIO

## Operating Indicators by Function Last Ten Years

	2001	2002	2003	2004	2005
<b>Governmental Activities</b>					
General Government					
Court					
Number of Traffic Cases	11,043	10,773	9,467	6,099	6,926
Number of Criminal Cases	1,272	1,199	1,261	1,394	1,545
Number of Civil Cases	863	901	1,343	1,323	1,281
Permits					
Number of Residential Permits	239	269	275	306	160
Number of Commercial Permits	18	14	10	19	16
Security of Persons and Property					
Police					
Number of Incident Reports	n/a	n/a	n/a	n/a	n/a
Number of Traffic Accident Reports	n/a	n/a	n/a	n/a	n/a
Number of Parking Tickets	n/a	n/a	n/a	n/a	n/a
Alarm Calls	n/a	n/a	797	458	431
Traffic warnings/citations	n/a	n/a	n/a	n/a	n/a
OMVI arrests	n/a	n/a	n/a	n/a	n/a
Fire					
Number of Emergency Responses	1,934	2,082	1,907	1,813	2,053
Number of Fire Responses	789	729	695	816	782
Transportation					
Street					
Number of times streets needed snow removed	n/a	n/a	n/a	n/a	n/a
Tons of salt used	n/a	760	1,799	700	1,220
Number of locations marked for OUPS	n/a	104 #	97	54	138
Number of new signs installed	n/a	279 #	517	309	519
Number of hours mowing grass	n/a	n/a	n/a	n/a	728
Community Environment					
Number of Plot Grade Utility reviews	205	233	257	209	137
Number of Project Inspections	227	258	309	241	175
Number of Capital Improvement Projects	5	7	3	3	3
<b>Business-Type Activities</b>					
Water / Sewer					
Number of Water accounts	n/a	n/a	n/a	n/a	n/a
Number of Sewer accounts	n/a	n/a	n/a	n/a	n/a
Water Main Breaks	24	31	16	n/a	n/a
Daily Average Consumption (1,000 of gallons)	2,084	1,991	1,923	1,949	2,078
Number of work orders	n/a	n/a	7,595	n/a	n/a
Number of fire hydrants painted	667	n/a	308	n/a	n/a
Sanitation					
Number of Customers Served	n/a	n/a	n/a	n/a	n/a

Source: Finance Director's Office

n/a - Data is not available

***CITY OF MARYSVILLE, OHIO***

2006	2007	2008	2009	2010
7,750	8,374	6,627	6,181	6,109
1,610	1,802	1,790	1,989	1,223
1,273	1,484	1,699	1,424	1,379
114	108	80	68	61
21	24	11	6	2
n/a	5,290	4,905	4,988	3,930
n/a	464	453	391	450
n/a	181	276	112	50
442	472	538	413	466
n/a	1,605	1,453	1,706	1,160
n/a	231	186	232	197
1,886	2,009	1,951	1,964	1,986
741	793	834	814	855
n/a	n/a	n/a	16	46
480	1,571	981	426	1,806
118	108	143	123	238
820	533	489	123	188
721	474	524	310	639
107	102	72	68	57
135	144	120	108	87
2	6	6	8	3
n/a	n/a	6,790	6,880	6,924
n/a	n/a	6,765	6,814	6,853
n/a	12	24	29	9
2,043	2,184	2,067	2,009	1,933
n/a	3,348	366	2,685	2,547
n/a	333	149	142	61
n/a	n/a	4,933	5,030	5,052

# **CITY OF MARYSVILLE, OHIO**

## *Capital Asset Statistics by Function Last Ten Years*

	2001	2002	2003	2004	2005
<b>Governmental Activities</b>					
General Government					
Public Buildings	6	6	6	6	6
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Patrol Cruisers	16	18	18	19	22
Fire					
Stations	1	1	1	1	1
Emergency Vehicles	12	12	12	12	12
Transportation					
Street					
Streets (linear miles)	n/a	n/a	n/a	n/a	n/a
Street Lights	n/a	n/a	n/a	n/a	n/a
Leisure Time Activities					
Recreation					
Land (acres)	231	231	231	231	231
Buildings	21	21	21	21	21
Parks	15	15	15	15	15
Municipal Pool	1	1	1	1	1
<b>Business-Type Activities</b>					
Utilities					
Water					
Waterlines (Miles)	n/a	n/a	n/a	n/a	n/a
Number of Hydrants	n/a	n/a	n/a	n/a	n/a
Sewer					
Sewerlines (Miles)	n/a	n/a	n/a	n/a	n/a
Manholes	n/a	n/a	n/a	n/a	n/a
Storm Water Drainage					
Storm Drains (Miles)	n/a	n/a	n/a	n/a	n/a

Source: Finance Director's Office  
n/a - Data is not available

***CITY OF MARYSVILLE, OHIO***

2006	2007	2008	2009	2010
6	6	6	6	6
1	1	1	1	1
24	24	27	28	21
1	1	1	1	1
12	12	11	11	11
n/a	n/a	n/a	n/a	114
n/a	n/a	n/a	n/a	1,951
231	231	231	231	231
21	21	21	21	21
15	15	15	15	15
1	1	1	1	1
n/a	n/a	n/a	n/a	148
n/a	1,355	1,405	1,414	1,422
n/a	n/a	n/a	n/a	135
n/a	n/a	n/a	n/a	943
n/a	n/a	n/a	n/a	70





# Dave Yost • Auditor of State

CITY OF MARYSVILLE

UNION 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  
JULY 14, 2011



# **Marysville Exempted Village School District Union County, Ohio**

Basic Financial Statements

June 30, 2009

(with Independent Auditors' Report)





# Mary Taylor, CPA

## Auditor of State

Board of Education  
Marysville Exempted Village School District  
1000 Edgewood Drive  
Marysville, Ohio 43040

We have reviewed the *Independent Auditors' Report* of the Marysville Exempted Village School District, Union County, prepared by Clark, Schaefer, Hackett & Co., for the audit period July 1, 2008 through June 30, 2009. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Marysville Exempted Village School District is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA  
Auditor of State

January 13, 2010

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## **INDEPENDENT AUDITORS' REPORT**

Board of Education  
Marysville Exempted Village School District  
1000 Edgewood Drive  
Marysville, Ohio 43040

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Marysville Exempted Village School District (the District) as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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 obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the General Fund 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 December 18, 2009, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

2525 north limestone street, ste. 103  
springfield, oh 45503

www.cshco.com  
p. 937.399.2000  
f. 937.399.5433

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in cursive script that reads "Clark, Schaefer, Hackett & Co." The signature is written in dark ink on a light-colored background.

Springfield, Ohio  
December 18, 2009



# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

---

## ***Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2009***

***Unaudited***

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The discussion and analysis of Marysville Exempted Village School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2009. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the financial statements and notes to the basic financial statements to enhance their understanding of the District's financial performance.

### **FINANCIAL HIGHLIGHTS**

#### **Key financial highlights for 2009 are as follows:**

In total, net assets decreased \$444,209. Net assets of governmental activities decreased \$940,078, which represents a 7.5% decrease from 2008. Net assets of business-type activities increased \$495,869 or 174.4% from 2008.

General revenues accounted for \$55,615,253 in revenue or 90.9% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$5,546,176 or 9.1% of total revenues of \$61,161,429.

The District had \$58,951,413 in expenses related to governmental activities; only \$2,840,528 of these expenses were offset by program specific charges for services, grants or contributions.

Among major funds, the general fund had \$46,518,626 in revenues and \$44,587,785 in expenditures. The general fund's fund balance increased by \$1,916,359 to an ending deficit of \$1,701,485. The increase is a result of increased State reimbursements while reducing expenditures.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of two parts – management's discussion and analysis and the basic financial statements. The basic financial statements include two kinds of statements that present different views of the District:

These statements are as follows:

1. The Government-Wide Financial Statements – These statements provide both long-term and short-term information about the District's overall financial status.
2. The Fund Financial Statements – These statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

---

## ***Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2009***

***Unaudited***

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### **Government-wide Statements**

The government-wide statements report information about the District as a whole using the accrual basis of accounting similar to that which is used by most private-sector companies. The statement of net assets includes all of the District's assets and liabilities. This basis of accounting considers all of the current fiscal year's revenues and expenses regardless of when cash is received or paid.

These statements report the District's net assets and changes in those assets. The change in net-assets is important because it tells the reader whether the financial position of the District as a whole has increased or decreased from the prior fiscal year.

Over time, increases or decreases in the District's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.

To assess the overall health of the District you need to consider additional nonfinancial factors such as the property tax base, current property tax laws, student enrollment growth and facility conditions.

The government-wide financial statements of the District are divided into two categories:

**Governmental Activities** – Most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities.

**Business-Type Activities** – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The District's food service, uniform school supplies, and day care are reported as business activities.

### **Fund Financial Statements**

The fund financial statements provide more detailed information about the District's major funds; while the District uses many funds to account for its multitude of financial transactions, the fund financial statements focus on the District's most significant funds. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

**Governmental Funds** – Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or less financial resources that can be spent in the near future to finance educational programs.

**Proprietary Funds** – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

***Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2009***

***Unaudited***

Fiduciary Funds – The District is the trustee, or fiduciary, for various student managed activity programs, various scholarship programs and other items listed as agency and private purpose. It is also responsible for other assets that, due to a trust arrangement can only be used for the trust beneficiaries. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

## FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

The following table provides a summary of the District's net assets for 2009 compared to 2008.

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$45,746,961	\$50,036,728	\$213,768	\$62,039	\$45,960,729	\$50,098,767
Capital assets, Net	112,089,915	109,375,588	883,930	508,611	112,973,845	109,884,199
Total assets	157,836,876	159,412,316	1,097,698	570,650	158,934,574	159,982,966
Long-term debt outstanding	107,758,866	111,151,231	45,289	65,088	107,804,155	111,216,319
Other liabilities	38,488,322	35,731,319	272,174	221,196	38,760,496	35,952,515
Total liabilities	146,247,188	146,882,550	317,463	286,284	146,564,651	147,168,834
Net assets						
Invested in capital assets, net of related debt	15,009,323	16,168,546	883,930	508,611	15,893,253	16,677,157
Restricted	5,130,210	4,962,848	0	0	5,130,210	4,962,848
Unrestricted	(8,549,845)	(8,601,628)	(103,695)	(224,245)	(8,653,540)	(8,825,873)
Total net assets	\$11,589,688	\$12,529,766	\$780,235	\$284,366	\$12,369,923	\$12,814,132

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# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

## **Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2009**

**Unaudited**

Changes in Net Assets – The following table shows the changes in net assets for the fiscal years 2009 and 2008:

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues						
Program Revenues:						
Charges for Services and Sales	\$982,912	\$781,924	\$1,969,198	\$1,997,777	\$2,952,110	\$2,779,701
Operating Grants and Contributions	1,823,866	1,905,108	736,450	663,384	2,560,316	2,568,492
Capital Grants and Contributions	33,750	48,907	0	0	33,750	48,907
Total Program Revenues	2,840,528	2,735,939	2,705,648	2,661,161	5,546,176	5,397,100
General Revenues:						
Property Taxes	28,444,792	26,985,401	0	0	28,444,792	26,985,401
Grants and Entitlements	26,138,791	23,988,201	0	0	26,138,791	23,988,201
Other	1,031,670	2,297,767	0	0	1,031,670	2,297,767
Total General Revenues	55,615,253	53,271,369	0	0	55,615,253	53,271,369
Total Revenues	58,455,781	56,007,308	2,705,648	2,661,161	61,161,429	58,668,469
Program Expenses						
Instruction	32,382,919	31,151,112	0	0	32,382,919	31,151,112
Support Services:						
Pupils	2,908,822	2,945,369	0	0	2,908,822	2,945,369
Instructional Staff	4,355,115	4,214,801	0	0	4,355,115	4,214,801
Board of Education	26,314	23,383	0	0	26,314	23,383
Administration	3,139,272	3,560,776	0	0	3,139,272	3,560,776
Fiscal Services	1,239,178	1,315,760	0	0	1,239,178	1,315,760
Business	823,710	851,775	0	0	823,710	851,775
Operation and Maintenance of Plant	4,522,068	4,495,699	0	0	4,522,068	4,495,699
Pupil Transportation	2,126,993	2,490,847	0	0	2,126,993	2,490,847
Central	722,379	610,875	0	0	722,379	610,875
Operation of Non-Instructional Services	159,264	99,833	0	0	159,264	99,833
Extracurricular Activities	1,142,799	1,265,426	0	0	1,142,799	1,265,426
Interest and Fiscal Charges	5,402,580	5,469,165	0	0	5,402,580	5,469,165
Food Service	0	0	2,108,186	2,257,641	2,108,186	2,257,641
Uniform School Supplies	0	0	198,784	99,951	198,784	99,951
Special Enterprise-Day Care	0	0	347,255	386,746	347,255	386,746
Total expenses	58,951,413	58,494,821	2,654,225	2,744,338	61,605,638	61,239,159
Change in Net Assets before transfers	(495,632)	(2,487,513)	51,423	(83,177)	(444,209)	(2,570,690)
Transfers	(444,446)	(447,367)	444,446	447,367	0	0
Total Change in Net Assets	(940,078)	(2,934,880)	495,869	364,190	(444,209)	(2,570,690)
Beginning Net Assets	12,529,766	15,464,646	284,366	(79,824)	12,814,132	15,384,822
Total Net Assets	\$11,589,688	\$12,529,766	\$780,235	\$284,366	\$12,369,923	\$12,814,132

### **Governmental Activities**

Net assets of the District's governmental activities decreased by \$940,078. The decrease of net assets in fiscal year 2009 was less than the decrease in the previous year because tax revenue and State reimbursements for the phase out of personal property tax increased and expenditures remained steady.

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

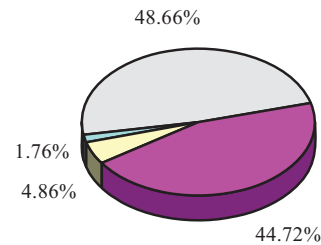
### ***Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2009***

***Unaudited***

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. In general, the overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

Property taxes made up 49% of revenues for governmental activities for Marysville Exempted Village Schools in fiscal year 2009. The District's reliance upon tax revenues is demonstrated by the following graph:

Revenue Sources	2009	Percent of Total
General Tax Revenues	\$28,444,792	48.66%
General Grants	26,138,791	44.72%
Program Revenues	2,840,528	4.86%
General Other	1,031,670	1.76%
Total Revenue	<u>\$58,455,781</u>	<u>100.00%</u>



### **Business-Type Activities**

Net assets of the business-type activities increased by \$495,869. This increase is a result of contributions of capital assets from governmental activities. Business activities receive no support from tax revenues.

### **FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS**

The District's governmental funds reported a combined fund balance of \$6,317,409 which is less than last year's balance of \$12,212,113. The schedule below indicates the fund balance and the total change in fund balance by fund as of June 30, 2009 and 2008.

	Fund Balance June 30, 2009	Fund Balance June 30, 2008	Increase (Decrease)
General	(\$1,701,485)	(\$3,617,844)	\$1,916,359
Bond Retirement	1,610,767	1,795,671	(184,904)
Permanent Improvement	3,770,933	3,398,270	372,663
Building Acquisition and Construction	2,179,977	10,184,410	(8,004,433)
Other Governmental	457,217	451,606	5,611
Total	<u>\$6,317,409</u>	<u>\$12,212,113</u>	<u>(\$5,894,704)</u>

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

## **Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2009**

**Unaudited**

General Fund – The District's General Fund balance increase is due to many factors. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2009 Revenues	2008 Revenues	Increase (Decrease)
Taxes	\$21,254,380	\$20,612,141	\$642,239
Tuition	281,289	236,773	44,516
Transportation Fees	83,047	64,060	18,987
Investment Earnings	199,906	515,167	(315,261)
Extracurricular Activities	193,656	72,345	121,311
Class Materials and Fees	130,611	127,107	3,504
Intermediate Sources	4,626	3,846	780
Intergovernmental - State	23,921,329	20,702,627	3,218,702
Intergovernmental - Federal	1,820	3,069	(1,249)
All Other Revenue	447,962	430,250	17,712
Total	<u>\$46,518,626</u>	<u>\$42,767,385</u>	<u>\$3,751,241</u>

General Fund revenues in 2009 increased approximately 8.8% compared to revenues in fiscal year 2008. The increase in taxes is due to the passage of a new 4 mill levy and a replacement of an existing 5 mill levy in November 2008. Collection of taxes for the new levy began in the second half of fiscal year 2009. The increase in intergovernmental revenue is due to State reimbursements for the phase out of personal property tax. The decrease in investment earnings is due to falling interest rates on investments.

	2009 Expenditures	2008 Expenditures	Increase (Decrease)
Instruction	\$26,025,215	\$26,847,621	(\$822,406)
Supporting Services:			
Pupils	2,818,808	2,861,874	(43,066)
Instructional Staff	3,299,763	3,398,975	(99,212)
Board of Education	24,986	22,055	2,931
Administration	2,716,781	3,269,526	(552,745)
Fiscal Services	1,102,565	1,104,491	(1,926)
Business	803,434	819,539	(16,105)
Operation & Maintenance of Plant	4,194,752	4,095,501	99,251
Pupil Transportation	1,958,568	2,210,742	(252,174)
Central	677,112	578,932	98,180
Operation of Non-Instructional Services	866	2,562	(1,696)
Extracurricular Activities	869,506	945,502	(75,996)
Debt Service			
Principal Retirement	65,000	60,000	5,000
Interest and Fiscal Charges	30,429	34,272	(3,843)
Total	<u>\$44,587,785</u>	<u>\$46,251,592</u>	<u>(\$1,663,807)</u>

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### *Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2009*

*Unaudited*

The expenditures decreased by \$1,663,807 or 3.6% compared to the prior year mostly due to staff reductions and buy outs.

The Bond Retirement Fund's fund balance decreased from \$1,795,671 to \$1,610,767 as a result of tax revenues being slightly less than required principal and interest payments on debt.

The Permanent Improvement Fund increased from \$3,398,270 to \$3,770,993 so funds could be utilized for summer asphalt projects.

The Building Acquisition and Construction Fund's fund balance decreased from \$10,184,410 to \$2,179,977. The decrease was the result of ongoing school improvement projects including, the construction of a new intermediate/middle school combination, and additional classroom space for the high school.

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2009 the District amended its General Fund budget several times, none significant.

For the General Fund, the final budget revenue was \$47.2 million, \$2.0 million above original budget estimates of \$45.2 million due to increased revenues from the new and replacement levies that were not included in the original estimates.

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### Capital Assets

At the end of fiscal 2009 the District had \$112,973,845, net of accumulated depreciation invested in land, buildings, equipment and vehicles. Of this total, \$112,089,915 was related to governmental activities and \$883,930 to the business-type activities. The following table shows fiscal year 2009 and 2008 balances:

	Governmental Activities		Increase (Decrease)
	2009	2008	
Land	\$6,355,496	\$6,328,996	\$26,500
Land Improvements	4,336,374	3,522,977	813,397
Buildings and Improvements	114,961,895	68,718,709	46,243,186
Furniture, Fixtures and Equipment	15,518,365	13,992,659	1,525,706
Vehicles	2,809,607	2,870,036	(60,429)
Construction in Progress	0	42,953,164	(42,953,164)
Less: Accumulated Depreciation	(31,891,822)	(29,010,953)	(2,880,869)
Totals	<u>\$112,089,915</u>	<u>\$109,375,588</u>	<u>\$2,714,327</u>

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

***Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2009***

***Unaudited***

	Business-Type Activities		Increase (Decrease)
	2009	2008	
Furniture and Equipment	\$1,598,701	\$1,143,896	\$454,805
Less: Accumulated Depreciation	(714,771)	(635,285)	(79,486)
Totals	\$883,930	\$508,611	\$375,319

The primary increases occurred in the addition of a new Intermediate/Middle School combination and completion of the additional classrooms space at the high school.

Additional information on the District's capital assets can be found in Note 9.

## Debt

At June 30, 2009, the District had \$107.8 million in bonds, notes, capital leases, early retirement incentive payable and compensated absences outstanding, \$4,600,370 due within one year. The following table summarizes the District's debt outstanding for fiscal year 2009 and 2008:

	2009	2008
Governmental Activities:		
General Obligation Bonds:		
School Improvement	\$102,698,813	\$105,689,415
Installment Notes Payable	550,000	615,000
Capital Leases Payable	1,595,000	1,675,000
Early Retirement Incentive Payable	120,000	270,000
Compensated Absences	2,795,053	2,901,816
Total Governmental Activities	107,758,866	111,151,231
Business-Type Activities:		
Compensated Absences	45,289	65,088
Totals	\$107,804,155	\$111,216,319

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 9% of the total assessed value of real and personal property with certain exceptions. One such exception is to receive a special needs district certification from the Superintendent of Public Instruction. The District was certified as a special needs district on June 29, 2005 and as a result may incur net indebtedness by issuance of securities in an amount that does not exceed 9% of the projected increase of its tax valuation during the next ten years. Additional information on the District's long-term debt can be found in Note 13.



## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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***Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2009***

***Unaudited***

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### **ECONOMIC FACTORS**

The District relies on its property taxes and State Foundation Funds to provide the funds necessary to maintain its educational programs. The Marysville School district continues to grow with an average 2% growth rate per year. This year's growth brought the total school population to over 5,600 students. Our graduating class in 2002 was the last class under 300.

Union County is one of the fastest growing counties in Ohio and Marysville is one of the fastest growing cities in Ohio. We have had eight new housing developments in the past six years. Marysville industrial and commercial tax base is increasing with an addition to the Scotts facility and a New Lowe's store.

House Bill 66, passed in 2005, phases out the tax on tangible personal property of general business, telephone and railroads. The tax on general business and railroad property will be eliminated by 2009 and the tax on telephone by 2011. The tax is phased out by reducing the assessment rate on the property each year. The loss and replacement of the tangible personal property revenues has been calculated by the Ohio Department of Taxation using 2004 as the base year. The base year amount is the amount of property tax revenue lost when the tax has been fully phased out. School districts are being "held harmless" and reimbursed for lost revenue in the first five years; in the following seven years, the reimbursements are phased out. Even with the direct reimbursement, a District will see no growth from tangible personal property revenues since the payment is calculated on a 2004 base year.

In November 2009, Marysville Exempted Village School District residents passed a renewal of an existing 6.56 mill levy. This levy does not generate any additional tax dollars.

In conclusion, the Marysville Exempted Village School District has committed itself to financial excellence for many years.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Dolores Cramer, Treasurer of Marysville Exempted Village School District.

***MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT***

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# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

## **Statement of Net Assets** **June 30, 2009**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 8,633,215	\$ 191,599	\$ 8,824,814
Investments	2,529,000	0	2,529,000
Receivables:			
Taxes	33,166,650	0	33,166,650
Accounts	48,943	10,223	59,166
Intergovernmental	466,517	0	466,517
Interest	19,768	0	19,768
Inventory of Supplies at Cost	0	10,719	10,719
Prepaid Items	74,578	1,227	75,805
Deferred Charges	808,290	0	808,290
Capital Assets:			
Nondepreciable Capital Assets	6,355,496	0	6,355,496
Depreciable Capital Assets, Net	105,734,419	883,930	106,618,349
Total Capital Assets, Net	112,089,915	883,930	112,973,845
<b>Total Assets</b>	<b>157,836,876</b>	<b>1,097,698</b>	<b>158,934,574</b>
<b>Liabilities:</b>			
Accounts Payable	292,478	62,321	354,799
Accrued Wages and Benefits	4,688,101	101,329	4,789,430
Intergovernmental Payable	1,788,799	108,524	1,897,323
Deferred Revenue - Taxes	30,665,252	0	30,665,252
Accrued Interest Payable	358,692	0	358,692
General Obligation Notes Payable	695,000	0	695,000
Long Term Liabilities:			
Due Within One Year	4,600,370	0	4,600,370
Due in More Than One Year	103,158,496	45,289	103,203,785
<b>Total Liabilities</b>	<b>146,247,188</b>	<b>317,463</b>	<b>146,564,651</b>
<b>Net Assets:</b>			
Invested in Capital Assets, Net of Related Debt	15,009,323	883,930	15,893,253
Restricted For:			
Capital Projects	3,791,886	0	3,791,886
Debt Service	1,286,423	0	1,286,423
Other Purposes	51,901	0	51,901
Unrestricted (Deficit)	(8,549,845)	(103,695)	(8,653,540)
<b>Total Net Assets</b>	<b>\$ 11,589,688</b>	<b>\$ 780,235</b>	<b>\$ 12,369,923</b>

See accompanying notes to the basic financial statements

# MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

## *Statement of Activities* *For the Fiscal Year Ended June 30, 2009*

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
Instruction	\$ 32,382,919	\$ 506,992	\$ 1,149,572	\$ 0
Support Services:				
Pupils	2,908,822	0	0	0
Instructional Staff	4,355,115	0	193,895	0
Board of Education	26,314	0	0	0
Administration	3,139,272	0	242,811	0
Fiscal Services	1,239,178	0	36,523	0
Business	823,710	0	0	0
Operation and Maintenance of Plant	4,522,068	0	27,116	0
Pupil Transportation	2,126,993	83,047	4,012	33,750
Central	722,379	0	25,014	0
Operation of Non-Instructional Services:	159,264	0	132,924	0
Extracurricular Activities	1,142,799	392,873	11,999	0
Interest and Fiscal Charges	5,402,580	0	0	0
<b>Total Governmental Activities</b>	<b>58,951,413</b>	<b>982,912</b>	<b>1,823,866</b>	<b>33,750</b>
<b>Business-Type Activities:</b>				
Food Service	2,108,186	1,472,448	736,450	0
Uniform School Supplies	198,784	152,370	0	0
Special Enterprise-Day Care	347,255	344,380	0	0
<b>Total Business-Type Activities</b>	<b>2,654,225</b>	<b>1,969,198</b>	<b>736,450</b>	<b>0</b>
<b>Totals</b>	<b>\$ 61,605,638</b>	<b>\$ 2,952,110</b>	<b>\$ 2,560,316</b>	<b>\$ 33,750</b>

### General Revenues

Property Taxes Levied for:  
     General Purposes  
     Debt Service  
     Capital Outlay  
 Grants and Entitlements not Restricted to Specific Programs  
 Investment Earnings  
 Miscellaneous  
 Transfers  
 Total General Revenues and Transfers  
  
 Change in Net Assets  
  
 Net Assets Beginning of Year  
  
 Net Assets End of Year

See accompanying notes to the basic financial statements

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
\$ (30,726,355)	\$ 0	\$ (30,726,355)
(2,908,822)	0	(2,908,822)
(4,161,220)	0	(4,161,220)
(26,314)	0	(26,314)
(2,896,461)	0	(2,896,461)
(1,202,655)	0	(1,202,655)
(823,710)	0	(823,710)
(4,494,952)	0	(4,494,952)
(2,006,184)	0	(2,006,184)
(697,365)	0	(697,365)
(26,340)	0	(26,340)
(737,927)	0	(737,927)
(5,402,580)	0	(5,402,580)
(56,110,885)	0	(56,110,885)
0	100,712	100,712
0	(46,414)	(46,414)
0	(2,875)	(2,875)
0	51,423	51,423
(56,110,885)	51,423	(56,059,462)
21,859,654	0	21,859,654
4,169,611	0	4,169,611
2,415,527	0	2,415,527
26,138,791	0	26,138,791
333,464	0	333,464
698,206	0	698,206
(444,446)	444,446	0
55,170,807	444,446	55,615,253
(940,078)	495,869	(444,209)
12,529,766	284,366	12,814,132
\$ 11,589,688	\$ 780,235	\$ 12,369,923

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

**Balance Sheet**  
**Governmental Funds**  
**June 30, 2009**

	General	Bond Retirement	Permanent Improvement	Building Acquisition and Construction
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 6,788	\$ 1,355,767	\$ 3,728,999	\$ 2,968,533
Investments	2,529,000	0	0	0
Receivables:				
Taxes	27,172,534	3,005,658	2,988,458	0
Accounts	48,727	0	0	0
Intergovernmental	359,578	0	0	0
Interest	19,768	0	0	0
Interfund Loan Receivable	35	0	0	0
Prepaid Items	51,013	0	23,361	0
<b>Total Assets</b>	<u>\$ 30,187,443</u>	<u>\$ 4,361,425</u>	<u>\$ 6,740,818</u>	<u>\$ 2,968,533</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 59,872	\$ 0	\$ 132,612	\$ 91,366
Accrued Wages and Benefits	4,518,918	0	0	0
Intergovernmental Payable	1,660,923	46,460	44,524	0
Interfund Loans Payable	0	0	0	0
Deferred Revenue - Taxes	25,415,112	2,704,198	2,792,749	0
Deferred Revenue	12,733	0	0	0
Early Retirement Incentive Payable	120,000	0	0	0
Accrued Interest Payable	0	0	0	2,190
General Obligation Notes Payable	0	0	0	695,000
Compensated Absences Payable	101,370	0	0	0
<b>Total Liabilities</b>	<u>31,888,928</u>	<u>2,750,658</u>	<u>2,969,885</u>	<u>788,556</u>
<b>Fund Balances:</b>				
Reserved for Encumbrances	224,935	0	393,722	853,885
Reserved for Prepaid Items	51,013	0	23,361	0
Reserved for Debt Service	0	1,309,307	0	0
Reserved for Property Taxes	1,757,422	301,460	195,709	0
Unreserved, Undesignated in:				
General Fund (Deficit)	(3,734,855)	0	0	0
Special Revenue Funds	0	0	0	0
Capital Projects Funds	0	0	3,158,141	1,326,092
<b>Total Fund Balances</b>	<u>(1,701,485)</u>	<u>1,610,767</u>	<u>3,770,933</u>	<u>2,179,977</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 30,187,443</u>	<u>\$ 4,361,425</u>	<u>\$ 6,740,818</u>	<u>\$ 2,968,533</u>

See accompanying notes to the basic financial statements

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**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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Other Governmental Funds	Total Governmental Funds
\$ 573,128	\$ 8,633,215
0	2,529,000
0	33,166,650
216	48,943
106,939	466,517
0	19,768
0	35
204	74,578
<u>\$ 680,487</u>	<u>\$ 44,938,706</u>

\$ 8,628	\$ 292,478
169,183	4,688,101
36,892	1,788,799
35	35
0	30,912,059
8,532	21,265
0	120,000
0	2,190
0	695,000
0	101,370
<u>223,270</u>	<u>38,621,297</u>

45,985	1,518,527
204	74,578
0	1,309,307
0	2,254,591
0	(3,734,855)
411,028	411,028
0	4,484,233
<u>457,217</u>	<u>6,317,409</u>
<u>\$ 680,487</u>	<u>\$ 44,938,706</u>

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

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### ***Reconciliation of Total Governmental Fund Balances To Net Assets of Governmental Activities June 30, 2009***

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**Total Governmental Fund Balances** \$ 6,317,409

***Amounts reported for governmental activities in the  
statement of net assets are different because***

Capital Assets used in governmental activities are not current  
resources and therefore are not reported in the funds. 112,089,915

Other long-term assets are not available to pay for current-  
period expenditures and therefore are deferred in the funds. 268,072

Long-term liabilities, including bonds payable, are not due  
and payable in the current period and therefore are not  
reported in the funds.

Long-Term Notes Payable	(550,000)
General Obligation Bonds Payable	(97,027,113)
Deferred Amount on Refunding	2,265,374
Issuance Premium	(3,171,272)
Interest Accretion	(4,765,802)
Deferred Charge for Issuance Costs	808,290
Capital Leases Payable	(1,595,000)
Compensated Absences Payable	(2,693,683)
Accrued Interest Payable	(356,502)

(107,085,708)

***Net Assets of Governmental Activities***

\$ 11,589,688

See accompanying notes to the basic financial statements



***MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT***

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# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

## **Statement of Revenues, Expenditures and Changes in Fund Balances** **Governmental Funds** **For the Fiscal Year Ended June 30, 2009**

	General	Bond Retirement	Permanent Improvement	Building Acquisition and Construction
<b>Revenues:</b>				
Local Sources:				
Taxes	\$ 21,254,380	\$ 3,532,832	\$ 2,438,179	\$ 0
Tuition	281,289	0	0	0
Transportation Fees	83,047	0	0	0
Investment Earnings	199,906	0	0	136,192
Extracurricular Activities	193,656	0	0	0
Class Materials and Fees	130,611	0	0	0
Intermediate Sources	4,626	660,000	771,666	0
Intergovernmental - State	23,921,329	1,867,158	1,049,768	0
Intergovernmental - Federal	1,820	0	0	0
All Other Revenue	447,962	21,099	12,640	137,653
<b>Total Revenue</b>	<b>46,518,626</b>	<b>6,081,089</b>	<b>4,272,253</b>	<b>273,845</b>
<b>Expenditures:</b>				
Current:				
Instruction	26,025,215	0	434,884	0
Supporting Services:				
Pupils	2,818,808	0	0	0
Instructional Staff	3,299,763	0	785,162	14,664
Board of Education	24,986	0	0	0
Administration	2,716,781	0	291	0
Fiscal Services	1,102,565	55,147	36,277	0
Business	803,434	0	6,744	5,602
Operation and Maintenance of Plant	4,194,752	0	348,258	279
Pupil Transportation	1,958,568	0	1,429	0
Central	677,112	0	0	0
Operation of Non-Instructional Services	866	0	0	0
Extracurricular Activities	869,506	0	0	0
Capital Outlay	0	0	182,307	8,307,832
Debt Service:				
Principal Retirement	65,000	2,720,000	1,275,000	0
Interest and Fiscal Charges	30,429	3,490,846	829,238	21,260
<b>Total Expenditures</b>	<b>44,587,785</b>	<b>6,265,993</b>	<b>3,899,590</b>	<b>8,349,637</b>
Excess (Deficiency) of Revenues Over Expenditures	1,930,841	(184,904)	372,663	(8,075,792)

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**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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Other Governmental Funds	Total Governmental Funds
\$ 0	\$ 27,225,391
0	281,289
0	83,047
0	336,098
271,019	464,675
0	130,611
0	1,436,292
287,182	27,125,437
1,523,293	1,525,113
57,264	676,618
<u>2,138,758</u>	<u>59,284,571</u>

1,159,941	27,620,040
52,435	2,871,243
249,562	4,349,151
0	24,986
245,549	2,962,621
37,552	1,231,541
0	815,780
0	4,543,289
882	1,960,879
27,833	704,945
154,138	155,004
205,255	1,074,761
0	8,490,139
0	4,060,000
0	4,371,773
<u>2,133,147</u>	<u>65,236,152</u>

5,611	(5,951,581)
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(Continued)

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### *Statement of Revenues, Expenditures and Changes in Fund Balances* *Governmental Funds* *For the Fiscal Year Ended June 30, 2009*

	General	Bond Retirement	Permanent Improvement	Building Acquisition and Construction
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	56,877	0	0	0
Transfers In	0	0	0	71,359
Transfers Out	(71,359)	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>(14,482)</b>	<b>0</b>	<b>0</b>	<b>71,359</b>
Net Change in Fund Balance	1,916,359	(184,904)	372,663	(8,004,433)
<b>Fund Balances at Beginning of Year</b>	<b>(3,617,844)</b>	<b>1,795,671</b>	<b>3,398,270</b>	<b>10,184,410</b>
<b>Fund Balances End of Year</b>	<b>\$ (1,701,485)</b>	<b>\$ 1,610,767</b>	<b>\$ 3,770,933</b>	<b>\$ 2,179,977</b>

See accompanying notes to the basic financial statements

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**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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Other Governmental Funds	Total Governmental Funds
0	56,877
0	71,359
0	(71,359)
0	56,877
5,611	(5,894,704)
451,606	12,212,113
<u>\$ 457,217</u>	<u>\$ 6,317,409</u>

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

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### ***Reconciliation of the Statement of Revenues, Expenditures And Changes in Fund Balances of Governmental Funds To the Statement of Activities For the Fiscal Year Ended June 30, 2009***

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Net Change in Fund Balances - Total Governmental Funds \$(5,894,704)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. 2,871,063

The effect of disposals of capital assets is to decrease net assets. (156,736)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (885,667)

The issuance of long-term debt (e.g. notes, leases) provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items. 4,140,000

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 12,081

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

Compensated Absences	(103,227)	
Early Retirement Incentive	120,000	
Interest Accretion	(1,047,536)	
Amortization of Deferred Loss on Refunding	(107,875)	
Amortization of Deferred Charge for Bond Issuance Costs	(38,490)	
Amortization of Premium on Bond Issuance	151,013	(1,026,115)

***Change in Net Assets of Governmental Activities*** \$ (940,078)

See accompanying notes to the basic financial statements

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# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Fiscal Year Ended June 30, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Local Sources:				
Taxes	\$ 19,973,984	\$ 21,188,974	\$ 21,073,282	\$ (115,692)
Tuition	290,000	290,000	281,039	(8,961)
Transportation Fees	65,000	65,000	81,548	16,548
Investment Earnings	225,000	225,000	210,756	(14,244)
Extracurricular Activities	270,000	140,000	180,267	40,267
Class Materials and Fees	220,000	220,000	134,675	(85,325)
Intermediate Sources	4,626	4,626	4,626	0
Intergovernmental - State	22,892,775	23,809,927	23,766,893	(43,034)
Intergovernmental - Federal	0	0	1,820	1,820
All Other Revenue	354,600	356,225	307,419	(48,806)
Total Revenues	44,295,985	46,299,752	46,042,325	(257,427)
<b>Expenditures:</b>				
Current:				
Instruction	25,745,902	26,789,219	26,473,440	315,779
Support Services:				
Pupils	2,850,104	2,895,963	2,853,391	42,572
Instructional Staff	3,435,614	3,447,536	3,386,017	61,519
Board of Education	15,900	23,531	22,791	740
Administration	2,955,046	2,873,593	2,805,638	67,955
Fiscal Services	1,241,707	1,258,692	1,098,061	160,631
Business	865,418	959,984	859,242	100,742
Operation and Maintenance of Plant	4,374,574	4,449,778	4,319,309	130,469
Pupil Transportation	2,025,599	2,082,369	2,032,979	49,390
Central	688,612	716,882	683,641	33,241
Operation of Non-Instructional Services	0	3,500	866	2,634
Extracurricular Activities	990,526	917,693	914,144	3,549
Debt Service:				
Principal Retirement	810,000	810,000	810,000	0
Interest and Fiscal Charges	51,929	51,929	51,788	141
Total Expenditures	46,050,931	47,280,669	46,311,307	969,362
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,754,946)	(980,917)	(268,982)	711,935



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**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	51,910	53,061	56,877	3,816
General Obligation Notes Issued	695,000	695,000	695,000	0
Advances In	109,500	109,500	109,346	(154)
Advances Out	(711)	(746)	(746)	0
Refund of Prior Year's Expenditures	8,564	8,564	123,218	114,654
Refund of Prior Year's Receipts	0	(130,991)	(130,991)	0
Total Other Financing Sources (Uses):	<u>864,263</u>	<u>734,388</u>	<u>852,704</u>	<u>118,316</u>
Net Change in Fund Balance	(890,683)	(246,529)	583,722	830,251
Fund Balance at Beginning of Year	1,233,285	1,233,285	1,233,285	0
Prior Year Encumbrances	<u>494,949</u>	<u>494,949</u>	<u>494,949</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 837,551</u>	<u>\$ 1,481,705</u>	<u>\$ 2,311,956</u>	<u>\$ 830,251</u>

See accompanying notes to the basic financial statements

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## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

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*Statement of Net Assets*  
*Proprietary Funds*  
*June 30, 2009*

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	Business-Type Activities-Nonmajor Enterprise Funds
<b>Assets:</b>	
<i>Current Assets:</i>	
Cash and Cash Equivalents	\$ 191,599
Receivables:	
Accounts	10,223
Inventory of Supplies at Cost	10,719
Prepaid Items	1,227
<i>Total Current Assets</i>	<u>213,768</u>
<i>Non Current Assets:</i>	
Capital Assets, Net	<u>883,930</u>
<b>Total Assets</b>	<u>1,097,698</u>
<b>Liabilities:</b>	
<i>Current Liabilities:</i>	
Accounts Payable	62,321
Accrued Wages and Benefits	101,329
Intergovernmental Payable	108,524
<i>Total Current Liabilities</i>	<u>272,174</u>
<i>Long Term Liabilities:</i>	
Compensated Absences Payable	<u>45,289</u>
<i>Total Long Term Liabilities</i>	<u>45,289</u>
<b>Total Liabilities</b>	<u>317,463</u>
<b>Net Assets:</b>	
Invested in Capital Assets, Net of Related Debt	883,930
Unrestricted	(103,695)
<b>Total Net Assets</b>	<u>\$ 780,235</u>

See accompanying notes to the basic financial statements

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## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

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*Statement of Revenues, Expenses and Changes in Fund Net Assets*  
*Proprietary Funds*  
*For the Fiscal Year Ended June 30, 2009*

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	Business-Type Activities-Nonmajor Enterprise Funds
<b>Operating Revenues:</b>	
Sales	\$ 1,460,767
Tuition and Fees	496,750
All Other Revenue	7,113
<b>Total Operating Revenues</b>	<b>1,964,630</b>
<b>Operating Expenses:</b>	
Salaries and Wages	894,569
Fringe Benefits	406,737
Contractual Services	52,795
Supplies and Materials	1,207,747
Depreciation	87,579
Other Operating Expense	2,630
<b>Total Operating Expenses</b>	<b>2,652,057</b>
Operating Income (Loss)	(687,427)
<b>Nonoperating Revenue (Expenses):</b>	
Operating Grants	736,450
Loss on Disposal of Capital Assets	(2,168)
Other Nonoperating Revenue	4,568
<b>Total Nonoperating Revenues (Expenses)</b>	<b>738,850</b>
Net Income (Loss) before Contributions	51,423
Capital Contributions	444,446
Change in Net Assets	495,869
Net Assets Beginning of Year	284,366
Net Assets End of Year	\$ 780,235

See accompanying notes to the basic financial statements

# MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

## Statement of Cash Flows

### Proprietary Funds

For the Fiscal Year Ended June 30, 2009

	Business -Type Activities - Nonmajor Enterprise Funds
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Customers	\$1,472,511
Cash Received from Tuition and Fee Payments	488,340
Cash Payments for Goods and Services	(991,651)
Cash Payments to Employees for Services and Benefits	(1,326,634)
Net Cash Used for Operating Activities	(357,434)
<u>Cash Flows from Noncapital Financing Activities:</u>	
Repayment of Interfund Loan	(53,564)
Operating Grants Received	522,158
Net Cash Provided by Noncapital Financing Activities	468,594
<u>Cash Flows from Capital and Related Financing Activities:</u>	
Acquisition and Construction of Assets	(20,620)
Net Cash Used by Capital and Related Financing Activities	(20,620)
Net Increase in Cash and Cash Equivalents	90,540
Cash and Cash Equivalents at Beginning of Year	101,059
Cash and Cash Equivalents at End of Year	\$191,599
<u>Reconciliation of Operating Loss to Net Cash</u>	
<u>Used for Operating Activities:</u>	
Operating Loss	(\$687,427)
Adjustments to Reconcile Operating Loss to	
Net Cash Used for Operating Activities:	
Depreciation Expense	87,579
Donated Commodities Used During the Year	214,292
Other Nonoperating Revenue	4,568
Changes in Assets and Liabilities:	
Increase in Accounts Receivable	(8,347)
Decrease in Inventory	858
Increase in Prepaid Items	(136)
Increase in Accounts Payable	56,299
Decrease in Accrued Wages and Benefits	(4,927)
Decrease in Intergovernmental Payables	(394)
Decrease in Compensated Absences	(19,799)
Total Adjustments	329,993
Net Cash Used for Operating Activities	(\$357,434)

#### Schedule of Noncash Investing, Capital and Financing Activities:

During fiscal year 2009, \$214,292 in donated commodities was received from the federal government. During fiscal year 2009, the Food Service Fund received \$444,446 of capital assets from governmental funds.

See accompanying notes to the basic financial statements

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

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### *Statement of Net Assets* *Fiduciary Funds* *June 30, 2009*

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	Private Purpose Trust	
	Special Trust Fund	Agency Funds
<b>Assets:</b>		
Cash and Cash Equivalents	\$ 9,526	\$ 163,474
Investments	41,184	0
Receivables:		
Interest	877	0
<b>Total Assets</b>	<b>51,587</b>	<b>163,474</b>
<b>Liabilities:</b>		
Due to Others	0	31,001
Due to Students	0	132,473
<b>Total Liabilities</b>	<b>0</b>	<b>163,474</b>
<b>Net Assets:</b>		
Unrestricted	51,587	0
<b>Total Net Assets</b>	<b>\$ 51,587</b>	<b>\$ 0</b>

See accompanying notes to the basic financial statements

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

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### *Statement of Changes in Net Assets*

#### *Fiduciary Fund*

*For the Fiscal Year Ended June 30, 2009*

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	Private Purpose Trust Special Trust Fund
<b>Additions:</b>	
Contributions:	
Sales	\$ 2,261
Private Donations	23,940
Total Contributions	26,201
Investment Earnings:	
Interest	1,532
Total Additions	27,733
<b>Deductions:</b>	
Administrative Expenses	2,826
Community Gifts, Awards and Scholarships	3,875
Total Deductions	6,701
Change in Net Assets	21,032
Net Assets at Beginning of Year	30,555
Net Assets End of Year	\$ 51,587

See accompanying notes to the basic financial statements

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **A. Reporting Entity**

Marysville Exempted Village School District, Ohio (the District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The District is governed by a locally elected five member Board of Education (the Board) which provides educational services. The Board controls the District's instructional support facilities staffed by approximately 240 noncertified and approximately 375 certified teaching personnel and administrative employees providing education to 5,366 students.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity," in that the financial statements include all organizations, activities, functions and component units for which the District (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either the District's ability to impose its will over the organization or the possibility that the organization will provide a financial benefit to, or impose a financial burden on, the District. Based on the foregoing, there were no potential component units that met the criteria imposed by GASB Statement No. 14 to be included in the District's reporting entity. The reporting entity of the District includes the following services: instructional (regular, special education, vocational), student guidance, extracurricular activities, food service, pupil transportation and care and upkeep of grounds and buildings.

The accounting policies and financial reporting practices of the District conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies.

#### **B. Basis of Presentation – Fund Accounting**

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. The various funds are summarized by type in the basic financial statements.

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **B. Basis of Presentation – Fund Accounting (Continued)**

The following fund types are used by the District:

***Governmental Funds*** – These are funds through which most governmental functions typically are financed. The acquisition, use and balances of the District’s expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of “financial flow” (sources, uses and balances of financial resources). The following are the District’s major governmental funds:

General Fund – This fund is the general operating fund of the District and is used to account for all financial resources except those accounted for in another fund. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Bond Retirement Fund – This fund is used for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Permanent Improvement Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition of major capital assets (other than that financed by proprietary funds).

Building Acquisition and Construction Fund – This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than that financed by proprietary funds).

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

***Proprietary Funds*** – The proprietary funds are accounted for on an “economic resources” measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of the proprietary funds are included on the Statement of Net Assets. The proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Enterprise Funds – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises in which the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.



## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **B. Basis of Presentation – Fund Accounting** (Continued)

***Fiduciary Funds*** – Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary 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 District under a trust agreement for individuals, private organizations or other governments and therefore are not available to support the District's own programs. The District's only trust fund is a private purpose trust that accounts for scholarship programs for students. The District's agency funds account for various student-managed activity programs, unclaimed funds, and the District's Section 125 Cafeteria Plan. The agency fund is custodial in nature (assets equal liabilities) and does not involve the measurement of results of operation.

##### **C. Basis of Presentation and Measurement Focus – Financial Statements**

***Government-wide Financial Statements*** – The statement of net assets and the statement of activities display information about the District 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 District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **C. Basis of Presentation and Measurement Focus – Financial Statements (Continued)**

**Fund Financial Statements** – Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

Private purpose trust funds are reported using the economic resources measurement focus.

#### **D. Basis of Accounting**

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the District is considered to be 60 days after fiscal year end. Grants and entitlements must also meet eligibility, timing and any contingency requirements. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest and principal on general long-term debt which is recognized when due.

Revenue considered susceptible to accrual at year end includes property taxes, tuition, grants and entitlements, student fees, and interest on investments.

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **D. Basis of Accounting** (Continued)

Current property taxes measurable at June 30, 2009, and which are not intended to finance fiscal 2009 operations, have been recorded as deferred revenues. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year end. Taxes available for advance and recognized as revenue but not received by the District prior to June 30, 2009 are reflected as a reservation of fund balance for future appropriations. The District is prohibited by law from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year end.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements, proprietary funds and fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when incurred.

Pursuant to GASB Statement No. 20, “*Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*,” the District follows GASB guidance as applicable to proprietary funds, governmental activities, and business-type activities and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements. The District has elected not to apply FASB statements and interpretations issued after November 30, 1989 to business-type activities and enterprise funds.

***Revenues – Exchange and Non-exchange Transactions*** – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as deferred revenue.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **E. Budgetary Process**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only the general fund is required to be reported. The primary level of budgetary control is at the fund. Budgetary modifications may only be made by resolution of the Board of Education.

#### **1. Tax Budget**

By January 15, the Superintendent and Treasurer submit an annual operating budget for the following fiscal year to the Board of Education for consideration and passage. Adoption of a tax budget has been waived by the County Budget Commission.

#### **2. Estimated Resources**

Prior to March 15, the Board accepts by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates.

#### **3. Appropriations**

A temporary appropriation measure to control expenditures may be passed on or about July 1 of each year for the period July 1 through September 30. An annual appropriation resolution must be passed by October 1 of each year for the period July 1 through June 30. The appropriation resolution establishes spending controls at the fund level. The appropriation resolution may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. During the year, several supplemental appropriations were necessary to budget the use of contingency funds. Administrative control is maintained through the establishment of more detailed line-item budgets.

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009*

#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### **E. Budgetary Process** (Continued)

##### **4. Lapsing of Appropriations**

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

##### **5. Budgetary Basis of Accounting**

The District's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Encumbrances are also recorded as the equivalent of an expenditure. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting for governmental funds.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement to the budgetary basis statement for the General Fund:

Net Change in Fund Balance	
	General Fund
GAAP Basis (as reported)	\$1,916,359
Increase (Decrease):	
Accrued Revenues at June 30, 2009, received during FY 2010	(2,172,797)
Accrued Revenues at June 30, 2008, received during FY 2009	1,909,139
Accrued Expenditures at June 30, 2009, paid during FY 2010	6,461,083
Accrued Expenditures at June 30, 2008, paid during FY 2009	(7,261,021)
FY 2008 Prepaids for FY 2009	37,396
FY 2009 Prepaids for FY 2010	(51,013)
Adjustment to Fair Value	17,885
Encumbrances Outstanding	(273,309)
Budget Basis	<u>\$583,722</u>

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **F. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits, investments with original maturities of three months or less, Federated Money Market Accounts and the State Treasury Asset Reserve (STAR Ohio). STAR Ohio and money market accounts are very liquid investments and are reported as cash equivalents in the basic financial statements.

The District pools its cash for resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. See Note 4, "Cash, Cash Equivalents and Investments."

#### **G. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the District reports its investments at fair value, except for nonparticipating investment contracts (certificates of deposit) and money market investments that had a remaining maturity of one year or less at the time of purchase, which are reported at cost or amortized cost.

The District has invested funds in STAR Ohio during 2009. 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 June 30, 2009. See Note 4, "Cash, Cash Equivalents and Investments."

#### **H. Inventory**

On government-wide financial statements, inventories are presented at the lower of cost or market using the first in, first out (FIFO) method and are expensed when used. On fund financials, inventories of proprietary funds are stated at the lower of cost or market and are expensed when used. For all funds, cost is determined using the FIFO method, and are determined by physical count.

#### **I. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2009, 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 expenditure/expense is reported in the year in which services are consumed.

# MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009*

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **J. Capital Assets and Depreciation**

Capital assets are defined by the District as assets with an initial, individual cost of more than \$1,000.

##### **1. Property, Plant and Equipment – Governmental Activities**

Governmental activities capital assets are those not directly related to the business-type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Assets, but they are not reported in the Fund Financial Statements.

Contributed capital assets are recorded at fair market value at the date received. The District does not possess any infrastructure. Estimated historical costs for governmental activities capital asset values were initially determined by identifying historical costs where such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

##### **2. Property, Plant and Equipment – Business-Type Activities**

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost). Contributed capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Assets and in the respective funds.

##### **3. Depreciation**

All capital assets are depreciated excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (in years)</u>
Land Improvements	10-20
Buildings and Improvements	50
Furniture, Fixtures and Equipment	5-20
Vehicles	8



## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **K. Long-Term Obligations**

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	General Obligation Bond Retirement Fund
Energy Conservation Project	General Fund
Early Retirement Incentive	General Fund
Compensated Absences	General Fund, Food Services Fund and Day Care Fund, Special Revenue Funds
Capital Leases Payable	Permanent Improvement Fund

##### **L. Compensated Absences**

In accordance with GASB Statement No. 16, "Accounting for Compensated Absences," vacation benefits are accrued as a liability when an employee's right to receive compensation is attributable to services already rendered, and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Administrators and classified staff who work twelve month contracts are granted vacation leave based on length of service and position. Sick leave benefits are accrued as a liability using the vesting method. Employees may earn 15 days of sick leave per year up to a maximum of 248 days. Upon retirement, employees will receive one-fourth of the accumulated sick leave. The noncurrent portion of the liability is not reported in the fund financial statements. Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.

##### **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 balances of any borrowings used for the acquisition, construction of improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The District did not have net assets restricted by enabling legislation at June 30, 2009.

The District policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.



## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **N. Pensions**

The provision for pension costs is recorded when the related payroll is accrued and the obligation is incurred.

##### **O. Interfund Activity**

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 proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

##### **P. Reservations of Fund Balance**

Reserves indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for prepaid items, debt service, and encumbered amounts which have not been accrued at year end. The reserve for property taxes represents taxes recognized as revenue under the GAAP basis, but not available for appropriations under state statute.

##### **Q. Estimates**

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

##### **R. Operating Revenues and Expenses**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are sales for food service and tuition and fees for day care and uniform school supplies. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

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### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009*

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#### **NOTE 2 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government – wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

*Amount by which capital outlays exceeded depreciation in the current period:*

Capital Outlay	\$6,526,181
Depreciation Expense	<u>(3,655,118)</u>
	\$2,871,063

*Governmental revenues not reported in the funds:*

Decrease in Delinquent Tax Revenue	(\$216,891)
Decrease in Investment Earnings	(2,634)
Decrease in Grants Receivable	<u>(666,142)</u>
	(\$885,667)

*Net amount of long-term debt issuance and bond and lease principal payments:*

Bond Principal Payment	\$3,995,000
Energy Conservation Project	65,000
Capital Lease Payment	<u>80,000</u>
	\$4,140,000

#### **NOTE 3 - COMPLIANCE AND ACCOUNTABILITY**

**Fund Deficits** - The fund deficit at June 30, 2009 of \$1,701,485 in the General Fund arose from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary basis. The fund deficit of \$46,925 in Special Enterprise-Day Care Fund (enterprise funds) arose from the recognition of expenses on the accrual basis which are greater than expenses on the cash basis.

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments. In addition, investments are separately held by the General, Building Acquisition and Construction, and Special Trust funds. The District has adopted an Investment Policy that follows Ohio Revised Code Chapter 135 and applies the prudent person standard. The prudent person standard requires the Treasurer to exercise the care, skill and experience that a prudent person would use to manage his/her personal financial affairs and to seek investments that will preserve principal while maximizing income.

Statutes require the classification of funds held by the District into three categories. Category 1 consists of “active” funds - those funds required to be kept in a “cash” or “near cash” status for immediate use by the District. Such funds must be maintained either as cash in the District Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of “inactive” funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds - those funds which are not needed for immediate use but, which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

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### *Notes to the Basic Financial Statements* *For the Fiscal Year Ended June 30, 2009*

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#### NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

##### **A. Deposits**

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned. Protection of District cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the District places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

At year end the carrying amount of the District's deposits was \$700,933 and the bank balance was \$862,667. Federal depository insurance covered \$297,184 of the bank balance and \$565,483 was uninsured. Of the remaining uninsured bank balance, the District was exposed to custodial risk as follows:

	<u>Balance</u>
Uninsured and collateralized with securities held by the pledging institution's trust department not in the District's name	<u>\$565,483</u>
Total Balance	<u><u>\$565,483</u></u>

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## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009

#### NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

##### **B. Investments**

The District's investments at June 30, 2009 were as follows:

	Fair Value	Credit Rating	Investment Maturities (in Years)		
			less than 1	1-3	3-5
STAR Ohio	\$451,510	AAAm <sup>1</sup>	\$451,510	\$0	\$0
Money Market Funds	7,886,555	AAA <sup>1</sup>	7,886,555	0	0
FNMA*	1,015,630	AAA <sup>1</sup> , Aaa <sup>2</sup>	0	0	1,015,630
FHLB*	510,470	AAA <sup>1</sup> , Aaa <sup>2</sup>	0	0	510,470
FHLMC*	1,002,900	AAA <sup>1</sup> , Aaa <sup>2</sup>	0	1,002,900	0
Total Investments	<u>\$10,867,065</u>		<u>\$8,338,065</u>	<u>\$1,002,900</u>	<u>\$1,526,100</u>

<sup>1</sup> Standard & Poor's

<sup>2</sup> Moody's Investor Service

\* Call dates are: FNMA–November 2, 2009; FHLB–February 24, 2010; FHLMC–March 18, 2010

*Interest Rate Risk* – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date. The District's policy attempts to match its investments with anticipated cash flow requirements. Unless matched to a specific obligation or debt of the District, investments of the District will be limited to those maturing in five years or less from the date of the settlement.

*Concentration of Credit Risk* – The District places no limit on the amount the District may invest in one issuer. Of the District's total investments, 9.4% are FNMA, 4.7% are FHLB, and 9.2% are FHLMC.

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District has no policy on custodial credit risk and is governed by Ohio Revised Code as described under Deposits.

*Investment Credit Risk* – The District has no investment policy that limits its investment choices other than the limitation of State statute for "interim" funds described previously.

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009*

#### **NOTE 5 - PROPERTY TAXES**

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the District. Real property taxes (other than public utility) collected during 2009 were levied in April 2008 on assessed values as of January 1, 2008, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments made the third year following reappraisal. The last revaluation was completed in 2007. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at 6.25 percent of its true value. This percentage will be reduced to zero for 2009. Amounts paid by multi-county taxpayers are due September 20 of the year assessed. Single county taxpayers may pay annually or semi-annually, the first payment is due April 30; with the remainder payable by September 20. House Bill 66, passed in 2005, phases out the tax on tangible personal property of general business, telephone and railroads. The tax on general business and railroad property will be eliminated by 2009 and the tax on telephone by 2011. The tax is phased out by reducing the assessment rate on the property each year. The loss and replacement of the tangible personal property revenues has been calculated by the Ohio Department of Taxation using 2004 as the base year. The base year amount is the amount of property tax revenue lost when the tax has been fully phased out. School districts are being "held harmless" and reimbursed for lost revenue in the first seven years; in the following five years, the reimbursements are phased out.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including Marysville Exempted Village School District. The County Auditor periodically remits to the District its portion of the taxes collected. The assessed values for collection in 2009, upon which the 2008 levies were based, were as follows:

	Assessed Values for Collection in:	
	2008 Second Half	2009 First Half
Agricultural/Residential and Other Real Estate	\$647,898,550	\$652,650,370
Public Utility Personal	34,785,750	35,623,300
Tangible Personal Property	49,496,270	49,496,270
Total Assessed Value	<u>\$732,180,570</u>	<u>\$737,769,940</u>
Tax rate per \$1,000 of assessed valuation	\$54.06	\$58.06

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements*** ***For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 6 - RECEIVABLES**

Receivables at June 30, 2009 consisted of taxes, accounts, intergovernmental, and interest receivables.

#### **NOTE 7 - INTERFUND RECEIVABLES AND PAYABLES**

Following is a summary of interfund receivables and payables for all funds at June 30, 2009:

	Interfund Loans Receivables	Interfund Loans Payables
General Fund	\$35	\$0
Nonmajor Governmental Funds	0	35
Totals	<u>\$35</u>	<u>\$35</u>

The Interfund Loan is a short-term loan to cover temporary cash deficits.

#### **NOTE 8 - OPERATING TRANSFERS**

Following is a summary of operating transfers in and out for all funds for fiscal year 2009:

Fund	Transfers In	Transfers Out
General Fund	\$0	\$71,359
Building Acquisition and Construction Fund	71,359	0
Total All Funds	<u>\$71,359</u>	<u>\$71,359</u>

Transfers were used to provide additional resources for capital projects.

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# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

## **Notes to the Basic Financial Statements** **For the Fiscal Year Ended June 30, 2009**

### **NOTE 9 - CAPITAL ASSETS**

#### **A. Governmental Activities Capital Assets**

Summary by category of changes in governmental activities capital assets at June 30, 2009:

##### ***Historical Cost:***

Class	June 30, 2008	Additions	Deletions	June 30, 2009
<b><i>Capital Assets not being depreciated:</i></b>				
Land	\$6,328,996	\$26,500	\$0	\$6,355,496
Construction in Progress	42,953,164	0	(42,953,164)	0
Subtotal	49,282,160	26,500	(42,953,164)	6,355,496
<b><i>Capital Assets being depreciated:</i></b>				
Land Improvements	3,522,977	813,397	0	4,336,374
Buildings and Improvements	68,718,709	46,243,186	0	114,961,895
Furniture, Fixtures and Equipment	13,992,659	2,283,210	(757,504)	15,518,365
Vehicles	2,870,036	113,052	(173,481)	2,809,607
Subtotal	89,104,381	49,452,845	(930,985)	137,626,241
Total Cost	\$138,386,541	\$49,479,345	(\$43,884,149)	\$143,981,737

##### ***Accumulated Depreciation:***

Class	June 30, 2008	Additions	Deletions	June 30, 2009
Land Improvements	(\$2,281,221)	(\$187,020)	\$0	(\$2,468,241)
Buildings and Improvements	(15,188,061)	(2,304,603)	0	(17,492,664)
Furniture, Fixtures and Equipment	(10,121,009)	(918,479)	647,320	(10,392,168)
Vehicles	(1,420,662)	(245,016)	126,929	(1,538,749)
Total Depreciation	(\$29,010,953)	(\$3,655,118) *	\$774,249	(\$31,891,822)
<b><i>Net Value:</i></b>	<b>\$109,375,588</b>			<b>\$112,089,915</b>

\* Depreciation expenses were charged to governmental functions as follows:

Instruction	\$2,563,587
Support Services:	
Pupils	27,320
Instructional Staff	530,563
Board of Education	1,328
Administration	118,736
Fiscal Services	8,103
Business	10,831
Operations & Maintenance of Plant	62,848
Pupil Transportation	243,941
Central	69
Operation of Non-Instructional Services	6,499
Extracurricular Activities	81,293
Total Depreciation Expense	\$3,655,118



## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009

#### NOTE 9 - CAPITAL ASSETS (Continued)

##### A. Governmental Activities Capital Assets (Continued)

At June 30, 2009 the District had two buildings which were not being utilized due to the opening of the new middle school building during the year. The old middle school building is scheduled to be renovated and reopened in a few years and the East Elementary building will be reopened if necessary due to increased student enrollment or changes in the Kindergarten program. The carrying value of these two buildings at year end were \$3,161,407 and \$984,146, respectively.

##### B. Business-Type Activities Capital Assets

Summary by Category at June 30, 2009:

###### *Historical Cost:*

Class	June 30, 2008	Additions	Deletions	June 30, 2009
Furniture and Equipment	\$1,143,896	\$465,066	(\$10,261)	\$1,598,701
Total Cost	\$1,143,896	\$465,066	(\$10,261)	\$1,598,701

###### *Accumulated Depreciation:*

Class	June 30, 2008	Additions	Deletions	June 30, 2009
Furniture and Equipment	(\$635,285)	(\$87,579)	\$8,093	(\$714,771)
Total Depreciation	(\$635,285)	(\$87,579)	\$8,093	(\$714,771)
<i>Net Value:</i>	\$508,611			\$883,930

#### NOTE 10- DEFINED BENEFIT PENSION PLANS

All of the District's full-time employees participate in one of two separate retirement systems which are cost-sharing, multiple-employer defined benefit pension plans.

##### A. School Employee Retirement System

Plan Description - The District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. Interested parties may obtain a copy by making a written request to SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (800) 878-5853. It is also posted on SERS' website, [www.ohsers.org](http://www.ohsers.org), under Forms and Publications.

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 10- DEFINED BENEFIT PENSION PLANS (Continued)**

##### **A. School Employee Retirement System** (Continued)

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2009, 9.09 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2009, 2008 and 2007 were \$803,751, \$782,646 and \$749,203 respectively, which were equal to the required contributions for each year.

##### **B. State Teachers Retirement System**

Plan Description - The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all 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 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, 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 DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 10- DEFINED BENEFIT PENSION PLANS (Continued)**

##### **B. State Teachers Retirement System (Continued)**

A DB or Combined Plan member with five or more years 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 DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - For the fiscal year ended June 30, 2009, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2008, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2009, 2008, and 2007 were \$3,031,604, \$3,075,239 and \$2,913,411 respectively; which were equal to the required contributions for each year. Contributions to the DC and Combined Plans for fiscal year 2009 were \$49,935 made by the District and \$108,637 made by the plan members.

#### **NOTE 11 - POSTEMPLOYMENT BENEFITS**

##### **A. School Employee Retirement System**

Plan Description – The District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746.

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)**

##### **A. School Employee Retirement System (Continued)**

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2009, 4.16 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2009, this amount was \$35,800.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

The District's contributions for health care for the fiscal years ended June 30, 2009, 2008, and 2007 were \$483,651, \$512,121, and \$359,420 respectively; which were equal to the required contributions for each year.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2009, this actuarially required allocation was 0.75 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2009, 2008, and 2007 were \$66,979, \$56,392, and \$50,946 respectively; which were equal to the required contributions for each year.

##### **B. State Teachers Retirement System**

Plan Description – The District contributes to the cost sharing multiple employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2009, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2009, 2008, and 2007 were \$233,200, \$236,557, and \$224,109 respectively; which were equal to the required contributions for each year.

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

## **Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009**

### **NOTE 12 - NOTES PAYABLE**

Notes Payable activity of the District for the year ended June 30, 2009, was as follows:

Note Payable		Balance June 30, 2008	Additions	Deletions	Balance June 30, 2009
Energy Conservation Note	2.875%	\$745,000	\$0	(\$745,000)	\$0
Energy Conservation Note	2.875%	0	695,000	0	695,000
		<u>\$745,000</u>	<u>\$695,000</u>	<u>(\$745,000)</u>	<u>\$695,000</u>

### **NOTE 13 - LONG-TERM DEBT AND OTHER OBLIGATIONS**

Detail of the changes in the bonds, energy conservation project, compensated absences, early retirement incentive, and capital leases of the District for the year ended June 30, 2009 is as follows:

		Balance June 30, 2008	Issued	(Retired)	Balance June 30, 2009	Due Within One Year
<b>Governmental Activities</b>						
(General Obligation Bonds)						
Refunding New Elementary	3.4-5.15%	\$6,757,973	\$0	(\$335,000)	\$6,422,973	\$610,000
Fifth/Sixth Elementary	5.79%	1,454,222	0	(120,000)	1,334,222	175,000
New Elementary and Middle School	4.35-5.375%	884,995	0	(210,000)	674,995	215,000
Refunding Fifth/Sixth Elementary	3.60%	12,154,974	0	(215,000)	11,939,974	220,000
Refunding New High School	1.2-14.16%	1,284,999	0	(710,000)	574,999	465,000
Refunding School Improvement	3.25-5%	39,039,966	0	(1,275,000)	37,764,966	1,325,000
School Improvement/Refunding	3.5-5%	39,444,984	0	(1,130,000)	38,314,984	1,220,000
		<u>101,022,113</u>	<u>0</u>	<u>(3,995,000)</u>	<u>97,027,113</u>	<u>4,230,000</u>
Premium on Bonds		3,322,285	0	(151,013)	3,171,272	0
Deferred Amount on Refunding		(2,373,249)	0	107,875	(2,265,374)	0
Interest Accretion		3,718,266	1,047,536	0	4,765,802	0
Total General Obligation Bonds		<u>105,689,415</u>	<u>1,047,536</u>	<u>(4,038,138)</u>	<u>102,698,813</u>	<u>4,230,000</u>
Energy Conservation Project	3.4-4.85%	615,000	0	(65,000)	550,000	65,000
Compensated Absences		2,901,816	866,673	(973,436)	2,795,053	101,370
Early Retirement Incentive		270,000	0	(150,000)	120,000	120,000
Capital Leases Payable		1,675,000	0	(80,000)	1,595,000	84,000
Total Governmental Activities		<u>\$111,151,231</u>	<u>\$1,914,209</u>	<u>(\$5,306,574)</u>	<u>\$107,758,866</u>	<u>\$4,600,370</u>
<b>Business-Type Activities</b>						
Compensated Absences		<u>\$65,088</u>	<u>\$22,454</u>	<u>(\$42,253)</u>	<u>\$45,289</u>	<u>\$0</u>
Total Business-Type Activities		<u>\$65,088</u>	<u>\$22,454</u>	<u>(\$42,253)</u>	<u>\$45,289</u>	<u>\$0</u>

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009

#### NOTE 13 - LONG-TERM DEBT AND OTHER OBLIGATIONS (Continued)

##### A. Principal and Interest Requirements

A summary of the District's future long-term debt funding requirements, including principal and interest payments as of June 30, 2009, follows:

Years	General Obligation Bonds		Energy Conservation Project		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$4,230,000	\$4,171,710	\$65,000	\$26,431	\$4,295,000	\$4,198,141
2011	4,314,998	4,188,895	70,000	22,280	4,384,998	4,211,175
2012	3,966,509	4,154,245	75,000	18,309	4,041,509	4,172,554
2013	3,129,497	5,011,949	80,000	14,550	3,209,497	5,026,499
2014	3,129,680	5,002,345	85,000	16,975	3,214,680	5,019,320
2015-2019	14,594,089	26,114,867	175,000	2,183	14,769,089	26,117,050
2020-2024	21,762,340	18,981,061	0	0	21,762,340	18,981,061
2025-2029	34,495,000	6,026,657	0	0	34,495,000	6,026,657
2030	7,405,000	171,875	0	0	7,405,000	171,875
Totals	\$97,027,113	\$73,823,604	\$550,000	\$100,728	\$97,577,113	\$73,924,332

##### B. Defeased Debt

In December 1993, the District defeased \$6,165,000 of General Obligation Bonds for the High School Building, dated April 1, 1990, through the issuance of \$6,084,999 of General Obligation Bonds for the High School Building. The net proceeds of the 1993 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$1,240,000 at June 30, 2009, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

In March 2001, the District defeased \$7,669,538 of General Obligation Bonds for the New Elementary Additions, dated October 1, 1995, through the issuance of \$7,667,973 of General Obligation Bonds for the New Elementary Additions. The net proceeds of the 2001 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$6,254,538 at June 30, 2009, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.



## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 13 - LONG-TERM DEBT AND OTHER OBLIGATIONS (Continued)**

##### **B. Defeased Debt (Continued)**

In March 2002, the District defeased \$13,335,000 of General Obligation Bonds for the Fifth/Sixth Elementary Building, dated March 1, 2000, through the issuance of \$13,334,974 of General Obligation Bonds for the Fifth/Sixth Elementary Building. The net proceeds of the 2002 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$13,335,000 at June 30, 2009, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

In September 2005, the District defeased \$41,425,000 of Certificates of Participation for School Improvements, dated March 2, 2005, through the issuance of \$40,284,966 of General Obligation Bonds for School Improvements. The net proceeds of the 2005 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded certificates. The refunded certificates, which have an outstanding balance of \$39,455,000 at June 30, 2009, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

In February 2006, the District defeased \$12,350,000 of General Obligation Bonds for New Elementary and Raymond Middle School Improvements, dated December 1, 2000, through the issuance of \$12,349,984 of General Obligation Bonds for School Improvements. The net proceeds of the 2006 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$12,350,000 at June 30, 2009, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

##### **C. Early Retirement Incentive**

During 2008, the Board of Education offered early retirement/buyout incentives at various levels to nonteaching employees who were on Step 12 or higher on the salary schedule or who were eligible to retire under SERS and to certified employees who had passed the incentive time lines afforded them in their negotiated agreement. The incentives were offered for various limited time periods. Sixteen employees elected to receive incentives for a total of \$330,000. Of this total, \$60,000 was paid in fiscal year 2008 and \$150,000 was paid in the current fiscal year. The remaining \$120,000 has been recorded as a liability at June 30, 2009 to be paid in January of 2010.

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### *Notes to the Basic Financial Statements* *For the Fiscal Year Ended June 30, 2009*

#### NOTE 14 - CAPITALIZED LEASES

The District leases building and land improvements under capital leases. The cost of the capital assets obtained under capital leases is \$2,016,000 which is included in the Governmental Activities Capital Assets and the related liability is included in the Governmental Activities Long-Term Liabilities.

The following is a schedule of future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of June 30, 2009:

Year Ending June 30,	Capital Leases
2010	\$155,413
2011	154,692
2012	155,735
2013	155,514
2014	155,070
2015-2019	618,501
2020-2023	772,977
Minimum Lease Payments	2,167,902
Less: Amount representing interest at the District's incremental borrowing rate of interest	(572,902)
Present Value of minimum lease payments	\$1,595,000

#### NOTE 15 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and injuries to employees. During fiscal year 2009 the District contracted with Ohio Casualty Insurance Company for various insurance coverages, as follows:

Coverage	Deductible	Aggregate
	\$500/Comprehensive	
Fleet Insurance	\$500/Collision	\$1,000,000
Buildings and Contents	\$1,000	\$185,590,834
School District Liability	\$0	\$2,000,000
Employee Benefits Liability	\$1,000	\$2,000,000
School Leaders Errors and Omissions	\$2,500	\$1,000,000
Umbrella Policy	\$0	\$5,000,000
Crime	\$1,000	\$100,000
Inland Marine	\$500	\$1,273,792
Computers	\$500	\$5,136,962

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

Workers' compensation claims are covered through the District's participation in the State of Ohio's program. The District pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs.



## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### *Notes to the Basic Financial Statements* *For the Fiscal Year Ended June 30, 2009*

#### NOTE 16 – STATUTORY RESERVES

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 2009, the reserve activity (cash-basis) was as follows:

	Textbook Reserve	Capital Acquisition Reserve	Total
Set-aside Cash Balance as of June 30, 2008	\$0	\$0	\$0
Current Year Set-Aside Requirement	837,248	837,248	1,674,496
Qualifying Disbursements	(889,405)	(2,833,264)	(3,722,669)
Total	(\$52,157)	(\$1,996,016)	(\$2,048,173)
Cash Balance Carried Forward to FY 2010	\$0	\$0	\$0

Although the District had offsets and qualifying disbursements during the year that reduced the capital set-aside amounts below zero, these extra amounts may not be used to reduce the set-aside requirements of future years. The District has elected not to use extra textbook amounts to reduce set-aside requirements for future years.

#### NOTE 17 – CONSTRUCTION COMMITMENTS

As of June 30, 2009, the District had the following commitment with respect to capital projects:

<u>Capital Projects</u>	<u>Amount Remaining</u>	<u>Estimated Date of Completion</u>
New Intermediate/Middle School Architect Fees	\$49,823	August 2008
New Intermediate/Middle School Site Work	63,102	August 2009
New Intermediate/Middle School	136,126	August 2008
High School Addition Architect Fees	94,747	August 2008
High School Addition Site Work	92,819	August 2008
High School Addition Construction Construction Manager Fees	5,000	August 2008
High School Addition	273,102	August 2008
Middle School Renovation Architect Fees	107,177	To be determined

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 18 - CONTINGENCIES**

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2009.

Marysville Exempted Village School District  
Schedule of Expenditures of Federal Awards  
For the Fiscal Year Ended June 30, 2009

<u>Federal Grantor/Program Title</u>	<u>Pass Through Entity Number</u>	<u>Federal CFDA Number</u>	<u>Award Receipts</u>	<u>Award Disbursements</u>
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
<i>(Passed Through Ohio Department of Education)</i>				
Child Nutritional Cluster:				
Non-Cash Assistance (Food Distribution):				
National School Lunch Program	N/A	10.555	\$ 214,292	\$ 214,292
Cash Assistance				
National School Breakfast Program	09-PU	10.553	74,123	74,123
National School Lunch Program	09-PU	10.555	434,936	434,936
Total Nutrition Cluster			723,351	723,351
Total U.S. Department of Agriculture			723,351	723,351
<u>U.S. DEPARTMENT OF EDUCATION</u>				
<i>(Passed Through Ohio Department of Education)</i>				
Title I Grants to Local Educational Agencies	C1-S1	84.010	544,961	508,494
Special Education Cluster:				
Special Education - Grants to States	6B-SF	84.027	934,607	860,406
Special Education - Preschool Grants	PG-S1	84.173	9,038	9,038
Total Special Education Cluster			943,645	869,444
Safe and Drug-Free Schools and Communities	DR-S1	84.186	18,793	19,102
State Grants for Innovative Programs	C2-S1	84.298	13,486	13,104
Education Technology State Grants	TJ-S1	84.318	3,268	3,268
Improving Teacher Quality State Grants	TR-S1	84.367	182,824	159,037
Integrated Education Systems	N/A	84.323	-	11,669
Total U.S. Department of Education			1,706,977	1,584,118
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
Disaster Grants - Public Assistance	N/A	97.036	750	750
Total U.S. Department of Homeland Security			750	750
TOTAL FEDERAL AWARD PROGRAMS			\$ 2,431,078	\$ 2,308,219

See accompanying notes to the Schedule of Expenditures of Federal Awards.

Marysville Exempted Village School District  
Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2009

**1. Significant Accounting Policies:**

The accompanying schedule of expenditures of federal awards is a summary activity of all federal awards programs of the Marysville Exempted Village School District. The schedule has been prepared on the cash basis of accounting.

**2. U.S. Department of Agriculture Programs:**

Non-monetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. At June 30, 2009 the District had no significant food commodities in inventory.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

Board of Education  
Marysville Exempted Village School District  
1000 Edgewood Drive  
Marysville, Ohio 43040

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Marysville Exempted Village School District (the District), as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 18, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control.

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

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 deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

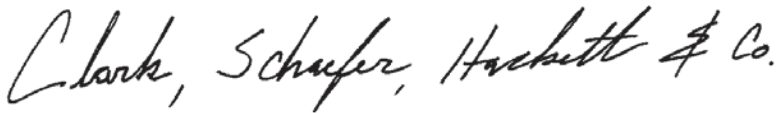
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## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

A handwritten signature in cursive script that reads "Clark, Schaefer, Hackett & Co.".

Springfield, Ohio  
December 18, 2009

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO  
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Education  
Marysville Exempted Village School District  
1000 Edgewood Drive  
Marysville, Ohio 43040

**Compliance**

We have audited the compliance of the Marysville Exempted Village School District (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal programs for the year ended June 30, 2009. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District'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 obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2009.

**Internal Control Over Compliance**

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

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A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

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.

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

A handwritten signature in cursive script that reads "Clark, Schuler, Hackett & Co." The signature is written in dark ink and is positioned above the printed name of the firm.

Springfield, Ohio  
December 18, 2009



Marysville Exempted Village School District  
Schedule of Findings And Questioned Costs  
Fiscal Year Ended June 30, 2009

**Section I – Summary of Auditors' Results**

Financial Statements

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	None noted
• Significant deficiency(ies) identified not considered to be material weakness(es)?	None noted
Noncompliance material to financial statements noted?	None noted

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	None noted
• Significant deficiency(ies) identified not considered to be material weakness(es)?	None noted
Type of auditors' report issued on compliance for major programs:	Unqualified
Any audit findings that are required to be reported in accordance with 510(a) of Circular A-133?	None noted
Identification of major programs:	
CFDA 84.010 – Title I Grant	
Special Education Cluster:	
CFDA 84.027 – Special Education Grants to States	
CFDA 84.173 – Special Education – Preschool Grants	
Dollar threshold to distinguish between Type A and Type B programs:	\$300,000
Auditee qualified as low-risk auditee?	No

**Section II – Financial Statement Findings**

None noted

**Section III – Federal Awards Findings and Questioned Costs**

None noted

Marysville Exempted Village School District  
Schedule of Prior Audit Findings  
Fiscal Year Ended June 30, 2009

**Finding 2008-001: Audit Adjustments**

During the course of our audit, we identified certain capital asset additions (construction in progress) that were not initially identified by the District in the preparation of the financial statements. Audit adjustments were required to correct the amounts reported in Building Acquisition and Construction capital project fund financial statements as well as the amount capitalized for construction in progress in the Governmental Activities.

The District is responsible for instituting internal controls to ensure the financial statements are accurate and complete; the annual audit process can not be considered part of the District's internal control over financial reporting.

The District should closely review the annual financial report prepared to ensure all transactions and account balances are accurately reported.

*Status: Corrected – No Audit Adjustments Required for Current Year*

## **INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Education  
Marysville Exempted Village School District  
1000 Edgewood Drive  
Marysville, Ohio 43040

Ohio Revised Code Section 117.53 states “the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school.”

Accordingly, we have performed the procedures enumerated below, which were agreed to by the Board, solely to assist the Board in evaluating whether Marysville Exempted Village School District (the District) has adopted an anti-harassment policy in accordance with Ohio Revised Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Board. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board adopted an anti-harassment policy at its meeting on July 31, 1995; which was most recently amended on December 17, 2007.

2. We read the policy, noting it included the following requirements from Ohio Rev. Code Section 3313.666(B):

- (1) A statement prohibiting harassment, intimidation, or bullying of any student on school property or at school-sponsored events;
- (2) A definition of harassment, intimidation, or bullying that includes the definition in division (A) of Ohio Rev. Code Section 3313.666;
- (3) A procedure for reporting prohibited incidents;
- (4) A requirement that school personnel report prohibited incidents of which they are aware to the school principal or other administrator designated by the principal;
- (5) A requirement that parents or guardians of any student involved in a prohibited incident be notified and, to the extent permitted by section 3319.321 of the Revised Code and the “Family Educational Rights and Privacy Act of 1974,” Stat. 571, 20 O.S.C. 1232q, as amended, have access to any written reports pertaining to the prohibited incident.
- (6) A procedure for documenting any prohibited incident that is reported;

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- (7) A procedure for responding to and investigating any reported incident;
- (8) A strategy for protecting a victim from additional harassment, intimidation, or bullying, and from retaliation following a report;
- (9) A disciplinary procedure for any student guilty of harassment, intimidation, or bullying, which shall not infringe on any student's rights under the first amendment to the Constitution of the United States.
- (10) A requirement that the district administration semiannually provide the president of the district board a written summary of all reported incidents and post the summary on its web site, if the district has a web site, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board and is not intended to be and should not be used by anyone other than these specified parties.

*Clark, Schufer, Hachett & Co.*

Springfield, Ohio  
December 18, 2009



At Clark Schaefer Hackett, we are the sum of our individuals. Each team member's training, experience and drive is well-suited to each client's needs and goals. We are committed to providing insightful and flexible service – from efficient compliance to sophisticated consulting – to help each client prosper today and plan for future success





**Mary Taylor, CPA**  
Auditor of State

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

**UNION 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  
JANUARY 26, 2010**

**MARYSVILLE EXEMPTED VILLAGE  
SCHOOL DISTRICT**

**UNION COUNTY**

**SINGLE AUDIT**

**JULY 1, 2009 - JUNE 30, 2010**









# Dave Yost • Auditor of State

Board of Education  
Marysville Exempted Village School District  
1000 Edgewood Drive  
Marysville, Ohio 43040

We have reviewed the *Independent Auditors' Report* of the Marysville Exempted Village School District, Union County, prepared by Wilson, Shannon & Snow, Inc., for the audit period July 1, 2009 through June 30, 2010. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Marysville Exempted Village School District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

February 11, 2011

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**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

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**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

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Board of Education  
Marysville Exempted Village School District  
1000 Edgewood Drive  
Marysville, Ohio 43040

## INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Marysville Exempted Village School District, Union County, Ohio (the District) as of and for the fiscal year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Marysville Exempted Village School District, Union County, Ohio as of June 30, 2010, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparison for the General Fund for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

As disclosed in Note 2, the District restated net assets and General Fund balance to properly account for accrued wages and benefits.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2010, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. 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.

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**

Ten West Locust Street

Newark, Ohio 43055

(740) 345-6611

1-800-523-6611

FAX (740) 345-5635

Marysville Exempted Village School District  
Union County  
Independent Auditors' Report

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurances.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The Schedule of Federal Awards Receipts and Expenditures provides additional information required by U.S. Office of Management and Budget Circular A-133, *Audits of States and Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. The Schedule of Federal Awards Receipts and Expenditures is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting records and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financials statements taken as a whole.

*Wilson, Shuman & Son, Inc.*

Newark, Ohio  
December 20, 2010

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

---

## ***Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2010***

***Unaudited***

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The discussion and analysis of Marysville Exempted Village School District's (the District) financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2010. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the financial statements and notes to the basic financial statements to enhance their understanding of the District's financial performance.

### **FINANCIAL HIGHLIGHTS**

#### **Key financial highlights for 2010 are as follows:**

In total, net assets increased \$2,276,099. Net assets of governmental activities increased \$2,108,375, which represents a 19.2% increase from 2009. Net assets of business-type activities increased \$167,724 or 21.5% from 2009.

General revenues accounted for \$57,565,639 in revenue or 89.4% of all revenues. Program specific revenues in the form of charges for services and sales and operating grants and contributions accounted for \$6,883,781 or 10.6% of total revenues of \$64,449,420.

The District had \$59,567,360 in expenses related to governmental activities; only \$4,110,096 of these expenses were offset by program specific charges for services, grants or contributions.

Among major funds, the general fund had \$47,617,633 in revenues and \$44,923,205 in expenditures. The general fund's fund balance increased by \$2,626,755 to an ending balance of \$309,093. The increase is a result of increased taxes while maintaining expenditures at the previous year's level.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of two parts – management's discussion and analysis and the basic financial statements. The basic financial statements include two kinds of statements that present different views of the District:

These statements are as follows:

1. The Government-Wide Financial Statements – These statements provide both long-term and short-term information about the District's overall financial status.
2. The Fund Financial Statements – These statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.



# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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***Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2010***

***Unaudited***

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## **Government-wide Statements**

The government-wide statements report information about the District as a whole using the accrual basis of accounting similar to that which is used by most private-sector companies. The statement of net assets includes all of the District's assets and liabilities. This basis of accounting considers all of the current fiscal year's revenues and expenses regardless of when cash is received or paid.

These statements report the District's net assets and changes in those assets. The change in net assets is important because it tells the reader whether the financial position of the District as a whole has increased or decreased from the prior fiscal year.

Over time, increases or decreases in the District's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.

To assess the overall health of the District you need to consider additional nonfinancial factors such as the property tax base, current property tax laws, student enrollment growth and facility conditions.

The government-wide financial statements of the District are divided into two categories:

**Governmental Activities** – Most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities.

**Business-Type Activities** – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The District's food service, uniform school supplies, and day care are reported as business activities.

## **Fund Financial Statements**

The fund financial statements provide more detailed information about the District's major funds; while the District uses many funds to account for its multitude of financial transactions, the fund financial statements focus on the District's most significant funds. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

**Governmental Funds** – Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or less financial resources that can be spent in the near future to finance educational programs.

**Proprietary Funds** – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2010**

**Unaudited**

*Fiduciary Funds* – The District is the trustee, or fiduciary, for various student managed activity programs, various scholarship programs and other items listed as agency and private purpose. It is also responsible for other assets that, due to a trust arrangement can only be used for the trust beneficiaries. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

## **FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE**

The following table provides a summary of the District's net assets for 2010 compared to 2009.

	Governmental Activities		Business-type Activities		Total	
	2010	Restated 2009	2010	2009	2010	Restated 2009
Current and other assets	\$38,593,605	\$45,746,961	\$469,815	\$213,768	\$39,063,420	\$45,960,729
Capital assets, Net	109,324,173	112,089,915	804,118	883,930	110,128,291	112,973,845
Total assets	147,917,778	157,836,876	1,273,933	1,097,698	149,191,711	158,934,574
Long-term debt outstanding	104,740,498	107,758,866	63,582	45,289	104,804,080	107,804,155
Other liabilities	30,095,394	39,104,499	262,392	272,174	30,357,786	39,376,673
Total liabilities	134,835,892	146,863,365	325,974	317,463	135,161,866	147,180,828
Net assets						
Invested in capital assets, net of related debt	14,433,487	15,009,323	804,118	883,930	15,237,605	15,893,253
Restricted	6,554,204	5,130,210	0	0	6,554,204	5,130,210
Unrestricted	(7,905,805)	(9,166,022)	143,841	(103,695)	(7,761,964)	(9,269,717)
Total net assets	\$13,081,886	\$10,973,511	\$947,959	\$780,235	\$14,029,845	\$11,753,746

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# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

## **Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2010**

**Unaudited**

Changes in Net Assets – The following table shows the changes in net assets for the fiscal years 2010 and 2009:

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues						
Program Revenues:						
Charges for Services and Sales	\$850,492	\$982,912	\$2,033,101	\$1,969,198	\$2,883,593	\$2,952,110
Operating Grants and Contributions	3,259,604	1,823,866	740,584	736,450	4,000,188	2,560,316
Capital Grants and Contributions	0	33,750	0	0	0	33,750
Total Program Revenues	4,110,096	2,840,528	2,773,685	2,705,648	6,883,781	5,546,176
General Revenues:						
Property Taxes	30,023,116	28,444,792	0	0	30,023,116	28,444,792
Grants and Entitlements	26,995,634	26,138,791	0	0	26,995,634	26,138,791
Other	546,889	1,031,670	0	0	546,889	1,031,670
Total General Revenues	57,565,639	55,615,253	0	0	57,565,639	55,615,253
Total Revenues	61,675,735	58,455,781	2,773,685	2,705,648	64,449,420	61,161,429
Program Expenses						
Instruction	31,563,759	32,382,919	0	0	31,563,759	32,382,919
Support Services:						
Pupils	3,153,419	2,908,822	0	0	3,153,419	2,908,822
Instructional Staff	4,417,035	4,355,115	0	0	4,417,035	4,355,115
Board of Education	27,738	26,314	0	0	27,738	26,314
Administration	3,331,907	3,139,272	0	0	3,331,907	3,139,272
Fiscal Services	1,328,235	1,239,178	0	0	1,328,235	1,239,178
Business	896,995	823,710	0	0	896,995	823,710
Operation and Maintenance of Plant	4,874,495	4,522,068	0	0	4,874,495	4,522,068
Pupil Transportation	2,359,872	2,126,993	0	0	2,359,872	2,126,993
Central	864,367	722,379	0	0	864,367	722,379
Operation of Non-Instructional Services	104,728	159,264	0	0	104,728	159,264
Extracurricular Activities	1,170,656	1,142,799	0	0	1,170,656	1,142,799
Interest and Fiscal Charges	5,474,154	5,402,580	0	0	5,474,154	5,402,580
Food Service	0	0	2,052,904	2,108,186	2,052,904	2,108,186
Uniform School Supplies	0	0	209,557	198,784	209,557	198,784
Special Enterprise-Day Care	0	0	343,500	347,255	343,500	347,255
Total expenses	59,567,360	58,951,413	2,605,961	2,654,225	62,173,321	61,605,638
Change in Net Assets before transfers	2,108,375	(495,632)	167,724	51,423	2,276,099	(444,209)
Transfers	0	(444,446)	0	444,446	0	0
Total Change in Net Assets	2,108,375	(940,078)	167,724	495,869	2,276,099	(444,209)
Beginning Net Assets, restated	10,973,511	11,913,589	780,235	284,366	11,753,746	12,197,955
Total Net Assets	\$13,081,886	\$10,973,511	\$947,959	\$780,235	\$14,029,845	\$11,753,746

### **Governmental Activities**

Net assets of the District's governmental activities increased by \$2,108,375. The increase of net assets in fiscal year 2010 was the result of a full year of taxes on a new 4 mill levy and new grants as a result of the American Recovery and Reinvestment Act.

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

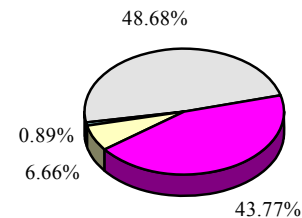
### Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2010

Unaudited

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. In general, the overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

Property taxes made up 49% of revenues for governmental activities for Marysville Exempted Village Schools in fiscal year 2010. The District's reliance upon tax revenues is demonstrated by the following graph:

Revenue Sources	2010	Percent of Total
General Tax Revenues	\$30,023,116	48.68%
General Grants	26,995,634	43.77%
Program Revenues	4,110,096	6.66%
General Other	546,889	0.89%
Total Revenue	<u>\$61,675,735</u>	<u>100.00%</u>



### Business-Type Activities

Net assets of the business-type activities increased by \$167,724. This increase is a result of reducing food service expenditures. Business activities receive no support from tax revenues.

### FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The District's governmental funds reported a combined fund balance of \$7,333,292 which is over last year's balance of \$5,701,232. The schedule below indicates the fund balance and the total change in fund balance by fund as of June 30, 2010 and 2009.

	Fund Balance June 30, 2010	Restated Fund Balance June 30, 2009	Increase (Decrease)
General	\$309,093	(\$2,317,662)	\$2,626,755
Bond Retirement	1,149,071	1,610,767	(461,696)
Permanent Improvement	4,024,977	3,770,933	254,044
Other Governmental	1,850,151	2,637,194	(787,043)
Total	<u>\$7,333,292</u>	<u>\$5,701,232</u>	<u>\$1,632,060</u>

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2010**

**Unaudited**

*General Fund* – The District's General Fund balance increase is due to many factors. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2010 Revenues	2009 Revenues	Increase (Decrease)
Taxes	\$22,768,762	\$21,254,380	\$1,514,382
Tuition	304,043	281,289	22,754
Transportation Fees	27,694	83,047	(55,353)
Investment Earnings	55,245	199,906	(144,661)
Extracurricular Activities	226,514	193,656	32,858
Class Materials and Fees	0	130,611	(130,611)
Intermediate Sources	2,991	4,626	(1,635)
Intergovernmental - State	23,809,606	23,921,329	(111,723)
Intergovernmental - Federal	109,159	1,820	107,339
All Other Revenue	313,619	447,962	(134,343)
Total	<u>\$47,617,633</u>	<u>\$46,518,626</u>	<u>\$1,099,007</u>

General Fund revenues in 2010 increased approximately 2.4% compared to revenues in fiscal year 2009. The increase in taxes is due to the passage of a new 4 mill levy in November 2008. Collection of taxes for the new levy began in the second half of fiscal year 2009, so fiscal year 2010 was the first full year of collections from the new levy. The decrease in class material and fees was due to a new policy to record class fees in the Uniform Schools Supply fund, a business-type activity. The decrease in investment earnings is due to falling interest rates on investments.

	2010 Expenditures	2009 Expenditures	Increase (Decrease)
Instruction	\$25,444,466	\$26,025,215	(\$580,749)
Supporting Services:			
Pupils	2,989,678	2,818,808	170,870
Instructional Staff	3,210,747	3,299,763	(89,016)
Board of Education	26,410	24,986	1,424
Administration	2,912,563	2,716,781	195,782
Fiscal Services	1,216,703	1,102,565	114,138
Business	830,018	803,434	26,584
Operation & Maintenance of Plant	4,389,027	4,194,752	194,275
Pupil Transportation	2,125,351	1,958,568	166,783
Central	821,015	677,112	143,903
Operation of Non-Instructional Services	1,728	866	862
Extracurricular Activities	864,068	869,506	(5,438)
Debt Service			
Principal Retirement	65,000	65,000	0
Interest and Fiscal Charges	26,431	30,429	(3,998)
Total	<u>\$44,923,205</u>	<u>\$44,587,785</u>	<u>\$335,420</u>

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### *Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2010*

*Unaudited*

The expenditures increased by \$335,420 or 0.8% compared to the prior year. Instruction expenditures decreased because salaries and wages for intervention specialists were paid from federal grants through special revenue funds.

*Bond Retirement Fund* - The fund balance decreased from \$1,610,767 to \$1,149,071 as a result of tax revenues being slightly less than required principal and interest payments on debt.

*Permanent Improvement Fund* – The fund balance increased from \$3,770,933 to \$4,024,977 so funds could be utilized for summer asphalt projects and summer purchase of technology equipment.

### **GENERAL FUND BUDGETING HIGHLIGHTS**

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2010 the District amended its General Fund budget several times, none significant.

For the General Fund, the final budget revenue was \$46.6 million, \$1.1 million below original budget estimates of \$47.7 million. The decrease was due to less than expected funding from the State.

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

#### *Capital Assets*

At the end of fiscal 2010 the District had \$110,128,291, net of accumulated depreciation invested in land, buildings, equipment and vehicles. Of this total, \$109,324,173 was related to governmental activities and \$804,118 to the business-type activities. The following table shows fiscal year 2010 and 2009 balances:

	Governmental Activities		Increase (Decrease)
	2010	2009	
Land	\$6,355,496	\$6,355,496	\$0
Land Improvements	4,368,567	4,336,374	32,193
Buildings and Improvements	114,961,895	114,961,895	0
Furniture, Fixtures and Equipment	16,034,877	15,518,365	516,512
Vehicles	3,001,260	2,809,607	191,653
Less: Accumulated Depreciation	(35,397,922)	(31,891,822)	(3,506,100)
Totals	<u>\$109,324,173</u>	<u>\$112,089,915</u>	<u>(\$2,765,742)</u>

The primary increases occurred in vehicles with the addition of two busses and equipment with the addition of new technology equipment.

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

### ***Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2010***

	<b>Business-Type Activities</b>		<b>Unaudited Increase (Decrease)</b>
	<b>2010</b>	<b>2009</b>	
Furniture and Equipment	\$1,606,980	\$1,598,701	\$8,279
Less: Accumulated Depreciation	(802,862)	(714,771)	(88,091)
Totals	<u>\$804,118</u>	<u>\$883,930</u>	<u>(\$79,812)</u>

There were no significant increases in capital assets for business-type activities.

Additional information on the District's capital assets can be found in Note 10.

### ***Debt***

At June 30, 2010, the District had \$104.8 million in bonds, notes, capital leases, and compensated absences outstanding, \$5,325,310 due within one year. The following table summarizes the District's debt outstanding for fiscal year 2010 and 2009:

	<b>2010</b>	<b>2009</b>
Governmental Activities:		
General Obligation Bonds:		
School Improvement	\$99,629,087	\$102,698,813
Installment Notes Payable	485,000	550,000
Capital Leases Payable	1,511,000	1,595,000
Early Retirement Incentive Payable	0	120,000
Compensated Absences	3,115,411	2,795,053
Total Governmental Activities	<u>104,740,498</u>	<u>107,758,866</u>
Business-Type Activities:		
Compensated Absences	63,582	45,289
Totals	<u>\$104,804,080</u>	<u>\$107,804,155</u>

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 9% of the total assessed value of real and personal property with certain exceptions. One such exception is to receive a special needs district certification from the Superintendent of Public Instruction. The District was certified as a special needs district on June 29, 2005 and as a result may incur net indebtedness by issuance of securities in an amount that does not exceed 9% of the projected increase of its tax valuation during the next ten years. Additional information on the District's long-term debt can be found in Note 14.

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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***Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2010***

***Unaudited***

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## **ECONOMIC FACTORS**

The District relies on its property taxes and State Foundation Funds to provide the funds necessary to maintain its educational programs. The Marysville School district continues to grow with an average 2% growth rate per year. This year's growth brought the total school population to over 5,600 students. Our graduating class in 2002 was the last class under 300.

Union County is one of the fastest growing counties in Ohio and Marysville is one of the fastest growing cities in Ohio. We have had eight new housing developments in the past six years. Marysville industrial and commercial tax base is increasing with an addition to the Scotts facility and new restaurants and stores being built in the Coleman's Crossing area.

House Bill 66, passed in 2005, phases out the tax on tangible personal property of general business, telephone and railroads. The tax on general business and railroad property will be eliminated by 2009 and the tax on telephone by 2011. The tax is phased out by reducing the assessment rate on the property each year. The loss and replacement of the tangible personal property revenues has been calculated by the Ohio Department of Taxation using 2004 as the base year. The base year amount is the amount of property tax revenue lost when the tax has been fully phased out. School districts are being "held harmless" and reimbursed for lost revenue in the first five years; in the following seven years, the reimbursements are phased out. Even with the direct reimbursement, a District will see no growth from tangible personal property revenues since the payment is calculated on a 2004 base year.

In November 2009, Marysville Exempted Village School District residents passed a renewal of an existing 6.56 mill levy. This levy does not generate any additional tax dollars.

In conclusion, the Marysville Exempted Village School District has committed itself to financial excellence for many years.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Cynthia J. Ritter, Treasurer of Marysville Exempted Village School District.



***MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT***

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# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

## **Statement of Net Assets** **June 30, 2010**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 8,939,003	\$ 450,655	\$ 9,389,658
Investments	1,500,500	0	1,500,500
Receivables:			
Taxes	27,157,885	0	27,157,885
Accounts	6,625	5,406	12,031
Intergovernmental	115,537	0	115,537
Interest	3,556	0	3,556
Inventory of Supplies at Cost	0	12,402	12,402
Prepaid Items	100,699	1,352	102,051
Deferred Charges	769,800	0	769,800
Capital Assets:			
Nondepreciable Capital Assets	6,355,496	0	6,355,496
Depreciable Capital Assets, Net	102,968,677	804,118	103,772,795
Total Capital Assets, Net	109,324,173	804,118	110,128,291
<b>Total Assets</b>	<b>147,917,778</b>	<b>1,273,933</b>	<b>149,191,711</b>
<b>Liabilities:</b>			
Accounts Payable	281,814	25,314	307,128
Accrued Wages and Benefits	5,417,777	135,615	5,553,392
Intergovernmental Payable	1,467,446	101,463	1,568,909
Unearned Revenue - Taxes	21,818,755	0	21,818,755
Early Retirement Incentive Payable	120,000	0	120,000
Accrued Interest Payable	344,602	0	344,602
General Obligation Notes Payable	645,000	0	645,000
Long Term Liabilities:			
Due Within One Year	5,313,852	11,458	5,325,310
Due in More Than One Year	99,426,646	52,124	99,478,770
<b>Total Liabilities</b>	<b>134,835,892</b>	<b>325,974</b>	<b>135,161,866</b>
<b>Net Assets:</b>			
Invested in Capital Assets, Net of Related Debt	14,433,487	804,118	15,237,605
Restricted For:			
Capital Projects	5,563,173	0	5,563,173
Debt Service	864,219	0	864,219
Other Purposes	126,812	0	126,812
Unrestricted (Deficit)	(7,905,805)	143,841	(7,761,964)
<b>Total Net Assets</b>	<b>\$ 13,081,886</b>	<b>\$ 947,959</b>	<b>\$ 14,029,845</b>

See accompanying notes to the basic financial statements

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

## **Statement of Activities** **For the Fiscal Year Ended June 30, 2010**

		Program Revenues	
	Expenses	Charges for Services and Sales	Operating Grants and Contributions
<b>Governmental Activities:</b>			
Instruction	\$ 31,563,759	\$ 417,620	\$ 2,433,450
Support Services:			
Pupils	3,153,419	0	646
Instructional Staff	4,417,035	0	393,100
Board of Education	27,738	0	0
Administration	3,331,907	0	212,487
Fiscal Services	1,328,235	0	632
Business	896,995	0	0
Operation and Maintenance of Plant	4,874,495	0	0
Pupil Transportation	2,359,872	27,694	68,676
Central	864,367	0	9,554
Operation of Non-Instructional Services	104,728	0	132,969
Extracurricular Activities	1,170,656	405,178	8,090
Interest and Fiscal Charges	5,474,154	0	0
<b>Total Governmental Activities</b>	<b>59,567,360</b>	<b>850,492</b>	<b>3,259,604</b>
<b>Business-Type Activities:</b>			
Food Service	2,052,904	1,406,700	740,584
Uniform School Supplies	209,557	270,245	0
Special Enterprise-Day Care	343,500	356,156	0
<b>Total Business-Type Activities</b>	<b>2,605,961</b>	<b>2,033,101</b>	<b>740,584</b>
<b>Totals</b>	<b>\$ 62,173,321</b>	<b>\$ 2,883,593</b>	<b>\$ 4,000,188</b>

### **General Revenues**

Property Taxes Levied for:

    General Purposes

    Debt Service

    Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year, Restated

Net Assets End of Year

See accompanying notes to the basic financial statements

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
\$ (28,712,689)	\$ 0	\$ (28,712,689)
(3,152,773)	0	(3,152,773)
(4,023,935)	0	(4,023,935)
(27,738)	0	(27,738)
(3,119,420)	0	(3,119,420)
(1,327,603)	0	(1,327,603)
(896,995)	0	(896,995)
(4,874,495)	0	(4,874,495)
(2,263,502)	0	(2,263,502)
(854,813)	0	(854,813)
28,241	0	28,241
(757,388)	0	(757,388)
(5,474,154)	0	(5,474,154)
(55,457,264)	0	(55,457,264)
0	94,380	94,380
0	60,688	60,688
0	12,656	12,656
0	167,724	167,724
(55,457,264)	167,724	(55,289,540)
23,570,518	0	23,570,518
4,014,582	0	4,014,582
2,438,016	0	2,438,016
26,995,634	0	26,995,634
52,320	0	52,320
494,569	0	494,569
57,565,639	0	57,565,639
2,108,375	167,724	2,276,099
10,973,511	780,235	11,753,746
\$ 13,081,886	\$ 947,959	\$ 14,029,845

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

**Balance Sheet**  
**Governmental Funds**  
**June 30, 2010**

	General	Bond Retirement	Permanent Improvement
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 1,905,055	\$ 567,898	\$ 3,670,492
Investments	1,500,500	0	0
Receivables:			
Taxes	20,955,129	3,305,836	2,896,920
Accounts	6,625	0	0
Intergovernmental	15,829	0	0
Interest	3,556	0	0
Interfund Loan Receivable	3,108	0	0
Prepaid Items	37,348	0	63,147
<b>Total Assets</b>	<b>\$ 24,427,150</b>	<b>\$ 3,873,734</b>	<b>\$ 6,630,559</b>
<b>Liabilities:</b>			
Accounts Payable	\$ 128,822	\$ 0	\$ 100,285
Accrued Wages and Benefits	5,175,736	0	0
Intergovernmental Payable	1,401,859	15,487	14,841
Interfund Loans Payable	0	0	0
Deferred Revenue - Taxes	17,079,590	2,709,176	2,490,456
Deferred Revenue	3,556	0	0
Early Retirement Incentive Payable	120,000	0	0
Accrued Interest Payable	0	0	0
General Obligation Notes Payable	0	0	0
Compensated Absences Payable	208,494	0	0
<b>Total Liabilities</b>	<b>24,118,057</b>	<b>2,724,663</b>	<b>2,605,582</b>
<b>Fund Balances:</b>			
Reserved for Encumbrances	338,325	0	157,488
Reserved for Prepaid Items	37,348	0	63,147
Reserved for Debt Service	0	552,411	0
Reserved for Property Taxes	3,875,539	596,660	406,464
Unreserved, Undesignated in:			
General Fund (Deficit)	(3,942,119)	0	0
Special Revenue Funds	0	0	0
Capital Projects Funds	0	0	3,397,878
<b>Total Fund Balances</b>	<b>309,093</b>	<b>1,149,071</b>	<b>4,024,977</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 24,427,150</b>	<b>\$ 3,873,734</b>	<b>\$ 6,630,559</b>

See accompanying notes to the basic financial statements

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**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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Other Governmental Funds	Total Governmental Funds
\$ 2,795,558	\$ 8,939,003
0	1,500,500
0	27,157,885
0	6,625
99,708	115,537
0	3,556
0	3,108
204	100,699
<u>\$ 2,895,470</u>	<u>\$ 37,826,913</u>
\$ 52,707	\$ 281,814
242,041	5,417,777
35,259	1,467,446
3,108	3,108
0	22,279,222
65,790	69,346
0	120,000
1,414	1,414
645,000	645,000
0	208,494
<u>1,045,319</u>	<u>30,493,621</u>
212,049	707,862
204	100,699
0	552,411
0	4,878,663
0	(3,942,119)
317,028	317,028
1,320,870	4,718,748
<u>1,850,151</u>	<u>7,333,292</u>
<u>\$ 2,895,470</u>	<u>\$ 37,826,913</u>

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

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### ***Reconciliation of Total Governmental Fund Balances To Net Assets of Governmental Activities June 30, 2010***

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**Total Governmental Fund Balances** \$ 7,333,292

***Amounts reported for governmental activities in the  
statement of net assets are different because***

Capital Assets used in governmental activities are not current  
resources and therefore are not reported in the funds. 109,324,173

Other long-term assets are not available to pay for current-  
period expenditures and therefore are deferred in the funds. 529,813

Long-term liabilities, including bonds payable, are not due  
and payable in the current period and therefore are not  
reported in the funds.

Long-Term Notes Payable	(485,000)
General Obligation Bonds Payable	(92,797,113)
Deferred Amount on Refunding	2,157,499
Issuance Premium	(3,020,259)
Interest Accretion	(5,969,214)
Deferred Charge for Issuance Costs	769,800
Capital Leases Payable	(1,511,000)
Compensated Absences Payable	(2,906,917)
Accrued Interest Payable	(343,188)

(104,105,392)

***Net Assets of Governmental Activities***

\$ 13,081,886

See accompanying notes to the basic financial statements

***MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT***

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# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

***Statement of Revenues, Expenditures and Changes in Fund Balances***  
***Governmental Funds***  
***For the Fiscal Year Ended June 30, 2010***

	<u>General</u>	<u>Bond Retirement</u>	<u>Permanent Improvement</u>
<b>Revenues:</b>			
Local Sources:			
Taxes	\$ 22,768,762	\$ 3,988,404	\$ 3,049,299
Tuition	304,043	0	0
Transportation Fees	27,694	0	0
Investment Earnings	55,245	0	0
Extracurricular Activities	226,514	0	0
Intermediate Sources	2,991	0	0
Intergovernmental - State	23,809,606	1,862,860	1,227,587
Intergovernmental - Federal	109,159	0	0
All Other Revenue	313,619	0	0
<b>Total Revenue</b>	<u>47,617,633</u>	<u>5,851,264</u>	<u>4,276,886</u>
<b>Expenditures:</b>			
Current:			
Instruction	25,444,466	0	362,978
Supporting Services:			
Pupils	2,989,678	0	0
Instructional Staff	3,210,747	0	575,737
Board of Education	26,410	0	0
Administration	2,912,563	0	3,056
Fiscal Services	1,216,703	65,488	44,112
Business	830,018	0	52,407
Operation and Maintenance of Plant	4,389,027	0	485,018
Pupil Transportation	2,125,351	0	151,246
Central	821,015	0	0
Operation of Non-Instructional Services	1,728	0	0
Extracurricular Activities	864,068	0	0
Capital Outlay	0	0	38,637
Debt Service:			
Principal Retirement	65,000	2,905,000	1,409,000
Interest and Fiscal Charges	26,431	3,342,472	900,651
<b>Total Expenditures</b>	<u>44,923,205</u>	<u>6,312,960</u>	<u>4,022,842</u>
Excess (Deficiency) of Revenues			
Over Expenditures	2,694,428	(461,696)	254,044

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**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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Other Governmental Funds	Total Governmental Funds
<u>          </u>	<u>          </u>
\$ 0	\$ 29,806,465
0	304,043
0	27,694
6,252	61,497
273,062	499,576
0	2,991
156,446	27,056,499
3,024,232	3,133,391
206,716	520,335
3,666,708	61,412,491

2,598,143	28,405,587
80,677	3,070,355
273,632	4,060,116
0	26,410
236,531	3,152,150
0	1,326,303
0	882,425
36,366	4,910,411
417	2,277,014
48,833	869,848
100,785	102,513
226,140	1,090,208
902,253	940,890
0	4,379,000
19,150	4,288,704
4,522,927	59,781,934

(856,219)	1,630,557
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## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### *Statement of Revenues, Expenditures and Changes in Fund Balances* *Governmental Funds* *For the Fiscal Year Ended June 30, 2010*

	General	Bond Retirement	Permanent Improvement
<b>Other Financing Sources (Uses):</b>			
Sale of Capital Assets	1,503	0	0
Transfers In	750	0	0
Transfers Out	(69,926)	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>(67,673)</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balance	2,626,755	(461,696)	254,044
<b>Fund Balances at Beginning of Year, Restated</b>	<b>(2,317,662)</b>	<b>1,610,767</b>	<b>3,770,933</b>
<b>Fund Balances End of Year</b>	<b>\$ 309,093</b>	<b>\$ 1,149,071</b>	<b>\$ 4,024,977</b>

See accompanying notes to the basic financial statements

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**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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Other Governmental Funds	Total Governmental Funds
0	1,503
73,962	74,712
(4,786)	(74,712)
69,176	1,503
(787,043)	1,632,060
2,637,194	5,701,232
<u>\$ 1,850,151</u>	<u>\$ 7,333,292</u>

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

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### ***Reconciliation of the Statement of Revenues, Expenditures And Changes in Fund Balances of Governmental Funds To the Statement of Activities For the Fiscal Year Ended June 30, 2010***

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Net Change in Fund Balances - Total Governmental Funds \$ 1,632,060

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period. (2,752,583)

The effect of disposals of capital assets is to decrease net assets. (13,159)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 261,741

The issuance of long-term debt (e.g. notes, leases) provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items. 4,379,000

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 13,314

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

Compensated Absences	(213,234)	
Interest Accretion	(1,203,412)	
Amortization of Deferred Loss on Refunding	(107,875)	
Amortization of Deferred Charge for Bond Issuance Costs	(38,490)	
Amortization of Premium on Bond Issuance	151,013	(1,411,998)

***Change in Net Assets of Governmental Activities*** \$ 2,108,375

See accompanying notes to the basic financial statements

***MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT***

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# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Fiscal Year Ended June 30, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Local Sources:				
Taxes	\$ 21,031,026	\$ 21,031,026	\$ 20,650,646	\$ (380,380)
Tuition	286,000	286,000	304,293	18,293
Transportation Fees	60,000	60,000	30,201	(29,799)
Investment Earnings	150,000	150,000	12,803	(137,197)
Extracurricular Activities	70,000	163,237	241,882	78,645
Intermediate Sources	5,000	5,000	2,991	(2,009)
Intergovernmental - State	25,119,434	23,887,326	24,153,355	266,029
Intergovernmental - Federal	1,500	1,500	109,159	107,659
All Other Revenues	308,350	340,220	335,902	(4,318)
Total Revenues	47,031,310	45,924,309	45,841,232	(83,077)
<b>Expenditures:</b>				
Current:				
Instruction	25,542,957	25,393,857	25,382,209	11,648
Support Services:				
Pupils	3,017,031	3,024,441	2,995,217	29,224
Instructional Staff	3,358,852	3,356,823	3,268,400	88,423
Board of Education	30,132	36,353	28,626	7,727
Administration	2,820,742	2,937,539	2,905,085	32,454
Fiscal Services	1,228,610	1,186,902	1,156,792	30,110
Business	895,197	893,401	840,427	52,974
Operation and Maintenance of Plant	4,884,779	4,919,857	4,608,175	311,682
Pupil Transportation	2,307,309	2,282,998	2,164,317	118,681
Central	808,282	848,648	821,935	26,713
Operation of Non-Instructional Services	1,000	2,000	1,747	253
Extracurricular Activities	933,160	928,982	889,016	39,966
Debt Service:				
Principal Retirement	760,000	760,000	760,000	0
Interest and Fiscal Charges	46,409	46,408	46,357	51
Total Expenditures	46,634,460	46,618,209	45,868,303	749,906
Excess (Deficiency) of Revenues Over (Under) Expenditures	396,850	(693,900)	(27,071)	666,829

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	10,000	10,000	1,503	(8,497)
General Obligation Notes Issued	645,000	645,000	645,000	0
Transfers In	0	750	750	0
Advances In	0	0	35	35
Advances Out	0	0	(3,108)	(3,108)
Refund of Prior Year's Expenditures	2,000	2,000	1,694	(306)
Refund of Prior Year's Receipts	(265,187)	(265,187)	(265,187)	0
Total Other Financing Sources (Uses):	<u>391,813</u>	<u>392,563</u>	<u>380,687</u>	<u>(11,876)</u>
Net Change in Fund Balance	788,663	(301,337)	353,616	654,953
Fund Balance at Beginning of Year	2,311,956	2,311,956	2,311,956	0
Prior Year Encumbrances	<u>273,309</u>	<u>273,309</u>	<u>273,309</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3,373,928</u>	<u>\$ 2,283,928</u>	<u>\$ 2,938,881</u>	<u>\$ 654,953</u>

See accompanying notes to the basic financial statements



## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

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### *Statement of Net Assets* *Proprietary Funds* *June 30, 2010*

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	Business-Type Activities-Nonmajor Enterprise Funds
<b>Assets:</b>	
<i>Current Assets:</i>	
Cash and Cash Equivalents	\$ 450,655
Receivables:	
Accounts	5,406
Inventory of Supplies at Cost	12,402
Prepaid Items	1,352
<i>Total Current Assets</i>	<u>469,815</u>
<i>Non Current Assets:</i>	
Capital Assets, Net	<u>804,118</u>
<b>Total Assets</b>	<u>1,273,933</u>
<b>Liabilities:</b>	
<i>Current Liabilities:</i>	
Accounts Payable	25,314
Accrued Wages and Benefits	135,615
Intergovernmental Payable	101,463
Compensated Absences Payable- Current	11,458
<i>Total Current Liabilities</i>	<u>273,850</u>
<i>Long Term Liabilities:</i>	
Compensated Absences Payable	<u>52,124</u>
<i>Total Long Term Liabilities</i>	<u>52,124</u>
<b>Total Liabilities</b>	<u>325,974</u>
<b>Net Assets:</b>	
Invested in Capital Assets, Net of Related Debt	804,118
Unrestricted	143,841
<b>Total Net Assets</b>	<u>\$ 947,959</u>

See accompanying notes to the basic financial statements

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

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*Statement of Revenues, Expenses and Changes in Fund Net Assets*  
*Proprietary Funds*  
*For the Fiscal Year Ended June 30, 2010*

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	Business-Type Activities-Nonmajc Enterprise Funds
<b>Operating Revenues:</b>	
Sales	\$ 1,406,700
Tuition and Fees	626,401
<b>Total Operating Revenues</b>	<u>2,033,101</u>
<b>Operating Expenses:</b>	
Salaries and Wages	936,354
Fringe Benefits	412,426
Contractual Services	69,775
Supplies and Materials	1,095,227
Depreciation	88,091
Other Operating Expense	4,088
<b>Total Operating Expenses</b>	<u>2,605,961</u>
Operating Income (Loss)	(572,860)
<b>Nonoperating Revenue (Expenses):</b>	
Operating Grants	740,584
<b>Total Nonoperating Revenues (Expenses)</b>	<u>740,584</u>
Change in Net Assets	167,724
Net Assets Beginning of Year	<u>780,235</u>
Net Assets End of Year	<u><u>\$ 947,959</u></u>

See accompanying notes to the basic financial statements

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### Statement of Cash Flows

#### Proprietary Funds

For the Fiscal Year Ended June 30, 2010

	Business -Type Activities - Nonmajor Enterprise Funds
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Customers	\$1,406,700
Cash Received from Tuition and Fee Payments	631,218
Cash Payments for Goods and Services	(1,095,000)
Cash Payments to Employees for Services and Benefits	(1,303,262)
Net Cash Used for Operating Activities	(360,344)
<u>Cash Flows from Noncapital Financing Activities:</u>	
Operating Grants Received	626,461
Net Cash Provided by Noncapital Financing Activities	626,461
<u>Cash Flows from Capital and Related Financing Activities:</u>	
Acquisition and Construction of Assets	(7,061)
Net Cash Used by Capital and Related Financing Activities	(7,061)
Net Increase in Cash and Cash Equivalents	259,056
Cash and Cash Equivalents at Beginning of Year	191,599
Cash and Cash Equivalents at End of Year	\$450,655
<u>Reconciliation of Operating Loss to Net Cash Used for Operating Activities:</u>	
Operating Loss	(\$572,860)
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities:	
Depreciation Expense	88,091
Donated Commodities Used During the Year	114,123
Changes in Assets and Liabilities:	
Decrease in Accounts Receivable	4,817
Increase in Inventory	(1,683)
Increase in Prepaid Items	(125)
Decrease in Accounts Payable	(38,225)
Increase in Accrued Wages and Benefits	34,286
Decrease in Intergovernmental Payables	(7,061)
Increase in Compensated Absences	18,293
Total Adjustments	212,516
Net Cash Used for Operating Activities	(\$360,344)

#### Schedule of Noncash Investing, Capital and Financing Activities:

During fiscal year 2010, \$114,123 in donated commodities was received from the federal government. At June 30, 2010, the Food Service Fund had outstanding liabilities of \$1,218 for certain capital assets.

See accompanying notes to the basic financial statements

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## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

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*Statement of Net Assets*  
*Fiduciary Funds*  
*June 30, 2010*

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	Private Purpose Trust Special Trust Fund	Agency Funds
<b>Assets:</b>		
Cash and Cash Equivalents	\$ 7,058	\$ 172,050
Investments	101,483	0
Receivables:		
Interest	2,248	0
<b>Total Assets</b>	<b>110,789</b>	<b>172,050</b>
<b>Liabilities:</b>		
Accounts Payable	57	0
Due to Others	0	36,196
Due to Students	0	135,854
<b>Total Liabilities</b>	<b>57</b>	<b>172,050</b>
<b>Net Assets:</b>		
Unrestricted	110,732	0
<b>Total Net Assets</b>	<b>\$ 110,732</b>	<b>\$ 0</b>

See accompanying notes to the basic financial statements

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## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

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### *Statement of Changes in Net Assets*

#### *Fiduciary Fund*

*For the Fiscal Year Ended June 30, 2010*

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	Private Purpose Trust
	Special Trust Fund
<b>Additions:</b>	
Contributions:	
Sales	\$ 2,018
Private Donations	68,726
Total Contributions	70,744
Investment Earnings:	
Interest	1,604
Total Additions	72,348
<b>Deductions:</b>	
Administrative Expenses	3,828
Community Gifts, Awards and Scholarships	9,375
Total Deductions	13,203
Change in Net Assets	59,145
Net Assets at Beginning of Year	51,587
Net Assets End of Year	\$ 110,732

See accompanying notes to the basic financial statements

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010***

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **A. Reporting Entity**

Marysville Exempted Village School District, Ohio (the District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The District is governed by a locally elected five member Board of Education (the Board) which provides educational services. The Board controls the District's instructional support facilities staffed by approximately 196 noncertified and approximately 394 certified teaching personnel and administrative employees providing education to 5,496 students.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity," as amended by GASB Statement No. 39, "*Determining Whether Certain Organizations are Component Units*", in that the financial statements include all organizations, activities, functions and component units for which the District (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either the District's ability to impose its will over the organization or the possibility that the organization will provide a financial benefit to, or impose a financial burden on, the District. Based on the foregoing, there were no potential component units that met the criteria imposed by GASB Statement No. 14 to be included in the District's reporting entity. The reporting entity of the District includes the following services: instructional (regular, special education, vocational), student guidance, extracurricular activities, food service, pupil transportation and care and upkeep of grounds and buildings.

The accounting policies and financial reporting practices of the District conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies.

#### **B. Basis of Presentation – Fund Accounting**

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. The various funds are summarized by type in the basic financial statements.

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010***

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **B. Basis of Presentation – Fund Accounting** (Continued)

The following fund types are used by the District:

***Governmental Funds*** – These are funds through which most governmental functions typically are financed. The acquisition, use and balances of the District’s expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of “financial flow” (sources, uses and balances of financial resources). The following are the District’s major governmental funds:

**General Fund** – This fund is the general operating fund of the District and is used to account for all financial resources except those accounted for in another fund. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio.

**Bond Retirement Fund** – This fund is used for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**Permanent Improvement Capital Projects Fund** – This fund is used to account for financial resources to be used for the acquisition of major capital assets (other than that financed by proprietary funds).

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

***Proprietary Funds*** – The proprietary funds are accounted for on an “economic resources” measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of the proprietary funds are included on the Statement of Net Assets. The proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

**Enterprise Funds** – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises in which the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are used to account for food service, uniform school supplies and school day care.

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010***

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **B. Basis of Presentation – Fund Accounting** (Continued)

***Fiduciary Funds*** – Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary 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 District under a trust agreement for individuals, private organizations or other governments and therefore are not available to support the District's own programs. The District's only trust fund is a private purpose trust that accounts for scholarship programs for students. The District's agency funds account for various student-managed activity programs, unclaimed funds, and the District's Section 125 Cafeteria Plan. The agency fund is custodial in nature (assets equal liabilities) and does not involve the measurement of results of operation.

##### **C. Basis of Presentation and Measurement Focus – Financial Statements**

***Government-wide Financial Statements*** – The statement of net assets and the statement of activities display information about the District 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 District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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



# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010***

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **C. Basis of Presentation and Measurement Focus – Financial Statements (Continued)**

**Fund Financial Statements** – Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

Private purpose trust funds are reported using the economic resources measurement focus.

#### **D. Basis of Accounting**

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the District is considered to be 60 days after fiscal year end. Grants and entitlements must also meet eligibility, timing and any contingency requirements. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest and principal on general long-term debt which is recognized when due.

Revenue considered susceptible to accrual at year end includes property taxes, tuition, grants and entitlements, student fees, and interest on investments.

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010***

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **D. Basis of Accounting** (Continued)

Current property taxes measurable at June 30, 2010, and which are not intended to finance fiscal 2010 operations, have been recorded as deferred revenues. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year end. Taxes available for advance and recognized as revenue but not received by the District prior to June 30, 2010 are reflected as a reservation of fund balance for future appropriations. The District is prohibited by law from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year end.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements, proprietary funds and fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when incurred.

Pursuant to GASB Statement No. 20, “*Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*,” the District follows GASB guidance as applicable to proprietary funds, governmental activities, and business-type activities and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements. The District has elected not to apply FASB statements and interpretations issued after November 30, 1989 to business-type activities and enterprise funds.

***Revenues – Exchange and Non-exchange Transactions*** – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as unearned/deferred revenue.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010***

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **E. Budgetary Process**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only the general fund is required to be reported. The primary level of budgetary control is at the fund. Budgetary modifications may only be made by resolution of the Board of Education.

##### **1. Tax Budget**

By January 15, the Superintendent and Treasurer submit an annual operating budget for the following fiscal year to the Board of Education for consideration and passage. Adoption of a tax budget has been waived by the County Budget Commission.

##### **2. Estimated Resources**

Prior to March 15, the Board accepts by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates.

##### **3. Appropriations**

A temporary appropriation measure to control expenditures may be passed on or about July 1 of each year for the period July 1 through September 30. An annual appropriation resolution must be passed by October 1 of each year for the period July 1 through June 30. The appropriation resolution establishes spending controls at the fund level. The appropriation resolution may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. During the year, several supplemental appropriations were necessary to budget the use of contingency funds. Administrative control is maintained through the establishment of more detailed line-item budgets.

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010*

#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### **E. Budgetary Process** (Continued)

##### **4. Lapsing of Appropriations**

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

##### **5. Budgetary Basis of Accounting**

The District's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Encumbrances are also recorded as the equivalent of an expenditure. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting for governmental funds.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement to the budgetary basis statement for the General Fund:

Net Change in Fund Balance	
	General Fund
GAAP Basis (as reported)	\$2,626,755
Increase (Decrease):	
Accrued Revenues at June 30, 2010, received during FY 2011	(3,901,101)
Accrued Revenues at June 30, 2009, received during FY 2010	2,172,797
Accrued Expenditures at June 30, 2010, paid during FY 2011	7,034,911
Accrued Expenditures at June 30, 2009, paid during FY 2010	(7,077,260)
FY 2009 Prepays for FY 2010	51,013
FY 2010 Prepays for FY 2011	(37,348)
Adjustment to Fair Value	(49,477)
Encumbrances Outstanding	(466,674)
Budget Basis	<u>\$353,616</u>

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010***

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **F. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits, investments with original maturities of three months or less, Federated Money Market Accounts and the State Treasury Asset Reserve (STAR Ohio). STAR Ohio and money market accounts are very liquid investments and are reported as cash equivalents in the basic financial statements.

The District pools its cash for resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. See Note 5, "Cash, Cash Equivalents and Investments."

#### **G. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the District reports its investments at fair value, except for nonparticipating investment contracts (certificates of deposit) and money market investments that had a remaining maturity of one year or less at the time of purchase, which are reported at cost or amortized cost.

The District has invested funds in STAR Ohio during 2010. 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 June 30, 2010. See Note 5, "Cash, Cash Equivalents and Investments."

#### **H. Inventory**

On government-wide financial statements, inventories are presented at the lower of cost or market using the first in, first out (FIFO) method and are expensed when used. On fund financials, inventories of proprietary funds are stated at the lower of cost or market and are expensed when used. For all funds, cost is determined using the FIFO method, and are determined by physical count.

#### **I. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2010, 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 expenditure/expense is reported in the year in which services are consumed.

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010***

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **J. Capital Assets and Depreciation**

Capital assets are defined by the District as assets with an initial, individual cost of more than \$1,000.

##### **1. Property, Plant and Equipment – Governmental Activities**

Governmental activities capital assets are those not directly related to the business-type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Assets, but they are not reported in the Fund Financial Statements.

Contributed capital assets are recorded at fair market value at the date received. The District does not possess any infrastructure. Estimated historical costs for governmental activities capital asset values were initially determined by identifying historical costs where such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

##### **2. Property, Plant and Equipment – Business-Type Activities**

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost). Contributed capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Assets and in the respective funds.

##### **3. Depreciation**

All capital assets are depreciated excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (in years)</u>
Land Improvements	10-20
Buildings and Improvements	50
Furniture, Fixtures and Equipment	5-20
Vehicles	8

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010***

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **K. Long-Term Obligations**

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	General Obligation Bond Retirement Fund
Energy Conservation Project	General Fund
Early Retirement Incentive	General Fund
Compensated Absences	General Fund, Food Services Fund and Day Care Fund
Capital Leases Payable	Permanent Improvement Fund

##### **L. Compensated Absences**

In accordance with GASB Statement No. 16, "Accounting for Compensated Absences," vacation benefits are accrued as a liability when an employee's right to receive compensation is attributable to services already rendered, and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Administrators and classified staff who work twelve month contracts are granted vacation leave based on length of service and position. Sick leave benefits are accrued as a liability using the vesting method. Employees may earn 15 days of sick leave per year up to a maximum of 248 days. Upon retirement, employees will receive one-fourth of the accumulated sick leave. The noncurrent portion of the liability is not reported in the fund financial statements. Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.

##### **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 balances of any borrowings used for the acquisition, construction of improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The District 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 District did not have net assets restricted by enabling legislation at June 30, 2010.

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **N. Pensions**

The provision for pension costs is recorded when the related payroll is accrued and the obligation is incurred.

##### **O. Interfund Activity**

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 proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

##### **P. Reservations of Fund Balance**

Reserves indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for prepaid items, debt service, and encumbered amounts which have not been accrued at year end. The reserve for property taxes represents taxes recognized as revenue under the GAAP basis, but not available for appropriations under state statute.

##### **Q. Estimates**

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

##### **R. Operating Revenues and Expenses**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are sales for food service and tuition and fees for day care and uniform school supplies. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.



## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010*

#### **NOTE 2 – PRIOR PERIOD ADJUSTMENTS AND RESTATEMENT OF NET ASSETS/FUND BALANCES**

During the fiscal year ended June 30, 2010, management of the District recognized the liability for employee health insurance in the Statement of Net Assets for Governmental Activities and the Statement of Revenues, Expenditures and Changes in Fund Balances. The correction resulted in the restatement of net assets at June 30, 2009 of the Governmental Activities and the restatement of the fund balance of the General Fund as follows:

	Governmental Activities	General Fund Activities
Net Assets/Fund Balance at June 30, 2009 as reported	\$11,589,688	(\$1,701,485)
Restatement of Accrued Wages and Benefits	(616,177)	(616,177)
Net Assets/Fund Balance at June 30, 2009 as restated	<u>\$10,973,511</u>	<u>(\$2,317,662)</u>

#### **NOTE 3 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government – wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

*Amount by which capital outlays exceeded depreciation in the current period:*

Capital Outlay	\$878,065
Depreciation Expense	<u>(3,630,648)</u>
	(\$2,752,583)

*Governmental revenues not reported in the funds:*

Increase in Delinquent Tax Revenue	\$213,660
Decrease in Investment Earnings	(9,177)
Increase in Grants Receivable	<u>57,258</u>
	\$261,741

*Net amount of long-term debt issuance and bond and lease principal payments:*

Bond Principal Payment	\$4,230,000
Energy Conservation Project	65,000
Capital Lease Payment	<u>84,000</u>
	\$4,379,000

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010***

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#### **NOTE 4 - COMPLIANCE AND ACCOUNTABILITY**

**Fund Deficits** - The fund deficits at June 30, 2010 of \$1,914 and \$3,342 in the Title I Subsidy Grant Fund and the Reducing Class Size Grant Fund (special revenue funds) arose from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary basis. The fund deficit of \$34,269 in Special Enterprise-Day Care Fund (enterprise funds) arose from the recognition of expenses on the accrual basis which are greater than expenses on the cash basis.

#### **NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments. In addition, investments are separately held by the General, Building Acquisition and Construction, and Special Trust funds. The District has adopted an Investment Policy that follows Ohio Revised Code Chapter 135 and applies the prudent person standard. The prudent person standard requires the Treasurer to exercise the care, skill and experience that a prudent person would use to manage his/her personal financial affairs and to seek investments that will preserve principal while maximizing income.

Statutes require the classification of funds held by the District into three categories. Category 1 consists of “active” funds - those funds required to be kept in a “cash” or “near cash” status for immediate use by the District. Such funds must be maintained either as cash in the District Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of “inactive” funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds - those funds which are not needed for immediate use but, which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

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### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010*

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#### **NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

#### **A. Deposits**

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned. Protection of District cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the District places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

At year end the carrying amount of the District's deposits was \$1,197,671 and the bank balance was \$1,225,697. Federal depository insurance covered \$357,483 of the bank balance and \$868,214 was uninsured. Of the remaining uninsured bank balance, the District was exposed to custodial risk as follows:

	<u>Balance</u>
Uninsured and collateralized with securities held by the pledging institution's trust department not in the District's name	<u>\$868,214</u>
Total Balance	<u><u>\$868,214</u></u>

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

#### NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

##### **B. Investments**

The District's investments at June 30, 2010 were as follows:

	Fair Value	Credit Rating	Investment Maturities (in Years)	
			less than 1	1-3
STAR Ohio	\$91,331	AAAm <sup>1</sup>	\$91,331	\$0
Money Market Funds	8,381,247	AAA <sup>1</sup>	8,381,247	0
FNMA*	1,000,500	AAA <sup>1</sup> , Aaa <sup>2</sup>	0	1,000,500
FHLB*	500,000	AAA <sup>1</sup> , Aaa <sup>2</sup>	500,000	0
Total Investments	<u>\$9,973,078</u>		<u>\$8,972,578</u>	<u>\$1,000,500</u>

<sup>1</sup> Standard & Poor's

<sup>2</sup> Moody's Investor Service

\* Call dates are: FNMA—March 18, 2011; FHLB— called on August 18, 2010.

*Interest Rate Risk* – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date. The District's policy attempts to match its investments with anticipated cash flow requirements. Unless matched to a specific obligation or debt of the District, investments of the District will be limited to those maturing in five years or less from the date of the settlement.

*Concentration of Credit Risk* – The District places no limit on the amount the District may invest in one issuer. Of the District's total investments, 10% are FNMA and 5% are FHLB.

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District has no policy on custodial credit risk and is governed by Ohio Revised Code as described under Deposits.

*Investment Credit Risk* – The District has no investment policy that limits its investment choices other than the limitation of State statute for "interim" funds described previously.

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010*

#### **NOTE 6 - PROPERTY TAXES**

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the District. Real property taxes (other than public utility) collected during 2010 were levied in April 2009 on assessed values as of January 1, 2009, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments made the third year following reappraisal. The last revaluation was completed in 2007. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Tangible personal property tax revenues received in 2010 (other than public utility property) represent the collection of 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after October 1, 2009 on values as of December 31, 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. House Bill No. 66 was to hold districts harmless by replacing a portion of the revenue lost by the District due to the phasing out of the tax. In fiscal years 2006-2009, the District was fully reimbursed for the lost revenue. In fiscal years 2010-2018, the District will not be reimbursed for the lost revenue.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including Marysville Exempted Village School District. The County Auditor periodically remits to the District its portion of the taxes collected. The assessed values for collection in 2010, upon which the 2009 levies were based, were as follows:

	Assessed Values for Collection in:	
	2009 Second Half	2010 First Half
Agricultural/Residential and Other Real Estate	\$652,650,370	\$641,830,750
Public Utility Personal	35,623,300	35,008,550
Tangible Personal Property	49,496,270	0
Total Assessed Value	<u>\$737,769,940</u>	<u>\$676,839,300</u>
Tax rate per \$1,000 of assessed valuation	\$58.06	\$58.06

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010***

#### **NOTE 7 - RECEIVABLES**

Receivables at June 30, 2010 consisted of taxes, accounts, intergovernmental, and interest receivables.

#### **NOTE 8 - INTERFUND RECEIVABLES AND PAYABLES**

Following is a summary of interfund receivables and payables for all funds at June 30, 2010:

	Interfund Loans Receivables	Interfund Loans Payables
General Fund	\$3,108	\$0
Nonmajor Governmental Funds	0	3,108
Totals	<u>\$3,108</u>	<u>\$3,108</u>

The Interfund Loan is a short-term loan to cover temporary cash deficits.

#### **NOTE 9 - OPERATING TRANSFERS**

Following is a summary of operating transfers in and out for all funds for fiscal year 2010:

Fund	Transfers In	Transfers Out
General Fund	\$750	\$69,926
Nonmajor Governmental Funds	73,962	4,786
Total All Funds	<u>\$74,712</u>	<u>\$74,712</u>

Transfers from the General Fund were used to provide additional resources for the District's various other governmental special revenue grant funds. Transfers from Other Governmental Funds to the General Fund were related to Federal Emergency Management Agency reimbursements from prior years. Transfers between Other Governmental Funds were to properly account for program expenditures in the applicable grant fund.

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

## **Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010**

### **NOTE 10 - CAPITAL ASSETS**

#### **A. Governmental Activities Capital Assets**

Summary by category of changes in governmental activities capital assets at June 30, 2010:

***Historical Cost:***

Class	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010
<b><i>Capital Assets not being depreciated:</i></b>				
Land	\$6,355,496	\$0	\$0	\$6,355,496
<b><i>Capital Assets being depreciated:</i></b>				
Land Improvements	4,336,374	32,193	0	4,368,567
Buildings and Improvements	114,961,895	0	0	114,961,895
Furniture, Fixtures and Equipment	15,518,365	654,219	(137,707)	16,034,877
Vehicles	2,809,607	191,653	0	3,001,260
Subtotal	<u>137,626,241</u>	<u>878,065</u>	<u>(137,707)</u>	<u>138,366,599</u>
Total Cost	<u>\$143,981,737</u>	<u>\$878,065</u>	<u>(\$137,707)</u>	<u>\$144,722,095</u>

***Accumulated Depreciation:***

Class	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010
Land Improvements	(\$2,468,241)	(\$196,886)	\$0	(\$2,665,127)
Buildings and Improvements	(17,492,664)	(2,304,603)	0	(19,797,267)
Furniture, Fixtures and Equipment	(10,392,168)	(901,957)	124,548	(11,169,577)
Vehicles	(1,538,749)	(227,202)	0	(1,765,951)
Total Depreciation	<u>(\$31,891,822)</u>	<u>(\$3,630,648) *</u>	<u>\$124,548</u>	<u>(\$35,397,922)</u>
<b><i>Net Value:</i></b>	<u>\$112,089,915</u>			<u>\$109,324,173</u>

\* Depreciation expenses were charged to governmental functions as follows:

Instruction	\$2,529,283
Support Services:	
Pupils	27,066
Instructional Staff	564,941
Board of Education	1,328
Administration	113,660
Fiscal Services	7,551
Business	12,212
Operations & Maintenance of Plant	61,077
Pupil Transportation	227,560
Central	103
Operation of Non-Instructional Services	7,108
Extracurricular Activities	78,759
Total Depreciation Expense	<u>\$3,630,648</u>

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

#### NOTE 10 - CAPITAL ASSETS (Continued)

##### **A. Governmental Activities Capital Assets** (Continued)

At June 30, 2010 the District had two buildings which were not being utilized due to the opening of the new middle school building during fiscal year 2009. The old middle school building is scheduled to be renovated and reopened when necessary based on student enrollment and the East Elementary building will be reopened if necessary due to increased student enrollment or changes in the Kindergarten program. The carrying value of these two buildings at year end were \$3,053,707 and \$939,762, respectively.

##### **B. Business-Type Activities Capital Assets**

Summary by Category at June 30, 2010:

###### ***Historical Cost:***

Class	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010
Furniture and Equipment	\$1,598,701	\$8,279	\$0	\$1,606,980
Total Cost	\$1,598,701	\$8,279	\$0	\$1,606,980

###### ***Accumulated Depreciation:***

Class	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010
Furniture and Equipment	(\$714,771)	(\$88,091)	\$0	(\$802,862)
Total Depreciation	(\$714,771)	(\$88,091)	\$0	(\$802,862)
<b>Net Value:</b>	<b>\$883,930</b>			<b>\$804,118</b>

#### NOTE 11- DEFINED BENEFIT PENSION PLANS

All of the District's full-time employees participate in one of two separate retirement systems which are cost-sharing, multiple-employer defined benefit pension plans.

##### **A. School Employee Retirement System**

Plan Description - The District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. Interested parties may obtain a copy by making a written request to SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (800) 878-5853. It is also posted on SERS' website, [www.ohsers.org](http://www.ohsers.org), under Forms and Publications.



## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010***

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#### **NOTE 11- DEFINED BENEFIT PENSION PLANS (Continued)**

##### **A. School Employee Retirement System** (Continued)

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2010, 12.78 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2010, 2009 and 2008 were \$1,036,341, \$803,751 and \$782,646 respectively, which were equal to the required contributions for each year.

##### **B. State Teachers Retirement System**

Plan Description - The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all 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 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, 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 DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010***

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#### **NOTE 11- DEFINED BENEFIT PENSION PLANS (Continued)**

##### **B. State Teachers Retirement System** (Continued)

A DB or Combined Plan member with five or more years 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 DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - For the fiscal year ended June 30, 2010, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2009, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2010, 2009, and 2008 were \$2,895,483, \$3,031,604, and \$3,075,239 respectively; which were equal to the required contributions for each year. Contributions to the DC and Combined Plans for fiscal year 2010 were \$48,657 made by the District and \$101,653 made by the plan members.

#### **NOTE 12 - POSTEMPLOYMENT BENEFITS**

##### **A. School Employee Retirement System**

Plan Description – The District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by the School Employees Retirement System (SERS) for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by the SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746.

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010***

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#### **NOTE 12 - POSTEMPLOYMENT BENEFITS (Continued)**

##### **A. School Employee Retirement System (Continued)**

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2010, 0.46 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2010, this amount was \$35,800.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

The District's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were \$152,325, \$483,651, and \$512,121 respectively; which were equal to the required contributions for each year.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2010, this actuarially required allocation was 0.76 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2010, 2009, and 2008 were \$61,929, \$66,979, and \$56,392 respectively; which were equal to the required contributions for each year.

##### **B. State Teachers Retirement System**

Plan Description – The District contributes to the cost sharing multiple employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2010, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were \$222,729, \$233,200, and \$236,557 respectively; which were equal to the required contributions for each year.

# **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

## **Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010**

### **NOTE 13 - NOTES PAYABLE**

Notes Payable activity of the District for the year ended June 30, 2010, was as follows:

Note Payable		Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010
Energy Conservation Note	2.875%	\$695,000	\$0	(\$695,000)	\$0
Energy Conservation Note	2.000%	0	645,000	0	645,000
		<u>\$695,000</u>	<u>\$645,000</u>	<u>(\$695,000)</u>	<u>\$645,000</u>

### **NOTE 14 - LONG-TERM DEBT AND OTHER OBLIGATIONS**

Detail of the changes in the bonds, energy conservation project, compensated absences, early retirement incentive, and capital leases of the District for the year ended June 30, 2010 is as follows:

		Balance June 30, 2009	Issued	(Retired)	Balance June 30, 2010	Due Within One Year
<b>Governmental Activities</b>						
(General Obligation Bonds)						
Refunding New Elementary	3.4-5.15%	\$6,422,973	\$0	(\$610,000)	\$5,812,973	\$690,000
Fifth/Sixth Elementary	5.79%	1,334,222	0	(175,000)	1,159,222	235,000
New Elementary and Middle School	4.35-5.375%	674,995	0	(215,000)	459,995	225,000
Refunding Fifth/Sixth Elementary	3.60%	11,939,974	0	(220,000)	11,719,974	230,000
Refunding New High School	1.2-14.16%	574,999	0	(465,000)	109,999	109,999
Refunding School Improvement	3.25-5%	37,764,966	0	(1,325,000)	36,439,966	1,370,000
School Improvement/Refunding	3.5-5%	38,314,984	0	(1,220,000)	37,094,984	1,455,000
Sub-total General Obligation Bonds		97,027,113	0	(4,230,000)	92,797,113	4,314,999
Premium on Bonds		3,171,272	0	(151,013)	3,020,259	0
Deferred Amount on Refunding		(2,265,374)	0	107,875	(2,157,499)	0
Interest Accretion		4,765,802	1,203,412	0	5,969,214	156,156
Total General Obligation Bonds		102,698,813	1,203,412	(4,273,138)	99,629,087	4,471,155
Energy Conservation Project	3.4-4.85%	550,000	0	(65,000)	485,000	70,000
Compensated Absences		2,795,053	1,082,145	(761,787)	3,115,411	685,697
Early Retirement Incentive		120,000	0	(120,000)	0	0
Capital Leases Payable		1,595,000	0	(84,000)	1,511,000	87,000
Total Governmental Activities		<u>\$107,758,866</u>	<u>\$2,285,557</u>	<u>(\$5,303,925)</u>	<u>\$104,740,498</u>	<u>\$5,313,852</u>
<b>Business-Type Activities</b>						
Compensated Absences		\$45,289	\$34,692	(\$16,399)	\$63,582	\$11,458
Total Business-Type Activities		<u>\$45,289</u>	<u>\$34,692</u>	<u>(\$16,399)</u>	<u>\$63,582</u>	<u>\$11,458</u>

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010*

#### NOTE 14 - LONG-TERM DEBT AND OTHER OBLIGATIONS (Continued)

##### **A. Principal and Interest Requirements**

A summary of the District's future long-term debt funding requirements, including principal and interest payments as of June 30, 2010, follows:

Years	General Obligation Bonds		Energy Conservation Project		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$4,314,998	\$4,188,895	\$70,000	\$22,280	\$4,384,998	\$4,211,175
2012	3,966,509	4,154,245	75,000	18,309	4,041,509	4,172,554
2013	3,129,497	5,011,949	80,000	14,550	3,209,497	5,026,499
2014	3,129,680	5,002,345	85,000	10,549	3,214,680	5,012,894
2015	2,456,855	5,753,501	85,000	6,426	2,541,855	5,759,927
2016-2020	15,581,745	25,054,786	90,000	2,183	15,671,745	25,056,969
2021-2025	24,562,829	16,157,516	0	0	24,562,829	16,157,516
2026-2030	35,655,000	4,328,657	0	0	35,655,000	4,328,657
Totals	<u>\$92,797,113</u>	<u>\$69,651,894</u>	<u>\$485,000</u>	<u>\$74,297</u>	<u>\$93,282,113</u>	<u>\$69,726,191</u>

##### **B. Defeased Debt**

In December 1993, the District defeased \$6,165,000 of General Obligation Bonds for the High School Building, dated April 1, 1990, through the issuance of \$6,084,999 of General Obligation Bonds for the High School Building. The net proceeds of the 1993 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$620,000 at June 30, 2010, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

In March 2001, the District defeased \$7,669,538 of General Obligation Bonds for the New Elementary Additions, dated October 1, 1995, through the issuance of \$7,667,973 of General Obligation Bonds for the New Elementary Additions. The net proceeds of the 2001 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$5,609,538 at June 30, 2010, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

## **MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010***

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#### **NOTE 14 - LONG-TERM DEBT AND OTHER OBLIGATIONS (Continued)**

##### **B. Defeased Debt (Continued)**

In March 2002, the District defeased \$13,335,000 of General Obligation Bonds for the Fifth/Sixth Elementary Building, dated March 1, 2000, through the issuance of \$13,334,974 of General Obligation Bonds for the Fifth/Sixth Elementary Building. The net proceeds of the 2002 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$13,335,000 at June 30, 2010, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

In September 2005, the District defeased \$41,425,000 of Certificates of Participation for School Improvements, dated March 2, 2005, through the issuance of \$40,284,966 of General Obligation Bonds for School Improvements. The net proceeds of the 2005 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded certificates. The refunded certificates, which have an outstanding balance of \$38,425,000 at June 30, 2010, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

In February 2006, the District defeased \$12,350,000 of General Obligation Bonds for New Elementary and Raymond Middle School Improvements, dated December 1, 2000, through the issuance of \$12,349,984 of General Obligation Bonds for School Improvements. The net proceeds of the 2006 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$12,350,000 at June 30, 2010, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010*

#### **NOTE 15 - CAPITALIZED LEASES**

The District leases building and land improvements under capital leases. The cost of the capital assets obtained under capital leases is \$2,016,000 which is included in the Governmental Activities Capital Assets and the related liability is included in the Governmental Activities Long-Term Liabilities.

The following is a schedule of future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of June 30, 2010:

Year Ending June 30,	Capital Leases
2011	\$154,692
2012	155,735
2013	155,514
2014	155,070
2015	154,426
2016-2020	772,850
2021-2023	464,202
Minimum Lease Payments	2,012,489
Less: Amount representing interest at the District's incremental borrowing rate of interest	(501,489)
Present Value of minimum lease payments	\$1,511,000

#### **NOTE 16 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and injuries to employees. During fiscal year 2010 the District contracted with Ohio Casualty Insurance Company for various insurance coverages, as follows:

Coverage	Deductible	Aggregate
	\$500/Comprehensive	
Fleet Insurance	\$500/Collision	\$1,000,000
Buildings and Contents	\$1,000	\$185,590,834
School District Liability	\$0	\$2,000,000
Employee Benefits Liability	\$1,000	\$3,000,000
School Leaders Errors and Omissions	\$2,500	\$1,000,000
Umbrella Policy	\$0	\$5,000,000
Crime	\$1,000	\$100,000
Miscellaneous	\$500	\$1,573,792
Computers	\$500	\$5,136,962

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

Workers' compensation claims are covered through the District's participation in the State of Ohio's program. The District pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs.

## MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### *Notes to the Basic Financial Statements* *For the Fiscal Year Ended June 30, 2010*

#### NOTE 17 – STATUTORY RESERVES

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 2010, the reserve activity (cash-basis) was as follows:

	Textbook Reserve	Capital Acquisition Reserve	Total
Set-aside Cash Balance as of June 30, 2009	\$0	\$0	\$0
Current Year Set-Aside Requirement	860,964	860,964	1,721,928
Qualifying Off-sets	(418,958)	(3,159,493)	(3,578,451)
Qualifying Disbursements	(554,556)	(37,010)	(591,566)
Total	<u>(\$112,550)</u>	<u>(\$2,335,539)</u>	<u>(\$2,448,089)</u>
Cash Balance Carried Forward to FY 2011	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Although the District had offsets and qualifying disbursements during the year that reduced the capital set-aside amounts below zero, these extra amounts may not be used to reduce the set-aside requirements of future years. Furthermore, the excess amounts spent for textbook reserve may not be used to reduce future set-aside requirements.

#### NOTE 18 – CONSTRUCTION COMMITMENTS

As of June 30, 2010, the District had the following commitment with respect to capital projects:

<u>Capital Projects</u>	<u>Amount Remaining</u>	<u>Estimated Date of Completion</u>
Middle School Renovation Architect Fees	\$107,177	To be determined

#### NOTE 19 - CONTINGENCIES

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2010.



**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<b>U.S. DEPARTMENT OF AGRICULTURE</b> <i>Passed Through Ohio Department of Education</i>						
Nutrition Cluster:						
National School Breakfast Program	N/A	10.553	\$ 88,232	\$ -	\$ 88,232	\$ -
National School Lunch Program	N/A	10.555	525,430	114,123	525,430	114,123
Total Nutrition Cluster			<u>613,662</u>	<u>114,123</u>	<u>613,662</u>	<u>114,123</u>
Team Nutrition Grants	N/A	10.574	2,000	-	2,000	-
Total U.S. Department of Agriculture			<u>615,662</u>	<u>114,123</u>	<u>615,662</u>	<u>114,123</u>
<b>U.S. DEPARTMENT OF EDUCATION</b> <i>Passed Through Ohio Department of Education</i>						
Title I Cluster:						
Title I Grants to Local Educational Agencies	N/A	84.010	450,391	-	445,398	-
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	N/A	84.389	140,733	-	114,321	-
Total Title I Cluster			<u>591,124</u>	<u>-</u>	<u>559,719</u>	<u>-</u>
Special Education Cluster:						
Special Education - Grants to States	N/A	84.027	863,842	-	832,014	-
Special Education - Preschool Grants	N/A	84.173	6,254	-	6,254	-
ARRA Special Education Grants to States, Recovery Act	N/A	84.391	443,750	-	347,767	-
ARRA Special Education Preschool Grants, Recovery Act	N/A	84.392	32,337	-	26,980	-
Total Special Education Cluster			<u>1,346,183</u>	<u>-</u>	<u>1,213,015</u>	<u>-</u>
Safe and Drug Free Schools and Communities - State Grants	N/A	84.186	11,641	-	11,147	-
State Grants for Innovative Programs	N/A	84.298	319	-	700	-
Education Technology State Grants	N/A	84.318	337	-	-	-
Integrated Education Systems	N/A	84.323	-	-	562	-
English Language Acquisition Grants	N/A	84.365	688	5,448	688	5,448
Improving Teacher Quality State Grants	N/A	84.367	148,179	-	154,115	-
School Improvement Grants	N/A	84.377	7,307	-	9,211	-
ARRA - State Fiscal Stabilization Fund - Education State Grants, Recovery Act	N/A	84.394	979,872	-	979,872	-
Total U.S. Department of Education			<u>3,085,650</u>	<u>5,448</u>	<u>2,929,029</u>	<u>5,448</u>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b> <i>Passed Through Ohio Department of Transportation</i>						
ARRA - Highway Planning and Construction (Safe Routes to Schools), Recovery Act	85671	20.205	854	-	854	-
Total U.S. Department of Transportation			<u>854</u>	<u>-</u>	<u>854</u>	<u>-</u>
<b>Total Federal Awards</b>			<u>\$ 3,702,166</u>	<u>\$ 119,571</u>	<u>\$ 3,545,545</u>	<u>\$ 119,571</u>

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

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) is a summary of the activity of the District's federal award programs. The Schedule has been prepared on the cash basis of accounting.

**NOTE B - CHILD NUTRITION CLUSTER**

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

**NOTE C – FOOD DONATION PROGRAM**

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the Schedule at the fair value of the commodities received.

The District used the services of DJ Co-ops to hold, process, and deliver its federal commodities at a nominal rate.

**NOTE D – NONCASH AWARDS**

The District had the following federal non-cash receipts and non-cash disbursements which were received and disbursed by the Educational Service Center of Central Ohio on behalf of the District for fiscal year 2010.

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Non-Cash Receipts</u>	<u>Non-Cash Disbursements</u>
English Language Acquisition Grants	84.365	\$5,448	\$5,448

**NOTE E – TRANSFERS BETWEEN PROGRAM YEARS**

Federal regulations require schools to obligate certain federal awards by June 30. However, with the Ohio Department of Education's consent, schools can transfer unobligated amounts to the subsequent fiscal year's program. The District transferred the following amounts from 2009 to 2010 programs:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Transferred from 2009 to 2010</u>
Safe & Drug Free Schools & Communities State Grants	84.186	\$ 35
Improving Teacher Quality State Grants	84.367	1,076
School Improvement Grants	84.377	2,018



**Report on Internal Control over Financial Reporting and on Compliance and Other Matters**  
**Based on an Audit of Financial Statements Performed in Accordance with**  
**Government Auditing Standards**

Board of Education  
Marysville Exempted Village School District  
1000 Edgewood Drive  
Marysville, Ohio 43040

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Marysville Exempted Village School District, Union County, Ohio (the District) as of and for the fiscal year ended June 30, 2010 which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 20, 2010, wherein we noted that the District restated accrued wages and benefits as discussed in Note 2. 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*.

**Internal Control over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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.

**Compliance and Other Matters**

As part of reasonably assuring whether the District'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 matter that we must report under *Government Auditing Standards*.

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
Ten West Locust Street  
Newark, Ohio 43055  
(740) 345-6611  
1-800-523-6611  
FAX (740) 345-5635

Marysville Exempted Village School District  
Union County  
Report on Internal Control Over Financial Reporting  
and on Compliance and Other Matters Based on an  
Audit of Financial Statements Performed in Accordance  
with *Government Auditing Standards*  
Page 2

However, we noted certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated December 20, 2010.

We intend this report solely for the information and use of management, the Board of Education, the Auditor of the State of Ohio, and federal awarding agencies and pass-through entities, and others within the District. We intend it for no one other than these specified parties.

*Wilson, Shuman & Son, Inc.*

Newark, Ohio  
December 20, 2010



**Report on Compliance with Requirements Applicable to Each Major Program and on  
Internal Control over Compliance in Accordance with OMB Circular A-133**

Board of Education  
Marysville Exempted Village School District  
1000 Edgewood Drive  
Marysville, Ohio 43040

**Compliance**

We have audited the compliance of the Marysville Exempted Village School District, Union County (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the fiscal year ended June 30, 2010. The summary of auditor's results section of the accompanying schedule of findings and responses identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District'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 obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the Marysville Exempted Village School District, Union County complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the fiscal year ended June 30, 2010. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that, while not affecting our opinion on compliance, OMB Circular A-133 requires us to report. The accompanying schedule of findings and responses lists this instance as Finding 2010-01.

**Internal Control over Compliance**

Management of the District 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 District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 District's internal control over compliance.

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
Ten West Locust Street  
Newark, Ohio 43055  
(740) 345-6611  
1-800-523-6611  
FAX (740) 345-5635

Marysville Exempted Village School District  
Union County  
Report on Compliance with Requirements Applicable to  
Each Major Program and on Internal Control over Compliance  
in Accordance with *OMB Circular A-133*  
Page 2

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and responses as item 2010-01. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

We also noted a matter not requiring inclusion in this report that we reported to the District's management in a separate letter dated December 20, 2010.

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

We intend this report solely for the information and use of management, Board of Education, the Auditor of State, federal awarding agencies and pass-through entities, and other members of the District. It is not intended for anyone other than these specified parties.

*Wilson, Shannon E. Shaw, Inc.*

Newark, Ohio  
December 20, 2010

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY**

**SCHEDULE OF FINDINGS AND RESPONSES  
OMB CIRCULAR A-133 §.505**

**JUNE 30, 2010**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other significant deficiencies reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other significant deficiencies in its internal control for major federal programs?</b>	Yes
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	Yes
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	<p><b>Special Education Cluster:</b> Special Education Grants to States \ CFDA #84.027, Special Education Preschool Grants \ CFDA #84.173, Special Education Grants to States, Recovery Act \ CFDA #84.391, and Special Education Preschool Grants, Recovery Act \ CFDA #84.392.</p> <p><b>Title I Cluster:</b> Title I Grants to Local Educational Agencies\ CFDA #84.010, and Title I Grants to Local Educational Agencies, Recovery Act \ CFDA #84.389.</p> <p>State Fiscal Stabilization Fund (SFSF) – Education State Grants, Recovery Act \CFDA #84.394.</p>

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY**

**SCHEDULE OF FINDINGS AND RESPONSES  
OMB CIRCULAR A-133 §.505**

**JUNE 30, 2010**

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

<b>Dollar Threshold: Type A\B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>Low Risk Auditee?</b>	Yes

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

None.

**3. FINDINGS FOR FEDERAL AWARDS**

Finding Number	2010-01
CFDA Title and Number	<b>Special Education Cluster:</b> Special Education Grants to States \ CFDA #84.027, Special Education Preschool Grants \ CFDA #84.173, Special Education Grants to States, Recovery Act \ CFDA #84.391, and Special Education Preschool Grants, Recovery Act \ CFDA #84.392.  <b>Title I Cluster:</b> Title I Grants to Local Educational Agencies\ CFDA #84.010, and Title I Grants to Local Educational Agencies, Recovery Act \ CFDA #84.389.
Federal Award Number/Year	2010
Federal Agency	U.S. Department of Education
Pass-Through Agency	Ohio Department of Education

**Reporting**

Section 1512 of the American Recovery Reinvestment Act (ARRA), as required by the Federal Office of Management and Budget, requires testing for prime recipients. Although the District is not considered a prime recipient of ARRA money, the Ohio Department of Education requires Section 1512 testing for any school/entity receiving ARRA-Special Education Grants to States, Recovery Act and ARRA - Title I Grants to Local Educational Agencies, Recovery Act money from the Ohio Department of Education (ODE).

ODE requires that any vendor which receives a single payment greater than \$25,000 must report the expenditure on the ODE ARRA Subrecipient Vendor Report. Furthermore, ODE requires the District to develop internal controls to ensure 1512 Full-Time Equivalency (FTE) information is reasonable and complete.

We noted the following expenditures paid by the District with ARRA-Special Education Grants to States, Recovery Act and ARRA - Title I Grants to Local Educational Agencies, Recovery Act money which were not reported on the ODE ARRA Subrecipient Vendor Report:



**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY**

**SCHEDULE OF FINDINGS AND RESPONSES  
OMB CIRCULAR A-133 §.505**

**JUNE 30, 2010**

**3. FINDINGS FOR FEDERAL AWARDS - Continued**

Finding Number	2010-01 (Continued)
CFDA Title and Number	<b>Special Education Cluster:</b> Special Education Grants to States \ CFDA #84.027, Special Education Preschool Grants \ CFDA #84.173, Special Education Grants to States, Recovery Act \ CFDA #84.391, and Special Education Preschool Grants, Recovery Act \ CFDA #84.392.  <b>Title I Cluster:</b> Title I Grants to Local Educational Agencies\ CFDA #84.010, and Title I Grants to Local Educational Agencies, Recovery Act \ CFDA #84.389.
Federal Award Number/Year	2010
Federal Agency	U.S. Department of Education
Pass-Through Agency	Ohio Department of Education

**Title I Cluster**

<u>Date</u>	<u>Check #</u>	<u>Vendor</u>	<u>Amount</u>	<u>Description</u>
10/23/09	105344	Heinemann	\$28,569	Level Literacy Intervention Materials

**Special Education Cluster**

<u>Date</u>	<u>Check #</u>	<u>Vendor</u>	<u>Amount</u>	<u>Description</u>
10/09/09	105070	NWEA	\$26,380	On-Site Administration Workshop
03/05/10	106814	Logical Choice Technologies	37,939	Technology Learning Equipment

We recommend the District develop policies and procedures to address the Reporting compliance requirements set forth by the Ohio Department of Education 1512 ARRA reporting requirements.

**Official's Response:** The District has implemented procedures and has properly reported expenditures related to 1512 reporting for fiscal year 2010 and future years.



# Dave Yost • Auditor of State

MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

UNION 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  
FEBRUARY 24, 2011

**MARYSVILLE EXEMPTED VILLAGE  
SCHOOL DISTRICT**

**UNION COUNTY**

**SINGLE AUDIT**

**JULY 1, 2010 - JUNE 30, 2011**







# Dave Yost • Auditor of State

Board of Trustees  
Marysville Exempted Village School District  
1000 Edgewood Drive  
Marysville, Ohio 43040

We have reviewed the *Independent Auditors' Report* of the Marysville Exempted Village School District, Union County, prepared by Wilson, Shannon & Snow, Inc., for the audit period July 1, 2010 through June 30, 2011. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

## Finding for Recovery Repaid Under Audit

Article XIX—Fringe Benefits, 19.01 of the negotiated agreement with the Marysville Education Association states the following:

- A. Any bargaining unit member with a minimum of ten (10) or more years of accumulated service with the state, any political subdivision or any combination thereof, who elects to retire or is approved for disability retirement by STRS, shall be paid twenty-five percent (25%) of his/her accumulated and unused sick leave (capped at sixty-four (64) days).
- B. The rate of pay for all such accumulated days shall be the per diem rate of the member's annual salary in the year in which retirement occurs or is approved by STRS for disability retirement as determined from the approved salary schedule plus all supplemental contracts held during the year.
- C. The member's per diem rate shall be computed by dividing the annual salary as per the paragraph above by the number of days of regular required duty.

In January 2011 Ellen Carter received a \$26,417.35 severance payment that was not calculated in accordance with the negotiated agreement with the Marysville Education Association.

Amount Paid by District	
Leave Balance to Be Paid	64.75 days
Per Diem Rate Paid by District	\$407.99
Amount Paid by District	\$26,417

88 East Broad Street, Fifth Floor, Columbus, Ohio 43215-3506  
Phone: 614-466-4514 or 800-282-0370 Fax: 614-466-4490

[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

<b>Amount based on Negotiated Agreement</b>	
Leave Balance to Be Paid	64.75 days
Per Diem Rate per negotiated agreement	\$378.55
Amount Paid by District	\$24,511
Overpayment amount	\$1,906

In accordance with the foregoing facts and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Ellen Carter in the amount of \$1,906, and in favor of Marysville Exempted Village School District General Fund, in the amount of \$1,906.

Under Ohio law, any public official who either authorizes an illegal expenditure of public funds or supervises the accounts of a public office from which such illegal expenditure is strictly liable for the amount of the expenditure. *Seward v. National Surety Corp.* (1929), 120 Ohio St. 47; 1980 Op. Att'y Gen. No. 80-074; Ohio Rev. Code Section 9.39; *State, ex. Rel. Village of Linndale v. Masten* (1985), 18 Ohio St.3d 228. Public officials controlling public funds or property are liable for the loss incurred should such funds or property be fraudulently obtained by another, converted, misappropriated, lost or stolen to the extent that recovery or restitution is not obtained from the persons who unlawfully obtained such funds or property, 1980 Op. Att'y Gen. No. 80-074.

Additionally, Cynthia Ritter, Treasurer, and her bonding company, The Cincinnati Insurance Company, will be jointly and severally liable in the amount of \$1,906 and in favor of the General Fund to the extent that recovery is not obtained from Ellen Carter.

The above finding was paid by Ellen Carter on October 1, 2011, which check number 1145.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Marysville Exempted Village School District is responsible for compliance with these laws and regulations.



Dave Yost  
Auditor of State

January 10, 2012

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

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**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

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Board of Education  
Marysville Exempted Village School District  
1000 Edgewood Drive  
Marysville, Ohio 43040

## INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Marysville Exempted Village School District, Union County, Ohio (the District) as of and for the fiscal year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Marysville Exempted Village School District, Union County, Ohio as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the General Fund for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

As disclosed in Note 3, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*, and GASB Statement No. 59, *Financial Instruments Omnibus*. The implementation of GASB Statement No. 54 resulted in a restatement of fund balances and net assets.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2011, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. 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.

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
Ten West Locust Street  
Newark, Ohio 43055  
(740) 345-6611  
1-800-523-6611  
FAX (740) 345-5635

Marysville Exempted Village School District  
Union County  
Independent Auditors' Report

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, as listed in the table of contents, to supplement the basic financial statements. Although this information is not a part of the basic financial statements, the Governmental Accounting standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historic context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or to provide any other assurances.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The Schedule of Federal Awards Receipts and Expenditures provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations* is not a required part of the basic financial statements. The Schedule of Federal Awards Receipts and Expenditures is management's responsibility, and was derived from and relate directly to underlying accounting and other records used to prepare the basic financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Wilson, Shuman & Son, Inc.*

Newark, Ohio  
December 21, 2011

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(UNAUDITED)**

The management's discussion and analysis of Marysville Exempted Village School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

Key financial highlights for 2011 are as follows:

- The District restated net assets and fund balances at June 30 2010 as described in Note 3.B. In total, net assets decreased \$1,786,083. Net assets of governmental activities decreased \$1,832,101, which represents a 13.03% decrease from 2010. Net assets of business-type activities increased \$46,018 or 134.287% from 2010.
- General revenues accounted for \$51,299,867 in revenue or 83.95% of all governmental activities revenues. Program specific revenues in the form of charges for services and sales, and grants and contributions accounted for \$9,808,150 or 16.05% of total governmental activities revenues of \$61,108,017.
- The District had \$62,940,118 in expenses related to governmental activities; only \$9,808,150 of these expenses was offset by program specific charges for services and sales, grants or contributions. General revenues supporting governmental activities (primarily property taxes and unrestricted grants and entitlements) of \$51,299,867 were not adequate to provide for these programs.
- The District's major governmental funds are the general fund, bond retirement fund and permanent improvement fund. The general fund had \$44,142,267 in revenues and other financing sources, and \$45,902,709 in expenditures and other financing uses. The fund balance of the general fund decreased from a restated balance of \$537,057 to a deficit of \$1,223,385.
- Another major governmental fund is the bond retirement fund. The bond retirement fund had \$8,066,424 in revenues and other financing sources and \$8,572,804 in expenditures. The fund balance of the bond retirement fund decreased from \$1,149,071 to \$642,691.
- The District's other major governmental fund is the permanent improvement fund. The permanent improvement fund had \$4,059,656 in revenues and \$4,843,908 in expenditures and other financing uses. The fund balance of the permanent improvement fund decreased from \$4,024,977 to \$3,240,725.

**Using this Financial Report**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *statement of net assets* and *statement of activities* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. The District has three major governmental funds: the general fund, bond retirement fund and the permanent improvement fund. The general fund is by far the most significant fund.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(UNAUDITED)**

**Reporting the District as a Whole**

***Statement of Net Assets and the Statement of Activities***

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2011?" The statement of net assets and the statement of activities answer this question. These statements include *all assets, liabilities, revenues and expenses* except for fiduciary funds using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's *net assets* and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, the *financial position* of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the statement of net assets and the statement of activities, the District is divided into two distinct kinds of activities:

Governmental Activities - Most of the District's programs and services are reported here including instruction, support services, operations and maintenance, pupil transportation, extracurricular activities and food service operations.

Business-Type Activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The District's special enterprise-day care programs are reported as business-type activities.

The District's statement of net assets and statement of activities can be found on pages 15-16 of this report.

**Reporting the District's Most Significant Funds**

***Fund Financial Statements***

The analysis of the District's major governmental funds begins on page 9. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds.

***Governmental Funds***

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term* view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental *activities* (reported in the statement of net assets and the statement of activities) and governmental *funds* is reconciled in the financial statements. The basic governmental fund financial statements can be found on pages 17-21 of this report.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(UNAUDITED)**

***Proprietary Fund***

The proprietary fund uses the same basis of accounting as business-type activities; therefore, these statements will essentially match information provided in the statements for the District as a whole. The proprietary fund financial statements can be found on pages 22-24 of this report.

**Reporting the District's Fiduciary Responsibilities**

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private-purpose trust fund. The District also acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in two agency funds. The District's fiduciary activities are reported in separate statements of fiduciary net assets and changes in fiduciary net assets on pages 25 and 26. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

***Notes to the Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 27-57 of this report.

**The District as a Whole**

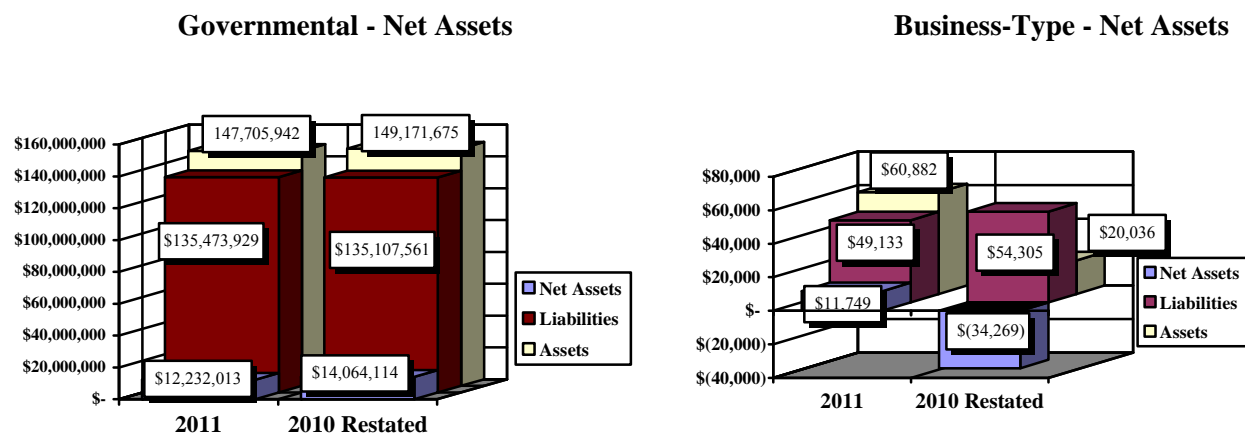
Recall that the statement of net assets provides the perspective of the District as a whole. The table below provides a summary of the District's net assets for 2011 and 2010. The 2010 net assets were restated as described in Note 3.B.

	<b>Net Assets</b>					
	Governmental Activities		Business-Type Activities		Total	
	2011	Restated 2010	2011	Restated 2010	2011	Restated 2010
<b><u>Assets</u></b>						
Current assets	\$ 40,599,996	\$ 39,043,610	\$ 60,882	\$ 19,810	\$ 40,660,878	\$ 39,063,420
Capital assets, net	<u>107,105,946</u>	<u>110,128,065</u>	<u>-</u>	<u>226</u>	<u>107,105,946</u>	<u>110,128,291</u>
Total assets	<u>147,705,942</u>	<u>149,171,675</u>	<u>60,882</u>	<u>20,036</u>	<u>147,766,824</u>	<u>149,191,711</u>
<b><u>Liabilities</u></b>						
Current liabilities	33,077,685	30,312,360	37,360	51,062	33,115,045	30,363,422
Long-term liabilities	<u>102,396,244</u>	<u>104,795,201</u>	<u>11,773</u>	<u>3,243</u>	<u>102,408,017</u>	<u>104,798,444</u>
Total liabilities	<u>135,473,929</u>	<u>135,107,561</u>	<u>49,133</u>	<u>54,305</u>	<u>135,523,062</u>	<u>135,161,866</u>
<b><u>Net Assets</u></b>						
Invested in capital						
assets, net of related debt	15,370,210	15,237,379	-	226	15,370,210	15,237,605
Restricted	6,635,524	6,554,204	-	-	6,635,524	6,554,204
Unrestricted (deficit)	<u>(9,773,721)</u>	<u>(7,727,469)</u>	<u>11,749</u>	<u>(34,495)</u>	<u>(9,761,972)</u>	<u>(7,761,964)</u>
Total net assets (deficit)	<u>\$ 12,232,013</u>	<u>\$ 14,064,114</u>	<u>\$ 11,749</u>	<u>\$ (34,269)</u>	<u>\$ 12,243,762</u>	<u>\$ 14,029,845</u>

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(UNAUDITED)**

The graph below shows the District's assets, liabilities and net assets at June 30, 2011 and 2010.



The table below shows the changes in net assets for fiscal years 2011 and 2010.

**Change in Net Assets**

	Governmental Activities		Business-Type Activities		Totals	
	2011	Restated 2010	2011	Restated 2010	2011	Restated 2010
<b><u>Revenues</u></b>						
Program revenues:						
Charges for services and sales	\$ 2,687,593	\$ 2,527,437	\$ 412,619	\$ 356,156	\$ 3,100,212	\$ 2,883,593
Operating grants and contributions	7,094,181	5,466,409	-	-	7,094,181	5,466,409
Capital grants and contributions	26,376	-	-	-	26,376	-
General revenues:						
Property taxes	26,156,994	30,023,116	-	-	26,156,994	30,023,116
Grants and entitlements not restricted	24,885,334	25,529,413	-	-	24,885,334	25,529,413
Investment earnings	40,399	52,320	-	-	40,399	52,320
Miscellaneous	217,140	494,569	37	-	217,177	494,569
Total revenues	<u>61,108,017</u>	<u>64,093,264</u>	<u>412,656</u>	<u>356,156</u>	<u>61,520,673</u>	<u>64,449,420</u>

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(UNAUDITED)**

	Governmental Activities		Business-Type Activities		Totals	
	2011	Restated 2010	2011	Restated 2010	2011	Restated 2010
<b><u>Expenses</u></b>						
Program expenses:						
Instruction:	\$ 31,842,321	\$ 31,773,316	\$ -	\$ -	\$ 31,842,321	\$ 31,773,316
Support services:						
Pupil	3,493,078	3,153,419	-	-	3,493,078	3,153,419
Instructional staff	5,114,616	4,417,035	-	-	5,114,616	4,417,035
Board of education	239,936	27,738	-	-	239,936	27,738
Administration	3,752,154	3,331,907	-	-	3,752,154	3,331,907
Fiscal	1,196,392	1,328,235	-	-	1,196,392	1,328,235
Business	718,088	896,995	-	-	718,088	896,995
Operations and maintenance	5,057,277	4,874,495	-	-	5,057,277	4,874,495
Pupil transportation	2,307,844	2,359,872	-	-	2,307,844	2,359,872
Central	527,255	864,367	-	-	527,255	864,367
Operation of non-instructional services:						
Food service operations	2,064,654	2,052,904	-	-	2,064,654	2,052,904
Other non-instructional services	215,474	104,728	-	-	215,474	104,728
Extracurricular activities	1,105,144	1,170,656	-	-	1,105,144	1,170,656
Interest and fiscal charges	5,305,885	5,474,154	-	-	5,305,885	5,474,154
Special enterprise-day care	-	-	366,638	343,500	366,638	343,500
Total expenses	<u>62,940,118</u>	<u>61,829,821</u>	<u>366,638</u>	<u>343,500</u>	<u>63,306,756</u>	<u>62,173,321</u>
Changes in net assets	(1,832,101)	2,263,443	46,018	12,656	(1,786,083)	2,276,099
Net assets (deficit) at beginning of year	<u>14,064,114</u>	<u>11,800,671</u>	<u>(34,269)</u>	<u>(46,925)</u>	<u>14,029,845</u>	<u>11,753,746</u>
Net assets (deficit) at end of year	<u>\$ 12,232,013</u>	<u>\$ 14,064,114</u>	<u>\$ 11,749</u>	<u>\$ (34,269)</u>	<u>\$ 12,243,762</u>	<u>\$ 14,029,845</u>

**Governmental Activities**

Net assets of the District's governmental activities decreased \$1,832,101. The primary reason for this decrease is due to the variance in the amount of the property tax advance available at June 30, 2011 and June 30, 2010, which amounted to \$2,798,700 and \$4,878,663, respectively. The tax advance available is reported as revenue in the basic financial statements.

Total governmental expenses of \$62,940,118 were offset by program revenues of \$9,808,150, and general revenues of \$51,299,867. Program revenues supported 15.58% of the total governmental expenses.

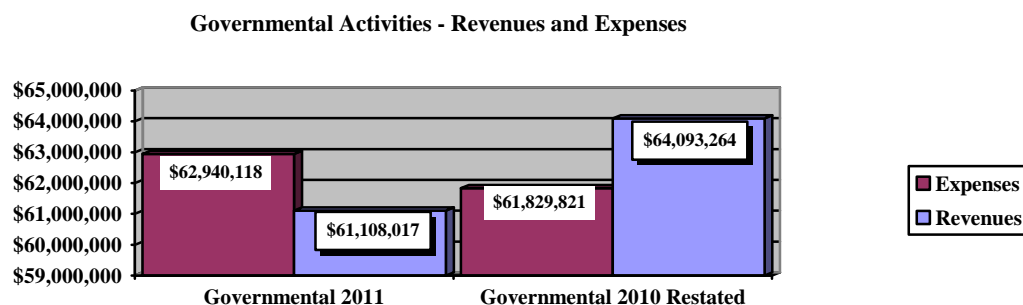
The primary sources of revenue for governmental activities are derived from property taxes and unrestricted grants and entitlements. These two revenue sources represent 83.53% of total governmental revenue.

The largest expense of the District is for instructional programs. Instruction expenses totaled \$31,842,321 or 50.59% of total governmental expenses for fiscal year 2011.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(UNAUDITED)**

The graph below presents the District's governmental activities revenue and expenses for fiscal years 2011 and 2010.



The statement of activities shows the cost of program services and the charges for services and grants and contributions offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2011 and 2010. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

**Governmental Activities**

	Total Cost of Services 2011	Net Cost of Services 2011	Total Cost of Services (Restated) 2010	Net Cost of Services (Restated) 2010
Instruction:	\$ 31,842,321	\$ 26,618,066	\$ 31,773,316	\$ 27,185,780
Support services:				
Pupil	3,493,078	3,254,842	3,153,419	3,152,773
Instructional staff	5,114,616	4,675,913	4,417,035	4,023,935
Board of education	239,936	238,714	27,738	27,738
Administration	3,752,154	3,442,678	3,331,907	3,119,420
Fiscal	1,196,392	1,143,897	1,328,235	1,327,603
Business	718,088	673,313	896,995	896,995
Operations and maintenance	5,057,277	4,648,372	4,874,495	4,874,495
Pupil transportation	2,307,844	2,039,206	2,359,872	2,263,502
Central	527,255	473,608	864,367	854,813
Operation of non-instructional services:				
Food service operations	2,064,654	(67,491)	2,052,904	(94,380)
Other non-instructional services	215,474	65,704	104,728	(28,241)
Extracurricular activities	1,105,144	619,261	1,170,656	757,388
Interest and fiscal charges	5,305,885	5,305,885	5,474,154	5,474,154
<b>Total expenses</b>	<b>\$ 62,940,118</b>	<b>\$ 53,131,968</b>	<b>\$ 61,829,821</b>	<b>\$ 53,835,975</b>

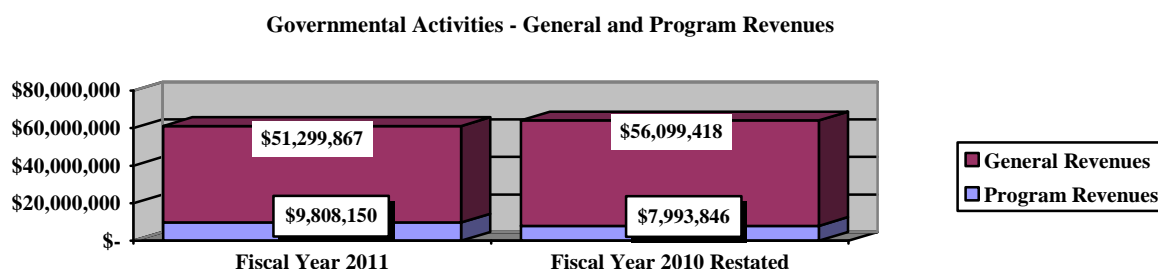
The dependence upon tax revenues during fiscal year 2011 for governmental activities is apparent, as 83.59% of 2011 instruction activities are supported through taxes and other general revenues. The District's taxpayers and unrestricted grants and entitlements from the State are the primary support for the District's students.



**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(UNAUDITED)**

The graph below presents the District's governmental activities revenue for fiscal years 2011 and 2010.



### Business-Type Activities

Business-type activities include the special enterprise-day care operations. This program had revenues of \$412,656 and expenses of \$366,638 for fiscal year 2011. The District's business-type activities do not receive support from tax revenues.

### The District's Funds

The District's governmental funds (as presented on the balance sheet on page 17) reported a combined fund balance of \$4,750,262, which is \$2,816,069 lower than last year's total of \$7,566,331. The June 30, 2010 fund balance of the general fund and other governmental funds were restated for fund reclassifications as detailed in Note 3.B. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2011 and 2010.

	Fund Balance (Deficit) <u>June 30, 2011</u>	Restated Fund Balance <u>June 30, 2010</u>	Increase (Decrease)
General	\$ (1,223,385)	\$ 537,057	\$ (1,760,442)
Bond retirement	642,691	1,149,071	(506,380)
Permanent improvement	3,240,725	4,024,977	(784,252)
Other governmental	<u>2,090,231</u>	<u>1,855,226</u>	<u>235,005</u>
Total	<u>\$ 4,750,262</u>	<u>\$ 7,566,331</u>	<u>\$ (2,816,069)</u>

### General Fund

The District's general fund balance decreased \$1,760,442 during fiscal year 2011. The table that follows assists in illustrating the revenues of the general fund.

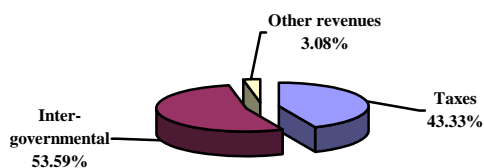
**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(UNAUDITED)**

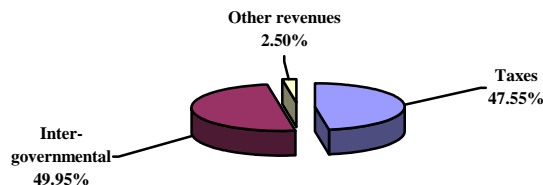
	2011 <u>Amount</u>	Restated 2010 <u>Amount</u>	Percentage <u>Change</u>
<b><u>Revenues</u></b>			
Taxes	\$ 19,125,961	\$ 22,768,762	(16.00) %
Intergovernmental	23,656,837	23,918,765	(1.10) %
Other revenues	<u>1,357,769</u>	<u>1,200,351</u>	13.11 %
Total	<u>\$ 44,140,567</u>	<u>\$ 47,887,878</u>	(7.83) %

Tax revenue decreased by \$3,642,801 or 16.00% from fiscal year 2010, due to a decrease of \$1,537,485 in the amount of taxes available for advance. The amount of taxes available for advance is determined by timing of the tax bills sent by the County auditor. Intergovernmental revenue remained relatively unchanged, with a decrease of only 1.10%. Other revenues increased 13.11% due to the amount collected for classroom materials and fees from the prior year.

**Revenues - Fiscal Year 2011**



**Revenues - Fiscal Year 2010**



The table that follows assists in illustrating the expenditures of the general fund.

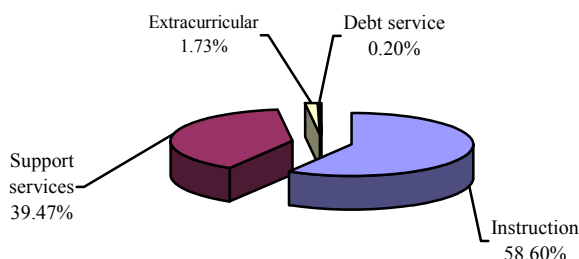
	2011 <u>Amount</u>	Restated 2010 <u>Amount</u>	Percentage <u>Change</u>
<b><u>Expenditures</u></b>			
Instruction	\$ 26,860,984	\$ 25,654,023	4.70 %
Support services	18,094,963	18,521,512	(2.30) %
Operation of non-instructional services	-	1,728	(100.00) %
Extracurricular activities	791,618	864,068	(8.38) %
Debt service	<u>92,280</u>	<u>91,431</u>	0.93 %
Total	<u>\$ 45,839,845</u>	<u>\$ 45,132,762</u>	1.57 %

Instruction expenditures remained relatively consistent with 2011 experiencing increases primarily attributable to anticipated salary/wage increases. The decrease in support services is due to the District trying to tightly control costs. Overall the expenditures of the District increased just 1.57% during fiscal year 2011.

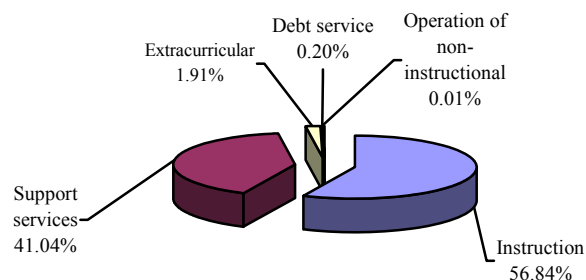
**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(UNAUDITED)**

**Expenditures - Fiscal Year 2011**



**Expenditures - Fiscal Year 2010**



***Bond Retirement Fund***

Another of the District's major governmental funds is the bond retirement fund. The bond retirement fund had \$8,066,424 in revenues and other financing sources and \$8,572,804 in expenditures. The fund balance of the bond retirement fund decreased \$506,380 from \$1,149,071 to \$642,691.

***Permanent Improvement Fund***

The District's other major governmental fund is the permanent improvement fund. The permanent improvement fund had \$4,059,656 in revenues and \$4,843,908 in expenditures and other financing uses. The fund balance of the permanent improvement fund decreased \$784,252 from \$4,024,977 to \$3,240,725.

***General Fund Budgeting Highlights***

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund.

During the course of fiscal year 2011, the District amended its general fund budget. For the general fund, final budgeted revenues and other financing sources of \$46,305,727 were \$1,115,376 below original budgeted revenues and other financing sources of \$47,421,103. Actual revenues and other financing sources of \$46,195,917 were \$109,810 below the final budget.

General fund final appropriations were \$47,456,754. The actual budget basis expenditures and other financing uses for fiscal year 2011 totaled \$45,662,096, which was \$1,794,658 less than the final budget appropriations. The final appropriations were \$138,603 higher than the original appropriations.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(UNAUDITED)**

**Capital Assets and Debt Administration**

***Capital Assets***

At the end of fiscal year 2011, the District had \$107,105,946 invested in land, land improvements, buildings and improvements, furniture and equipment and vehicles. \$107,105,946 was reported in the governmental activities and \$0 was reported in the business-type activities. The business-type activities assets became fully depreciated during fiscal year 2011. The following table shows fiscal year 2011 balances compared to 2010:

**Capital Assets at June 30  
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2011	Restated 2010	2011	Restated 2010	2011	Restated 2010
Land	\$ 6,355,496	\$ 6,355,496	\$ -	\$ -	\$ 6,355,496	\$ 6,355,496
Land improvements	1,513,982	1,703,440	-	-	1,513,982	1,703,440
Buildings and improvements	92,862,400	95,164,628	-	-	92,862,400	95,164,628
Furniture and equipment	5,167,774	5,669,192	-	226	5,167,774	5,669,418
Vehicles	1,206,294	1,235,309	-	-	1,206,294	1,235,309
Total	<u>\$ 107,105,946</u>	<u>\$ 110,128,065</u>	<u>\$ -</u>	<u>\$ 226</u>	<u>\$ 107,105,946</u>	<u>\$ 110,128,291</u>

See Note 9 to the basic financial statements for detail on the District's capital assets.

***Debt Administration***

At June 30, 2011 the District had \$97,303,551 in general obligation bonds, capital leases and energy conservation project notes outstanding. The general obligation bond issue is comprised of current issue bonds and capital appreciation bonds. Of this total debt outstanding, \$4,133,509 is due within one year and \$93,170,042 is due in more than one year. The table that follows summarizes the bonds, leases, and notes outstanding:

**Outstanding Debt, at June 30**

	<u>Governmental Activities</u>	
	<u>2011</u>	<u>2010</u>
Current interest bonds	\$ 79,715,000	\$ 83,920,000
Capital appreciation bonds	8,767,114	8,877,113
Capital appreciation bonds - accreted interest	6,982,437	5,969,214
Capital lease	1,424,000	1,511,000
Energy conservation project	415,000	485,000
Total	<u>\$ 97,303,551</u>	<u>\$ 100,762,327</u>

See Note 11 to the basic financial statements for detail on the District's debt administration.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(UNAUDITED)**

**Current Financial Related Activities**

The District relies on its property taxes and state foundation funds to provide the funds necessary to maintain its educational programs. The District continues to grow with an average 2 percent growth rate per year. This year's growth brought the total school population to over 5,300 students. Our graduating class in 2002 was the last class under 300.

Union County is one of the fastest growing counties in Ohio and Marysville is one of the fastest growing cities in Ohio. We have had eight new housing developments in the past six years. Marysville industrial and commercial tax base is increasing with an addition to the Scotts facility and new restaurants and stores being built in the Coleman's Crossing area.

House Bill 66, passed in 2005, phases out the tax on tangible personal property of general business, telephone, and railroads. The tax on general business and railroad property was eliminated in 2009 and the tax on telephone in 2011. The tax is phased out by reducing the assessment rate on the property each year. The loss and replacement of the tangible personal property tax revenues has been calculated by the Ohio Department of Taxation using 2004 as the base year. The base year amount is the amount of property tax revenue lost when the tax has been fully phased out. School districts are being "held harmless" and reimbursed for lost revenue in the first five years; in the following seven years, the reimbursements are phased out. Even with the direct reimbursement, the District will see no growth from tangible personal property revenues since the payment is calculated on a 2004 base year.

In November 2009, District residents passed a renewal of an existing 6.56 mill levy. This levy does not generate any additional tax dollars.

In conclusion, the District has committed itself to financial excellence for many years.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Cynthia J. Ritter, Treasurer, Marysville Exempted Village School District, 1000 Edgewood Drive, Marysville, Ohio 43040.

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**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**  
**UNION COUNTY, OHIO**

STATEMENT OF NET ASSETS  
JUNE 30, 2011

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents	\$ 9,778,940	\$ 60,882	\$ 9,839,822
Investments	498,195	-	498,195
Receivables:			
Property taxes	27,258,282	-	27,258,282
Payment in lieu of taxes	1,025,330	-	1,025,330
Accounts	53,195	-	53,195
Accrued interest	8,283	-	8,283
Intergovernmental	1,103,141	-	1,103,141
Prepayments	124,900	-	124,900
Materials and supplies inventory	18,420	-	18,420
Unamortized bond issuance costs	731,310	-	731,310
Capital assets:			
Land and construction in progress	6,355,496	-	6,355,496
Depreciable capital assets, net	100,750,450	-	100,750,450
Capital assets, net	107,105,946	-	107,105,946
Total assets	147,705,942	60,882	147,766,824
<b>Liabilities:</b>			
Accounts payable	184,678	5,246	189,924
Accrued wages and benefits	6,335,793	21,247	6,357,040
Intergovernmental payable	218,760	1,229	219,989
Pension obligation payable	1,330,691	9,638	1,340,329
Unearned revenue	24,064,630	-	24,064,630
Accrued interest payable	348,133	-	348,133
Notes payable	595,000	-	595,000
Long-term liabilities:			
Due within one year	4,988,038	8,020	4,996,058
Due in more than one year	97,408,206	3,753	97,411,959
Total liabilities	135,473,929	49,133	135,523,062
<b>Net Assets:</b>			
Invested in capital assets, net of related debt	15,370,210	-	15,370,210
Restricted for:			
Capital projects	4,965,027	-	4,965,027
Debt service	446,795	-	446,795
Federally funded programs	858,349	-	858,349
Student activities	153,031	-	153,031
Other purposes	212,322	-	212,322
Unrestricted (deficit)	(9,773,721)	11,749	(9,761,972)
Total net assets	\$ 12,232,013	\$ 11,749	\$ 12,243,762

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**  
**UNION COUNTY, OHIO**

**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<b>Program Revenues</b>				<b>Net (Expense) Revenue and Changes in Net Assets</b>		
	<b>Expenses</b>	<b>Charges for Services and Sales</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Governmental activities:</b>							
Instruction:							
Regular	\$ 24,749,064	\$ 541,762	\$ 1,038,133	\$ 26,376	\$ (23,142,793)	\$ -	\$ (23,142,793)
Special	6,106,049	63,446	3,442,852	-	(2,599,751)	-	(2,599,751)
Vocational	687,254	-	111,686	-	(575,568)	-	(575,568)
Other	299,954	-	-	-	(299,954)	-	(299,954)
Support services:							
Pupil	3,493,078	105,691	132,545	-	(3,254,842)	-	(3,254,842)
Instructional staff	5,114,616	11,700	427,003	-	(4,675,913)	-	(4,675,913)
Board of education	239,936	-	1,222	-	(238,714)	-	(238,714)
Administration	3,752,154	-	309,476	-	(3,442,678)	-	(3,442,678)
Fiscal	1,196,392	-	52,495	-	(1,143,897)	-	(1,143,897)
Business	718,088	-	44,775	-	(673,313)	-	(673,313)
Operations and maintenance	5,057,277	131,633	277,272	-	(4,648,372)	-	(4,648,372)
Pupil transportation	2,307,844	24,809	243,829	-	(2,039,206)	-	(2,039,206)
Central	527,255	443	53,204	-	(473,608)	-	(473,608)
Operation of non-instructional services:							
Other non-instructional services	215,474	-	149,770	-	(65,704)	-	(65,704)
Food service operations	2,064,654	1,333,512	798,633	-	67,491	-	67,491
Extracurricular activities	1,105,144	474,597	11,286	-	(619,261)	-	(619,261)
Interest and fiscal charges	5,305,885	-	-	-	(5,305,885)	-	(5,305,885)
Total governmental activities	62,940,118	2,687,593	7,094,181	26,376	(53,131,968)	-	(53,131,968)
<b>Business-type activities:</b>							
Special enterprise - day care	366,638	412,619	-	-	-	45,981	45,981
Total business-type activities	366,638	412,619	-	-	-	45,981	45,981
Totals	\$ 63,306,756	\$ 3,100,212	\$ 7,094,181	\$ 26,376	(53,131,968)	45,981	(53,085,987)
<b>General Revenues:</b>							
Property taxes levied for:							
General purposes					19,650,748	-	19,650,748
Debt service					3,101,978	-	3,101,978
Capital outlay					2,114,519	-	2,114,519
Payment in lieu of taxes					1,289,749	-	1,289,749
Income taxes levied for:							
Grants and entitlements not restricted to specific programs					24,885,334	-	24,885,334
Investment earnings					40,399	-	40,399
Miscellaneous					217,140	37	217,177
Total general revenues					51,299,867	37	51,299,904
Change in net assets					(1,832,101)	46,018	(1,786,083)
<b>Net assets at beginning of year (restated)</b>					14,064,114	(34,269)	14,029,845
<b>Net assets at end of year</b>					<u>\$ 12,232,013</u>	<u>\$ 11,749</u>	<u>\$ 12,243,762</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**  
**UNION COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2011

	<u>General</u>	<u>Bond Retirement</u>	<u>Permanent Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>					
Equity in pooled cash and cash equivalents	\$ 4,371,299	\$ 67,278	\$ 2,915,529	\$ 2,424,834	\$ 9,778,940
Investments	-	-	-	498,195	498,195
Receivables:					
Property taxes	21,552,898	3,395,197	2,310,187	-	27,258,282
Payment in lieu of taxes	-	220,000	805,330	-	1,025,330
Accounts	30,261	-	-	22,934	53,195
Accrued interest	7,189	-	-	1,094	8,283
Intergovernmental	-	-	-	1,103,141	1,103,141
Due from other funds	129	-	-	-	129
Prepayments	11,792	-	113,108	-	124,900
Materials and supplies inventory	-	-	-	18,420	18,420
Total assets	<u>\$ 25,973,568</u>	<u>\$ 3,682,475</u>	<u>\$ 6,144,154</u>	<u>\$ 4,068,618</u>	<u>\$ 39,868,815</u>
<b>Liabilities:</b>					
Accounts payable	\$ 116,268	\$ -	\$ 24,136	\$ 44,274	\$ 184,678
Accrued wages and benefits	5,926,574	-	-	409,219	6,335,793
Intergovernmental payable	204,576	-	-	14,184	218,760
Compensated absences payable	86,109	-	-	9,289	95,398
Early retirement incentive payable	226,667	-	-	17,670	244,337
Pension obligation payable	1,284,903	-	-	45,788	1,330,691
Due to other funds	-	-	-	129	129
Deferred revenue	953,919	150,697	101,687	841,294	2,047,597
Unearned revenue	18,397,937	2,889,087	2,777,606	-	24,064,630
Accrued interest payable	-	-	-	1,540	1,540
Notes payable	-	-	-	595,000	595,000
Total liabilities	<u>27,196,953</u>	<u>3,039,784</u>	<u>2,903,429</u>	<u>1,978,387</u>	<u>35,118,553</u>
<b>Fund Balances:</b>					
Nonspendable:					
Materials and supplies inventory	-	-	-	18,420	18,420
Prepayments	11,792	-	113,108	-	124,900
Restricted:					
Debt service	-	642,691	-	-	642,691
Capital improvements	-	-	3,127,617	1,621,521	4,749,138
Food service operations	-	-	-	214,600	214,600
Special education	-	-	-	32,548	32,548
Targeted academic assistance	-	-	-	801	801
Extracurricular	-	-	-	153,031	153,031
Other purposes	-	-	-	55,602	55,602
Assigned:					
Student instruction	14,437	-	-	-	14,437
Student and staff support	304,156	-	-	-	304,156
Unassigned (deficit)	<u>(1,553,770)</u>	<u>-</u>	<u>-</u>	<u>(6,292)</u>	<u>(1,560,062)</u>
Total fund balances (deficit)	<u>(1,223,385)</u>	<u>642,691</u>	<u>3,240,725</u>	<u>2,090,231</u>	<u>4,750,262</u>
Total liabilities and fund balances	<u>\$ 25,973,568</u>	<u>\$ 3,682,475</u>	<u>\$ 6,144,154</u>	<u>\$ 4,068,618</u>	<u>\$ 39,868,815</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**  
**UNION COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2011

<b>Total governmental fund balances</b>		<b>\$ 4,750,262</b>
<i>Amounts reported for governmental activities on the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		107,105,946
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property taxes receivable	\$ 1,200,282	
Accrued interest receivable	7,115	
Intergovernmental receivable	840,200	
Total		2,047,597
Unamortized bond issuance costs are not recognized in the funds.		731,310
Unamortized premiums on bond issuance costs are not recognized in the funds.		(2,869,246)
Unamortized amounts on refundings are not recognized in the funds		2,049,624
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(346,593)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds	95,464,551	
Capital lease obligation	1,424,000	
Compensated absences	3,444,663	
Early retirement incentive	488,673	
Energy conservation note	415,000	
Total		(101,236,887)
<b>Net assets of governmental activities</b>		<b>\$ 12,232,013</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**  
**UNION COUNTY, OHIO**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>General</u>	<u>Bond Retirement</u>	<u>Permanent Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>					
From local sources:					
Property taxes	\$ 19,065,961	\$ 3,009,617	\$ 2,051,852	\$ -	\$ 24,127,430
Payment in lieu of taxes	60,000	440,000	789,749	-	1,289,749
Tuition	345,687	-	-	-	345,687
Transportation fees	24,285	-	-	-	24,285
Earnings on investments	37,934	-	-	3,606	41,540
Charges for services	-	-	-	1,333,512	1,333,512
Extracurricular	341,569	-	-	250,756	592,325
Classroom materials and fees	259,521	-	-	-	259,521
Rental income	131,633	-	-	630	132,263
Contributions and donations	9,684	-	-	77,848	87,532
Other local revenues	207,456	-	-	24,336	231,792
Intergovernmental - state	23,567,386	1,848,581	1,218,055	207,863	26,841,885
Intergovernmental - federal	89,451	-	-	4,193,261	4,282,712
Total revenues	<u>44,140,567</u>	<u>5,298,198</u>	<u>4,059,656</u>	<u>6,091,812</u>	<u>59,590,233</u>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular	21,956,250	-	425,043	375,737	22,757,030
Special	4,018,316	-	-	1,565,044	5,583,360
Vocational	600,192	-	5,302	558	606,052
Other	286,226	-	-	-	286,226
Support services:					
Pupil	3,297,395	-	-	129,133	3,426,528
Instructional staff	3,275,743	-	756,846	431,066	4,463,655
Board of education	238,714	-	-	1,222	239,936
Administration	3,073,681	-	-	313,673	3,387,354
Fiscal	987,422	65,911	44,540	52,495	1,150,368
Business	632,361	-	5,732	44,775	682,868
Operations and maintenance	4,187,352	-	538,173	277,272	5,002,797
Pupil transportation	1,892,491	-	142,791	246,036	2,281,318
Central	509,804	-	-	39,415	549,219
Operation of non-instructional services:					
Other non-instructional services	-	-	-	180,900	180,900
Food service operations	-	-	-	2,028,412	2,028,412
Extracurricular activities	791,618	-	-	268,428	1,060,046
Facilities acquisition and construction	-	-	3,514	590	4,104
Debt service:					
Principal retirement	70,000	4,314,999	87,000	-	4,471,999
Interest and fiscal charges	22,280	4,191,894	66,741	12,990	4,293,905
Total expenditures	<u>45,839,845</u>	<u>8,572,804</u>	<u>2,075,682</u>	<u>5,967,746</u>	<u>62,456,077</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,699,278)</u>	<u>(3,274,606)</u>	<u>1,983,974</u>	<u>124,066</u>	<u>(2,865,844)</u>
<b>Other financing sources (uses):</b>					
Sale of assets	1,700	-	-	48,075	49,775
Transfers in	-	2,768,226	-	62,864	2,831,090
Transfers (out)	(62,864)	-	(2,768,226)	-	(2,831,090)
Total other financing sources (uses)	<u>(61,164)</u>	<u>2,768,226</u>	<u>(2,768,226)</u>	<u>110,939</u>	<u>49,775</u>
Net change in fund balances	(1,760,442)	(506,380)	(784,252)	235,005	(2,816,069)
<b>Fund balances at beginning of year (restated)</b>	537,057	1,149,071	4,024,977	1,855,226	7,566,331
<b>Fund balances (deficit) at end of year</b>	<u>\$ (1,223,385)</u>	<u>\$ 642,691</u>	<u>\$ 3,240,725</u>	<u>\$ 2,090,231</u>	<u>\$ 4,750,262</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**Net change in fund balances - total governmental funds** **\$ (2,816,069)**

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

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlay in the current period.

Capital asset additions	\$ 663,137	
Current year depreciation	<u>(3,659,430)</u>	
Total		(2,996,293)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net assets.

(25,826)

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

Property taxes	739,815	
Earnings on investments	3,559	
Intergovernmental	<u>774,410</u>	
Total		1,517,784

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

4,471,999

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:

Increase in accrued interest payable	(3,405)	
Accreted interest on capital appreciation bonds	(1,013,223)	
Amortization of bond issuance costs	(107,875)	
Amortization of bond premiums	151,013	
Amortization of deferred charges	<u>(38,490)</u>	
Total		(1,011,980)

Some expenses reported in the statement of activities, such as compensated absences and early retirement incentives, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

(971,716)

**Change in net assets of governmental activities** **\$ (1,832,101)**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**  
**UNION COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
From local sources:				
Property taxes	\$ 21,088,024	\$ 20,592,018	\$ 20,603,446	\$ 11,428
Payment in lieu of taxes	2,560	2,500	60,000	57,500
Tuition	316,443	309,000	347,490	38,490
Transportation fees	30,723	30,000	24,285	(5,715)
Earnings on investments	51,204	50,000	33,119	(16,881)
Extracurricular	246,805	241,000	222,726	(18,274)
Classroom materials and fees	86,568	84,532	141,279	56,747
Rental income	122,890	120,000	128,650	8,650
Contributions and donations	40,963	40,000	1,583	(38,417)
Other local revenues	217,270	212,160	179,046	(33,114)
Intergovernmental - state	24,583,538	24,005,317	23,764,680	(240,637)
Intergovernmental - federal	20,482	20,000	89,451	69,451
Total revenues	<u>46,807,470</u>	<u>45,706,527</u>	<u>45,595,755</u>	<u>(110,772)</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	22,063,756	22,128,385	21,307,556	820,829
Special	4,208,474	4,220,801	3,975,345	245,456
Vocational	626,865	628,701	596,988	31,713
Other	166,737	167,225	248,956	(81,731)
Support services:				
Pupil	3,028,911	3,037,783	3,038,654	(871)
Instructional staff	3,240,797	3,250,290	3,108,669	141,621
Board of education	232,120	232,800	248,751	(15,951)
Administration	2,863,267	2,871,654	2,896,018	(24,364)
Fiscal	1,125,582	1,128,879	1,074,844	54,035
Business	694,922	696,958	629,252	67,706
Operations and maintenance	4,567,562	4,580,941	4,272,463	308,478
Pupil transportation	2,199,501	2,205,944	1,986,252	219,692
Central	503,000	504,473	551,348	(46,875)
Operation of non-instructional services	40	40	22	18
Extracurricular activities	833,180	835,621	795,369	40,252
Debt service:				
Principal retirement	712,912	715,000	715,000	-
Interest and fiscal charges	39,823	39,940	35,144	4,796
Total expenditures	<u>47,107,449</u>	<u>47,245,435</u>	<u>45,480,631</u>	<u>1,764,804</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(299,979)</u>	<u>(1,538,908)</u>	<u>115,124</u>	<u>1,654,032</u>
<b>Other financing sources (uses):</b>				
Refund of prior year expenditures	94	92	354	262
Refund of prior year receipts	(210,702)	(211,319)	(181,465)	29,854
Sale of notes	609,332	595,000	595,000	-
Advances in	3,183	3,108	3,108	-
Sale of capital assets	1,024	1,000	1,700	700
Total other financing sources (uses)	<u>402,931</u>	<u>387,881</u>	<u>418,697</u>	<u>30,816</u>
Net change in fund balance	102,952	(1,151,027)	533,821	1,684,848
<b>Fund balance at beginning of year</b>	2,938,881	2,938,881	2,938,881	-
<b>Prior year encumbrances appropriated</b>	466,674	466,674	466,674	-
<b>Fund balance at end of year</b>	<u>\$ 3,508,507</u>	<u>\$ 2,254,528</u>	<u>\$ 3,939,376</u>	<u>\$ 1,684,848</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENT:

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**  
**UNION COUNTY, OHIO**

STATEMENT OF NET ASSETS  
PROPRIETARY FUND  
JUNE 30, 2011

	<b><u>Business-Type Activities - Nonmajor Enterprise Fund</u></b>
<b>Assets:</b>	
Current assets:	
Equity in pooled cash and cash equivalents	\$ 60,882
Total assets	<u>60,882</u>
<b>Liabilities:</b>	
Current liabilities:	
Accounts payable	5,246
Accrued wages and benefits	21,247
Compensated absences	8,020
Pension obligation payable	9,638
Intergovernmental payable	<u>1,229</u>
Total current liabilities	<u>45,380</u>
Long-term liabilities:	
Compensated absences payable	<u>3,753</u>
Total liabilities	<u>49,133</u>
<b>Net assets:</b>	
Unrestricted	<u>11,749</u>
Total net assets	<u><u>\$ 11,749</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
PROPRIETARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<b>Business-Type Activities - Nonmajor Enterprise Fund</b>
<b>Operating revenues:</b>	
Tuition and fees	\$ 412,619
Other	37
Total operating revenues	<u>412,656</u>
<b>Operating expenses:</b>	
Personal services	335,091
Contractual services	7,598
Materials and supplies	22,214
Other	1,509
Depreciation	226
Total operating expenses	<u>366,638</u>
Operating income/change in net assets	46,018
<b>Net assets (deficit) at beginning of year (restated)</b>	<u>(34,269)</u>
<b>Net assets at end of year</b>	<u><u>\$ 11,749</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<b>Business-Type Activities - Nonmajor Enterprise Fund</b>
<b>Cash flows from operating activities:</b>	
Cash received from tuition and fees	\$ 412,619
Cash received from other operations	37
Cash payments for personal services	(341,732)
Cash payments for contractual services	(7,890)
Cash payments for materials and supplies	(20,453)
Cash payments for other expenses	<u>(1,509)</u>
Net cash provided by operating activities	<u>41,072</u>
Net increase in cash and cash equivalents	41,072
<b>Cash and cash equivalents at beginning of year (restated)</b>	<u>19,810</u>
<b>Cash and cash equivalents at end of year</b>	<u><u>\$ 60,882</u></u>
 <b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income	\$ 46,018
Adjustments:	
Depreciation	226
Changes in assets and liabilities:	
Increase in accounts payable	1,469
Increase in accrued wages and benefits	6,194
(Decrease) in intergovernmental payable	(25,367)
Increase in compensated absences payable	2,894
Increase in pension obligation payable	<u>9,638</u>
Net cash provided by operating activities	<u><u>\$ 41,072</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**  
**UNION COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUND  
JUNE 30, 2011

	<b>Private Purpose Trust</b>	
	<b><u>Special Trust</u></b>	<b><u>Agency</u></b>
<b>Assets:</b>		
Current assets:		
Equity in pooled cash and cash equivalents	\$ 16,148	\$ 202,966
Investments	89,498	-
Receivables:		
Accounts	-	659
Accrued interest	2,846	-
Total assets	<u>108,492</u>	<u><u>\$ 203,625</u></u>
<b>Liabilities:</b>		
Intergovernmental payable	\$ -	\$ 44,488
Due to students	-	159,137
Total liabilities	<u>-</u>	<u><u>\$ 203,625</u></u>
<b>Net assets:</b>		
Held in trust for scholarships	<u>108,492</u>	
Total net assets	<u><u>\$ 108,492</u></u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<b>Private Purpose Trust</b>
	<hr/>
	<b>Special Trust</b>
	<hr/>
<b>Additions:</b>	
Interest	\$ 1,826
Gifts and contributions	(1,810)
Total additions	<hr/> 16 <hr/>
<b>Deductions:</b>	
Scholarships awarded	<hr/> 2,256 <hr/>
Change in net assets	(2,240)
<b>Net assets at beginning of year</b>	<hr/> 110,732 <hr/>
<b>Net assets at end of year</b>	<hr/> \$ 108,492 <hr/> <hr/>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT**

Marysville Exempted Village School District, Ohio (the District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The District is governed by a locally elected five member Board of Education (the Board) which provides educational services. The Board controls the District's instructional support facilities staffed by approximately 239 noncertified and approximately 373 certified teaching personnel and administrative employees providing education to 5,345 students.

The District provides regular and special instruction. The District also provides support services for pupils, instructional staff, general and school administration, business and fiscal services, facilities acquisition and construction services, operation and maintenance of plant, student transportation, food services, extracurricular activities and non-programmed services.

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

The basic financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) guidance issued on or before November 30, 1989, to its governmental and proprietary activities and to its enterprise fund provided it does not conflict with or contradict GASB pronouncements. The District has the option to also apply FASB guidance issued after November 30, 1989 to its business-type activities and enterprise fund, subject to this same limitation. The District has elected not to apply this guidance. The District's significant accounting policies are described below.

**A. Reporting Entity**

The reporting entity has been defined in accordance with GASB Statement No. 14, *"The Financial Reporting Entity"* as amended by GASB Statement No. 39, *"Determining Whether Certain Organizations Are Component Units"*. The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, pupil transportation, and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The basic financial statements of the reporting entity include only those of the District (the primary government).

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

*JOINTLY GOVERNED ORGANIZATION*

Tri-Rivers Educational Computer Association (TRECA)

TRECA is a jointly governed organization among 21 school districts. TRECA was formed for the purpose of applying modern technology (with the aid of computers and other electronic equipment) to the administrative and instructional functions of member districts. Each of the governments of these schools supports TRECA based upon a per pupil charge, dependent upon the software package utilized. TRECA is governed by a Board of Directors consisting of superintendents of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the Board. In the event of the dissolution of TRECA, all current members will share in net obligations or asset liquidations in a ratio proportionate to their last twelve months' financial contributions. Financial information is available from Mike Carder, Director, at 100 Executive Drive, Marion, Ohio 43302. During fiscal year 2011, the District paid \$153,217 to TRECA for its services.

Ohio Hi-Point Joint Vocational School

The Ohio Hi-Point Joint Vocational School District is a political subdivision of the State of Ohio, which possesses its own budgeting and taxing authority. The Vocational School is governed by a board of education that consists of a representative from each participating school district and its degree of control is limited to its representation on the board. To obtain financial information write to the Ohio Hi-Point Vocational School, Eric Adelsberger, who serves as Treasurer, at 2280 State Route 540, Bellefontaine, Ohio 43311.

*INSURANCE PURCHASING POOL*

Workers' Compensation Group Rating Program

The District participates in a Workers' Compensation Group Rating Program (GRP) administered by CompManagement, Inc. The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The District pays a fee to the GRP to cover the costs of administering the program. The District paid \$3,685 in fees during fiscal year 2011.

**B. Fund Accounting**

The District uses funds to report its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain school district activities or functions. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category is divided into separate fund types.

*GOVERNMENTAL FUNDS*

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

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Bond retirement fund - The bond retirement fund is used to account for and report all the accumulation of resources and payment of general obligation bond and principal and interest from governmental resources when the government is obligated in some manner for payment.

Permanent improvement fund - This fund is used to account for and report all financial resources to be used for the acquisition of major capital assets (other than that financed by proprietary funds).

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets and (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects.

***PROPRIETARY FUNDS***

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration. The following is the District's only proprietary fund:

Enterprise Fund - These funds are used to account for and report all operations that are financed and operated in a manner similar to private business enterprises in which the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The enterprise fund is used to account for school day care.

***FIDUCIARY FUNDS***

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary 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 District under a trust agreement for individuals, private organizations or other governments and therefore are not available to support the District's own programs. The District's only trust fund is a private purpose trust that accounts for scholarship programs for students. The District's agency funds account for various student-managed activity programs, unclaimed funds, and the District's Section 125 Cafeteria Plan. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operation.

**C. Basis of Presentation and Measurement Focus**

Government-wide Financial Statements - The statement of net assets and the statement of activities display information about the District 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 District that are governmental and those that are considered business-type activities.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

*Fund Financial Statements* - Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

The proprietary fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund is included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activity.

The proprietary fund distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operation. For the District, these revenues are tuition and fees for the school day care program and expenses incurred in operating the school day care program. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The private-purpose trust fund is reported using the economic resources measurement focus. Agency funds do not report a measurement focus as they do not report operations.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

**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 on the fund financial statements. Proprietary and fiduciary funds also use the accrual basis of accounting.

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

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, payment in lieu of taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a 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 to be both measurable and available at fiscal year- end: property taxes available as an advance, interest, tuition and grants.

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

Property taxes for which there is an enforceable legal claim as of June 30, 2011, but which were levied to finance fiscal year 2012 operations, and other revenues received in advance of the fiscal year for which they are intended to finance, have been recorded as unearned revenue. Grants and entitlements received before the eligibility requirements are met are recorded as deferred revenue on the governmental fund financial statements.

On governmental fund financial statements, receivables that will not be collected within the available period, including delinquent property taxes due at June 30, 2011, are reported as deferred revenue.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities received during the year is reported in the operating statement as an expense with a like amount reported as intergovernmental revenue.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

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**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the fund level. Budgetary statements are presented beyond that legal level of control for informational purposes only. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

**Tax Budget**

By January 15, the Superintendent and Treasurer submit an annual operating budget for the following tax year to the Board of Education for consideration and passage. Adoption of a tax budget has been waived by the County Budget Commission.

**Estimated Resources**

Prior to April 1, unless a later date is approved by the Tax Commissioner, the Board of Education accepts, by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's certificate of estimated resources which states the projected revenue of each fund. Prior to July 1, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statement reflect the amounts set forth in the final amended certificate of estimated resources issued for fiscal year 2011.

**Appropriations**

A temporary appropriation measure to control expenditures may be passed on or about July 1 of each year for the period July 1 through September 30. An annual appropriation resolution must be passed by October 1 of each year for the period July 1 through June 30. The appropriation resolution may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. During the year, several supplemental appropriations were necessary. Administrative control is maintained through the establishment of more detailed line-item budgets.



**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

Lapsing of Appropriations

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and are not reappropriated.

**F. Cash and Investments**

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

During fiscal year 2011, investments were limited to non-negotiable certificates of deposit (CDs), negotiable CDs, federal agency securities, and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as non-negotiable certificates of deposit, are reported at cost.

The District has invested funds in STAR Ohio during fiscal year 2011. 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 shares price which is the price the investment could be sold for on June 30, 2011.

Under existing Ohio statutes, interest earnings are allotted to the general fund unless the Board of Education has, by resolution, specified funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2011 amounted to \$37,934 which includes \$22,634 assigned from other District funds.

For purposes of the statement of cash flows and for presentation on the financial statements, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months and are specific to a certain fund are reported as investments.

An analysis of the District's investment account at year end is provided in Note 4.

**G. Inventory**

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method. Inventory consists of donated food and purchased food.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

**H. Prepayments**

Payments made to vendors for services that will benefit periods beyond June 30, 2011, are recorded as prepayments using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed.

**I. Capital Assets**

Governmental capital assets are those assets not specifically related to activities reported in the proprietary fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets, but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The District maintains a capitalization threshold of \$1,000. Contributed capital assets are recorded at their fair market values as of the date received. The District does not possess any infrastructure. 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. Interest incurred during the construction of capital assets is not capitalized.

Furniture, fixtures and equipment acquired by the proprietary fund is stated at cost (or estimated historical cost). Contributed capital assets are recorded at their fair market values as of the date received.

All reported capital assets except land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	10 - 20 years
Buildings and improvements	50 years
Furniture, fixtures and equipment	5 - 20 years
Vehicles	8 years

**J. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans from the general fund to cover negative cash balances in other governmental funds are classified as "due to/from other funds". These amounts are eliminated in the governmental type activities columns of the statement of net assets.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

**K. Compensated Absences**

Compensated absences of the District consist of vacation leave and sick leave liability to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the District and the employee.

In accordance with the provisions of GASB Statement No. 16, "*Accounting for Compensated Absences*", a liability for vacation leave is accrued if a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination (severance) payments. A liability for severance is accrued using the vesting method; (i.e., the liability is based on the sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future). Employees may earn 15 days of sick leave per year up to a maximum of 248 days. Upon retirement, employees will receive one-fourth of the accumulated sick leave up to a maximum of 64 days. For purposes of establishing a liability for sick leave on employees expected to become eligible to retire in the future, employees any age with 10 years of service were considered expected to become eligible to retire in accordance with GASB Statement No. 16.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at June 30, 2011 and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

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

In the governmental fund financial statements, compensated absences are reported to the extent that a known liability for an employee's retirement/resignation has been incurred by fiscal year end. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees are paid. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

**L. Accrued Liabilities and Long-Term Obligations**

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, notes, and capital leases are recognized as a liability on the fund financial statements when due.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**M. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted - Fund balance is reported as restricted when constraints are placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District Board of Education (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

**N. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings 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 enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes consist of amounts for food service and other grants.

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

**O. Estimates**

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

**P. Interfund Activity**

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**Q. 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 the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2011.

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

On government-wide financial statements, issuance costs are deferred and amortized over the term of the bonds using the straight line method. Unamortized bond issuance costs are recorded as a separate line item on the statement of net assets.

Bond premiums are deferred and amortized over the term of the bonds using the straight line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

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

On the governmental fund financial statements, bond issuance costs and bond premiums are recognized in the current period. A reconciliation between the bonds face value and the amount reported on the statement of net assets is presented in Note 11.A.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Change in Accounting Principles**

For fiscal year 2011, the District has implemented GASB Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*", and GASB Statement No. 59, "*Financial Instruments Omnibus*".

GASB Statement No. 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. GASB Statement No. 54 also clarifies the definitions of governmental fund types.

GASB Statement No. 59 updates and improves guidance for financial reporting and disclosure requirements of certain financial instruments and external investment pools. The implementation of GASB Statement No. 59 did not have an effect on the financial statements of the District.

**B. Fund Reclassifications**

Fund reclassifications are required in order to report funds in accordance with GASB Statement No 54. In addition, a fund reclassification has been made to report the food service fund as a nonmajor special revenue fund rather than an enterprise fund. The fees received by this fund are not designed to cover all costs associated with the operation of the food service program. The fund is largely supported by intergovernmental grants and entitlements and should be reported as a special revenue governmental fund rather than an enterprise fund.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

These fund reclassifications had the following effect on the District's governmental fund balances as previously reported:

	<u>General</u>	<u>Bond Retirement</u>	<u>Permanent Improvement</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental</u>
Fund balance as previously reported	\$ 309,093	\$ 1,149,071	\$ 4,024,977	\$ 1,850,151	\$ 7,333,292
Fund reclassifications:					
Food service fund	-	-	-	129,287	129,287
Uniform school supplies fund	103,752	-	-	-	103,752
Public school support fund	<u>124,212</u>	<u>-</u>	<u>-</u>	<u>(124,212)</u>	<u>-</u>
Total fund reclassifications	<u>227,964</u>	<u>-</u>	<u>-</u>	<u>5,075</u>	<u>233,039</u>
Restated fund balance at July 1, 2010	<u>\$ 537,057</u>	<u>\$ 1,149,071</u>	<u>\$ 4,024,977</u>	<u>\$ 1,855,226</u>	<u>\$ 7,566,331</u>

These fund reclassifications had the following effect on the District's governmental activities and business-type activities as previously reported:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Net assets as previously reported	\$ 13,081,886	\$ 947,959
Fund reclassifications:		
Food service fund	129,287	(129,287)
Capital assets, net	803,892	(803,892)
Long-term compensated absences	(54,703)	54,703
Uniform school supplies fund	<u>103,752</u>	<u>(103,752)</u>
Fund reclassification	<u>982,228</u>	<u>(982,228)</u>
Restated net assets at July 1, 2010	<u>\$ 14,064,114</u>	<u>\$ (34,269)</u>

**C. Deficit Fund Balances**

Fund balances at June 30, 2011 included the following individual fund deficits:

<u>Major fund</u>	<u>Deficit</u>
General	\$ 1,223,385
<u>Nonmajor funds</u>	
Auxiliary services	2,080
Miscellaneous state grants	129
Title I	4,083

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

The general fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur. Except for the miscellaneous state grants fund, the deficit fund balances resulted from adjustments for accrued liabilities.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

State statutes classify monies held by the District into three categories.

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories.

Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;



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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

6. The State Treasurer's investment pool (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**A. Deposits with Financial Institutions**

At June 30, 2011, the carrying amount of all District deposits was \$1,782,285. Based on the criteria described in GASB Statement No. 40, "*Deposits and Investment Risk Disclosures*", as of June 30, 2011, \$1,720,337 of the District's bank balance of \$2,065,835 was exposed to custodial credit risk as discussed below, while \$345,498 was covered by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the District's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the District. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the District to a successful claim by the FDIC.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**B. Investments**

As of June 30, 2011, the District had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>	
		<u>6 months or less</u>	<u>Greater than 24 months</u>
Money market funds	\$ 6,171,652	\$ 6,171,652	\$ -
Negotiable CDs	500,975	-	500,975
FNMA	2,001,095	-	2,001,095
FHLMC	100,225	-	100,225
STAR Ohio	90,397	90,397	-
Total	<u>\$ 8,864,344</u>	<u>\$ 6,262,049</u>	<u>\$ 2,602,295</u>

The weighted average maturity of investments is 1.03 years.

*Interest Rate Risk:* The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. The District's policy attempts to match its investments with anticipated cash flow requirements. Unless matched to a specific obligation or debt of the District, investments of the District will be limited to those maturing in five years or less from the date of settlement.

*Credit Risk:* Standard & Poor's has assigned STAR Ohio an AAAM money market rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The federal agency securities were rated AAA and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The money market funds and negotiable CDs were rated AAA by Standard & Poor's. The District's investment policy does not specifically address credit risk beyond the adherence to all relevant sections of the Ohio Revised Code.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

*Concentration of Credit Risk:* The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2011:

<u>Investment type</u>	<u>Fair Value</u>	<u>% to Total</u>
Money market funds	\$ 6,171,652	69.63
Negotiable CDs	500,975	5.65
FNMA	2,001,095	22.57
FHLMC	100,225	1.13
STAR Ohio	90,397	1.02
Total	<u>\$ 8,864,344</u>	<u>100.00</u>

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**C. Reconciliation of Cash and Investments to the Statement of Net Assets**

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net assets as of June 30, 2011:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 1,782,285
Investments	<u>8,864,344</u>
Total	<u>\$ 10,646,629</u>
 <u>Cash and investments per statement of net assets</u>	
Governmental activities	\$ 10,277,135
Business-type activities	60,882
Private-purpose trust fund	105,646
Agency fund	<u>202,966</u>
Total	<u>\$ 10,646,629</u>

**NOTE 5 - INTERFUND TRANSACTIONS**

- A.** At June 30, 2011, a receivables and payables resulting from short-term interfund loans from the general fund to cover negative cash balances in other governmental funds, classified as “due to/from other funds”, was reported between the general fund and the miscellaneous state grants nonmajor special revenue fund in the amount of \$129. The interfund balance is expected to be repaid once the anticipated revenues are received, and is expected to be repaid within one year.

Interfund balances between governmental funds are eliminated on the government-wide financial statements.

- B.** Interfund transfers for the fiscal year 2011 consisted of the following, as reported on the fund statements:

	<u>Amount</u>
<u>Transfers from general fund to:</u>	
Building nonmajor capital projects fund	\$ 62,864
 <u>Transfers from permanent improvement fund to:</u>	
Bond retirement fund	<u>2,768,226</u>
Total	<u>\$ 2,831,090</u>

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 5 - INTERFUND TRANSACTIONS - (Continued)**

The \$62,864 transfers from the general fund to the building nonmajor capital projects fund is required to fund the debt service requirement in the fund which reports the liability. The permanent improvement fund made transfers to the bond retirement fund in the amount of \$2,768,226, to pay principal and interest on the general obligation bonds.

**NOTE 6 - PROPERTY TAXES**

Property taxes are levied and assessed on a calendar year basis while the District fiscal year runs from July through June. First half tax collections are received by the District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real property, public utility property, and certain tangible personal (used in business) property located in the District. Real property tax revenues received in calendar year 2011 represent the collection of calendar year 2010 taxes. Real property taxes received in calendar year 2011 were levied after April 1, 2010, on the assessed values as of January 1, 2010, 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 calendar year 2011 represent the collection of calendar year 2010 taxes. Public utility real and tangible personal property taxes received in calendar year 2011 became a lien on December 31, 2009, were levied after April 1, 2010, 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.

Tangible personal property tax revenues received in the District's fiscal year ended June 30, 2011 (other than public utility property) generally represent the collection of calendar year 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after October 1, 2009 on the value as of December 31, 2009. Amounts paid by multi-county taxpayers were due September 20, 2010. Single county taxpayers could pay annually or semiannually. If paid semiannually, the first payment was due April 30, 2010, with the remainder payable by September 20, 2010.

The District receives property taxes from Union County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2011, are available to finance fiscal year 2011 operations. The amount available as an advance at June 30, 2011 was \$2,207,063 in the general fund, \$355,413 in the bond retirement fund, and \$236,224 in the permanent improvement fund. This amount is recorded as revenue. The amount available for advance at June 30, 2010 was \$3,875,539 in the general fund, \$596,660 in the bond retirement fund, and \$406,464 in the permanent improvement fund. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2011 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to unearned revenue.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 6 - PROPERTY TAXES - (Continued)**

On the accrual basis of accounting, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis of accounting the revenue has been deferred.

The assessed values upon which the fiscal year 2011 taxes were collected are:

	2011 First Half Collections		2010 Second Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 653,830,160	94.91	\$ 641,830,750	94.83
Public utility personal	<u>35,035,830</u>	<u>5.09</u>	<u>35,008,550</u>	<u>5.17</u>
Total	<u>\$ 688,865,990</u>	<u>100.00</u>	<u>\$ 676,839,300</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation	58.06		58.06	

**NOTE 7 - PAYMENT IN LIEU OF TAXES**

According to State law, Union County has entered into agreements with property owners under which Union County has granted property tax abatements to those property owners and agreed to construct certain infrastructure improvements. The property owners have agreed to make payments to Union County to help pay the costs of the infrastructure improvements. The amount of those payments generally reflects all or a portion of the property taxes which the property owners would have paid if their taxes had not been abated. The property owners' contractual promise to make these payments in lieu of taxes generally continues until the costs of the improvement have been paid or the agreement expires, whichever occurs first. Future development by those owners or others may result in subsequent agreements to make payments in lieu of taxes and may therefore spread the costs of the improvements to a larger number of property owners. The District received \$1,289,749 in payments in lieu of taxes during fiscal year 2011 and a receivable of \$1,025,330 has been reported on the fund financial statements and the statement of net assets.

**NOTE 8 - RECEIVABLES**

Receivables at June 30, 2011 consisted of property taxes, payment in lieu of taxes, accounts (billings for user charged services and student fees), accrued interest, and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds. A summary of the items of receivables reported on the statement of net assets follows:

**Governmental activities:**

Property taxes	\$ 27,258,282
Payment in lieu of taxes	1,025,330
Accounts	53,195
Accrued interest	8,283
Intergovernmental	<u>1,103,141</u>
Total receivables	<u>\$ 29,448,231</u>

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**NOTE 8 – RECEIVABLES – (continued)**

Receivables have been disaggregated on the face of the basic financial statements. All receivables, except property taxes and payment in lieu of taxes, are expected to be collected within one year. Property taxes and payments in lieu of taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

**NOTE 9 - CAPITAL ASSETS**

Capital assets of the governmental activities and business-type activities have been restated at June 30, 2010 to include the capital assets of the business-type activities that have been reclassified into governmental activities (see Note 3.B. for detail). Capital asset activity for governmental and business-type activities for the fiscal year ended June 30, 2011, was as follows:

	(Restated) Balance June 30, 2010	Additions	Deductions	Balance June 30, 2011
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 6,355,496	\$ -	\$ -	\$ 6,355,496
Total capital assets, not being depreciated	<u>6,355,496</u>	<u>-</u>	<u>-</u>	<u>6,355,496</u>
Capital assets, being depreciated:				
Land improvements	4,368,567	-	-	4,368,567
Building and improvements	114,961,895	2,503	-	114,964,398
Furniture, fixtures and equipment	17,640,727	425,322	(202,045)	17,864,004
Vehicles	3,001,260	235,312	(216,957)	3,019,615
Total capital assets, being depreciated	<u>139,972,449</u>	<u>663,137</u>	<u>(419,002)</u>	<u>140,216,584</u>
Less: accumulated depreciation				
Land improvements	(2,665,127)	(189,458)	-	(2,854,585)
Building and improvements	(19,797,267)	(2,304,731)	-	(22,101,998)
Furniture, fixtures and equipment	(11,971,535)	(922,610)	197,915	(12,696,230)
Vehicles	(1,765,951)	(242,631)	195,261	(1,813,321)
Total accumulated depreciation	<u>(36,199,880)</u>	<u>(3,659,430)</u>	<u>393,176</u>	<u>(39,466,134)</u>
Governmental activities capital assets, net	<u>\$ 110,128,065</u>	<u>\$ (2,996,293)</u>	<u>\$ (25,826)</u>	<u>\$ 107,105,946</u>
<b>Business-type activities:</b>				
Capital assets, being depreciated:				
Furniture, fixtures and equipment	\$ 1,130	\$ -	\$ -	\$ 1,130
Less: accumulated depreciation				
Furniture, fixtures and equipment	(904)	(226)	-	(1,130)
Business-type activities capital assets, net	<u>\$ 226</u>	<u>\$ (226)</u>	<u>\$ -</u>	<u>\$ -</u>

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 9 - CAPITAL ASSETS - (Continued)**

At June 30, 2011, the District had two buildings which were not being utilized due to the opening of the new middle school building during fiscal year 2009. The old middle school building is scheduled to be removed and reopened if necessary based on student enrollment and the East Elementary building will be reopened if necessary due to increased student enrollment or changes in the kindergarten program. The carrying value of the old middle school and East elementary buildings at year-end were \$2,946,004 and \$895,377, respectively.

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 1,868,465
Special	249,220
Vocational	35,620
Support Services:	
Pupil	196,522
Instructional staff	561,813
Administration	208,292
Fiscal	31,173
Business	33,321
Operations and maintenance	70,905
Pupil transportation	237,054
Central	920
Other non-instructional services	5,001
Food service operations	90,217
Extracurricular	<u>70,907</u>
Total depreciation expense	<u>\$ 3,659,430</u>

**NOTE 10 - CAPITALIZED LEASES**

The District leases building and land improvements under capital lease obligations. The cost of the capital assets obtained under capital leases is \$2,016,000 which is included in the governmental activities capital assets and the related liability is included in the governmental activities long-term liabilities.

The following is a schedule of future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of June 30, 2011:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2012	\$ 157,662
2013	157,314
2014	156,737
2015	155,953
2016	154,961
2017 - 2021	778,884
2022 - 2023	<u>310,529</u>
Total minimum lease payments	1,872,040
Less: amount representing interest	<u>(448,040)</u>
Total	<u>\$ 1,424,000</u>

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS**

- A. Long-term obligations of the governmental activities and business-type activities have been restated at June 30, 2010 to include the compensated absences of the business-type activities that have been reclassified into governmental activities (see Note 3.B. for detail). The District's long-term obligations activity during fiscal year 2011 consisted of the following:

	(Restated) Balance June 30, 2010	Additions	Disposals	Balance June 30, 2011	Amounts Due Within One Year
<b>Governmental Activities:</b>					
<u>General obligation bonds</u>					
Refunding new elementary 3.4-5.15%	\$ 5,812,973	\$ -	\$ (690,000)	\$ 5,122,973	\$ 850,000
Fifth/sixth elementary 5.79%	1,159,222	-	(235,000)	924,222	111,509
New elementary and middle school 4.35-5.375%	459,995	-	(225,000)	234,995	-
Refunding fifth/sixth elementary 3.60%	11,719,974	-	(230,000)	11,489,974	240,000
Refunding new high school 1.2-14.16%	109,999	-	(109,999)	-	-
Refunding school improvement 3.25-5%	36,439,966	-	(1,370,000)	35,069,966	1,415,000
School improvement/refunding 3.5-5%	37,094,984	-	(1,455,000)	35,639,984	1,350,000
Subtotal general obligation bonds	92,797,113	-	(4,314,999)	88,482,114	3,966,509
Premium bonds	3,020,259	-	(151,013)	2,869,246	-
Deferred amount on refunding	(2,157,499)	-	107,875	(2,049,624)	-
Interest accretion	5,969,214	1,183,223	(170,000)	6,982,437	-
Total general obligation bonds	99,629,087	1,183,223	(4,528,137)	96,284,173	3,966,509
<u>Other long-term obligations:</u>					
Energy conservation notes	485,000	-	(70,000)	415,000	75,000
Early retirement incentive	-	733,010	-	733,010	244,337
Compensated absences	3,170,114	1,025,652	(655,705)	3,540,061	610,192
Capital lease payable	1,511,000	-	(87,000)	1,424,000	92,000
Total other long-term obligations	5,166,114	1,758,662	(812,705)	6,112,071	1,021,529
Total	\$ 104,795,201	\$ 2,941,885	\$ (5,340,842)	\$ 102,396,244	\$ 4,988,038
<b>Business-type Activities:</b>					
Compensated absences	\$ 8,879	\$ 8,530	\$ (5,636)	\$ 11,773	\$ 8,020
Total business-type activities	\$ 8,879	\$ 8,530	\$ (5,636)	\$ 11,773	\$ 8,020

Capital lease obligation - Refer to Note 10 to the notes to the basic financial statements for detail on the capital lease obligation.

Compensated absences - Compensated absences will be paid from the fund from which the person is paid, which, for governmental activities, is primarily the general fund, the food service and Title I nonmajor special revenues funds, and, for business-type activities, the school day care fund.



**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

Early retirement incentive (ERI) - The District Board of Education has approved an early retirement incentive for certified and classified employees. Employees who elected to participate in the ERI will receive a payment for their unused sick leave, to the extent allowed by the current labor agreement along with a payment ranging from \$20,000 to \$45,000. The payment for the ERI will be paid out over a three-year period beginning in fiscal year 2012. The total liability for the ERI at June 30, 2011 was \$733,010 of which \$244,674 is due within one year and \$488,336 is due in greater than one year. The liability is recorded in the governmental activities statement of net assets as a component of "long-term liabilities".

Energy conservation project - the District has issued energy conservation notes to provide financing for energy improvements to various District buildings. Payments of principal and interest on the energy conservation notes are reported as expenditures in the bond retirement fund.

- B.** Principal and interest requirements to retire the general obligation bonds and energy conservation notes are as follows:

Fiscal Year Ending June 30,	General Obligation Bonds			Energy Conservation Notes		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 3,966,509	\$ 4,154,245	\$ 8,120,754	\$ 75,000	\$ 18,309	\$ 93,309
2013	3,129,497	5,011,950	8,141,447	80,000	14,550	94,550
2014	3,129,680	5,002,345	8,132,025	85,000	10,549	95,549
2015	2,456,855	5,753,501	8,210,356	85,000	6,426	91,426
2016	2,278,475	5,943,125	8,221,600	90,000	2,183	92,183
2017 - 2021	16,801,235	23,794,246	40,595,481	-	-	-
2022 - 2026	27,624,863	13,027,383	40,652,246	-	-	-
2027 - 2030	29,095,000	2,778,906	31,873,906	-	-	-
Total	<u>\$88,482,114</u>	<u>\$ 65,465,701</u>	<u>\$153,947,815</u>	<u>\$ 415,000</u>	<u>\$ 52,017</u>	<u>\$ 467,017</u>

**C. Defeased Debt**

In December 1993, the District defeased \$6,165,000 of general obligation bonds for the high school building, dated April 1, 1990, through the issuance of \$6,084,999 of general obligation bonds for the high school building. The net proceeds of the 1993 bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which were fully retired during fiscal year 2011, were not included in the District's outstanding debt since the District had in-substance satisfied its obligations through the advance refunding.

In March 2001, the District defeased \$7,669,538 of general obligation bonds for the new elementary additions, dated October 1, 1995, through the issuance of \$7,667,973 of general obligation bonds for the new elementary additions. The net proceeds of the 2001 bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$5,364,599 at June 30, 2011, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

In March 2002, the District defeased \$13,335,000 of general obligation bonds for the fifth/sixth elementary building, dated March 1, 2000, through the issuance of \$13,334,974 of general obligation bonds for the fifth/sixth elementary building. The net proceeds of the 2002 bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$13,335,000 at June 30, 2011, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

In September 2005, the District defeased \$41,425,000 of certificates of participation for school improvements, dated March 2, 2005, through the issuance of \$40,284,966 of general obligation bonds for school improvements. The net proceeds of the 2005 bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded certificates. The refunded certificates, which have an outstanding balance of \$37,360,000 at June 30, 2011, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

In February 2006, the District defeased \$12,350,000 of general obligation bonds for a new elementary and Raymond middle school improvements, dated December 1, 2000, through the issuance of \$12,349,984 of general obligation bonds for school improvements. The net proceeds of the 2006 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$12,350,000 at June 30, 2011, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

**D. Legal Debt Margin**

Under current State statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 9 percent of the total assessed value of real and personal property with certain exceptions. One such exception is to receive a special needs district certification from the Superintendent of Public Instruction. The District was certified as a special needs district on June 29, 2005 and as a result may incur net indebtedness by issuance of securities in an amount that does not exceed 9% of the projected increase of its tax valuation in during the next ten years.

**NOTE 12 - NOTES PAYABLE**

Note payable activity of the District for the fiscal year ended June 30, 2011, was as follows:

<u>Note Payable</u>	<u>Interest Rate</u>	<u>Balance June 30, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2011</u>
Energy conservation note	2.00%	\$645,000	\$ -	\$(645,000)	\$ -
Energy conservation note	2.25%	-	<u>595,000</u>	-	<u>595,000</u>
		<u>\$645,000</u>	<u>\$595,000</u>	<u>\$(695,000)</u>	<u>\$595,000</u>

On May 19, 2011, the District retired the \$645,000 energy conservation note and reissued an energy conservation note in the amount of \$595,000. The maturity date of the 2011 note issue is May 17, 2012.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 13 - RISK MANAGEMENT**

**A. Property and Liability**

The District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2011, the District contracted with Ohio Casualty Insurance Company for various coverages, as follows:

<u>Coverage/Deductible</u>	<u>Aggregate</u>
Fleet Insurance - \$500/Comprehensive \$500/Collision	\$ 1,000,000
Buildings and Contents - \$1,000	185,590,834
School District Liability (no deductible)	2,000,000
Employee Benefits Liability - \$1,000	3,000,000
School Leaders Errors and Omissions - \$2,500	1,000,000
Umbrella Policy (no deductible)	5,000,000
Crime - \$1,000	100,000
Miscellaneous - \$500	1,573,792
Computers - \$500	5,136,962

Settled claims have not exceeded commercial coverage in any of the past three fiscal years. There has not been a significant reduction in insurance coverage from the prior year.

**B. Worker's Compensation**

The District participates in a Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 2.A.). The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "equity pooling fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of CompManagement, Inc. provides administrative, cost control and actuarial services to the GRP.

**C. Employee Group Life, Medical, Dental, and Vision Insurance**

The District has elected to provide a comprehensive benefits package to employees through a fully-insured program. The District provides life and health insurance to employees through United Healthcare, dental insurance through Core Source, and vision insurance through VSP.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 14 - PENSION PLANS**

**A. School Employees Retirement System**

Plan Description - The District contributes to the School Employees Retirement System (SERS), a cost-sharing, multiple-employer defined benefit pension plan. SERS provides retirement, disability, survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746. It is also posted on the SERS' Ohio website, [www.ohsers.org](http://www.ohsers.org), under "*Media/Financial Reports*".

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2011, 11.77 percent and 0.04 percent of annual covered salary was the portion used to fund pension obligations and death benefits, respectively. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The District's required contributions for pension obligations and death benefits to SERS for the fiscal years ended June 30, 2011, 2010 and 2009 were \$890,028, \$1,036,341 and \$803,751, respectively; 57.23 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

**B. State Teachers Retirement System of Ohio**

Plan Description - The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio website at [www.strsoh.org](http://www.strsoh.org), under "*Publications*".

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all 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 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, 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 DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 - PENSION PLANS - (Continued)**

A DB or Combined Plan member with five or more years 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 DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - For fiscal year 2011, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2011, 2010 and 2009 were \$3,024,223, \$2,895,483 and \$3,031,604, respectively; 81.93 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009. Contributions to the DC and Combined Plans for fiscal year 2011 were \$130,323 made by the District and \$93,088 made by the plan members.

**C. Social Security System**

Effective July 1, 1991, all employees not otherwise covered by the SERS/STRS Ohio have an option to choose Social Security or the SERS/STRS Ohio. As of June 30, 2011, certain members of the Board of Education have elected Social Security. The District's liability is 6.2 percent of wages paid.

**NOTE 15 - POSTEMPLOYMENT BENEFITS**

**A. School Employees Retirement System**

Plan Description - The District participates in two cost-sharing, multiple employer postemployment benefit plans administered by the School Employees Retirement System (SERS) for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Section 3309.69 of the Ohio Revised Code. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2011 was \$96.40 and SERS' reimbursement to retirees was \$45.50. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746. It is also posted on the SERS' Ohio website, [www.ohsers.org](http://www.ohsers.org), under "Media/Financial Reports".

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 15 - POSTEMPLOYMENT BENEFITS - (Continued)**

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2011, 1.43 percent of covered payroll was allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the statewide SERS-covered payroll for the health care surcharge. For fiscal year 2011, the actuarially determined amount was \$35,800.

Active members do not contribute to the postemployment benefit plans. The Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility and retirement status.

The District's contributions for health care (including surcharge) for the fiscal years ended June 30, 2011, 2010 and 2009 were \$222,791, \$152,325 and \$483,651, respectively; 57.23 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2011, this actuarially required allocation was 0.76 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2011, 2010, and 2009 were \$57,275, \$61,929 and \$66,979, respectively; 57.23 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

**B. State Teachers Retirement System of Ohio**

Plan Description - The District contributes to the cost sharing, multiple employer defined benefit Health Plan (the "Plan") administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting [www.strsoh.org](http://www.strsoh.org), under "Publications" or by calling (888) 227-7877.

Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2011, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2011, 2010 and 2009 were \$232,633, \$222,729 and \$233,200, respectively; 81.93 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**  
**UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**NOTE 16 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the General fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis); and,
- (e) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund is as follows:

**Net Change in Fund Balance**

	<u>General Fund</u>
Budget basis	\$ 533,821
Net adjustment for revenue accruals	(1,706,575)
Net adjustment for expenditure accruals	(304,994)
Net adjustment for other sources/uses	(479,861)
Funds budgeted elsewhere	(101,440)
Adjustment for encumbrances	<u>298,607</u>
GAAP basis	<u><u>\$ (1,760,442)</u></u>

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the uniform school supplies and the public school support fund.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**  
**UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 17 - CONTINGENCIES**

**A. Grants**

The District receives significant financial assistance from numerous federal, State and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District.

**B. Litigation**

The District is not involved in material litigation as either plaintiff or defendant.

**NOTE 18 - SET ASIDES**

The District is required by State statute to annually set-aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. These amounts must be carried forward to be used for the same purposes in future years.

The following cash basis information describes the change in the fiscal year-end set-aside amounts for textbooks and capital improvements. Disclosure of this information is required by State statute.

	<u>Textbooks</u>	<u>Capital Improvements</u>
Set-aside balance June 30, 2010	\$ -	\$ -
Current year set-aside requirement	785,068	785,068
Contributions in excess of the current fiscal year set-aside requirement		
Current year qualifying expenditures	(493,383)	(23,837)
Excess qualified expenditures from prior years	(112,550)	-
Current year offsets	<u>(217,009)</u>	<u>(3,223,138)</u>
Total	<u>\$ (37,874)</u>	<u>\$ (2,461,907)</u>
Balance carried forward to fiscal year 2012	<u>\$ -</u>	<u>\$ -</u>
Set-aside balance June 30, 2011	<u>\$ -</u>	<u>\$ -</u>



**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 18 - SET ASIDES - (Continued)**

The District had qualifying disbursements and offsets during the fiscal year that reduced the textbook set-aside amount to below zero. Effective July 1, 2011, the textbook set-aside is no longer required and has been removed from existing law. This negative balance is therefore not being presented as being carried forward to the future fiscal year. Although the District had qualifying disbursements and offsets during the fiscal year that reduced the set-aside amount to below zero for the capital improvements set-aside, this amount may not be used to reduce the set-aside requirement for future fiscal years. The negative balance is therefore not presented as being carried forward to future fiscal years.

**NOTE 19 - OTHER COMMITMENTS**

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the District's commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 193,754
Permanent improvement fund	18,848
Other governmental funds	<u>81,250</u>
Total	<u><u>\$ 293,852</u></u>

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<b>U.S. DEPARTMENT OF AGRICULTURE</b>						
<i>Passed Through Ohio Department of Education:</i>						
Nutrition Cluster:						
National School Breakfast Program	N/A	10.553	\$ 108,969	\$ -	\$ 108,969	\$ -
National School Lunch Program	N/A	10.555	551,587	122,549	551,587	122,549
Total Nutrition Cluster			660,556	122,549	660,556	122,549
Total U.S. Department of Agriculture			660,556	122,549	660,556	122,549
<b>U.S. DEPARTMENT OF EDUCATION</b>						
<i>Passed Through Ohio Department of Education:</i>						
Title I Cluster:						
Title I Grants to Local Educational Agencies	N/A	84.010	444,173	-	497,627	-
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	N/A	84.389	103,442	-	93,194	-
Total Title I Cluster			547,615	-	590,821	-
Special Education Cluster:						
Special Education - Grants to States	N/A	84.027	773,221	-	813,114	-
Special Education - Preschool Grants	N/A	84.173	5,961	-	5,961	-
ARRA - Special Education Grants to States, Recovery Act	N/A	84.391	451,193	-	564,586	-
ARRA - Special Education Preschool Grants, Recovery Act	N/A	84.392	-	-	1,747	-
Total Special Education Cluster			1,230,375	-	1,385,408	-
Safe and Drug Free Schools and Communities - State Grants	N/A	84.186	354	-	808	-
Education Technology State Grants	N/A	84.318	4,314	-	4,652	-
English Language Acquisition Grants	N/A	84.365	1,069	4,512	777	4,512
Improving Teacher Quality State Grants	N/A	84.367	125,070	-	135,161	-
School Improvement Grants	N/A	84.377	10,560	-	10,744	-
ARRA - State Fiscal Stabilization Fund - Education State Grants	N/A	84.394	1,223,442	-	1,223,442	-
ARRA - State Fiscal Stabilization Fund - Race-to-the-Top Incentive Grants	N/A	84.395	31,167	-	20,370	-
Total U.S. Department of Education			3,173,966	4,512	3,372,183	4,512
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>						
<i>Passed Through Ohio Department of Transportation:</i>						
ARRA - Highway Planning and Construction (Safe Routes to Schools)	85671 & 84137	20.205	6,950	-	6,950	-
Total U.S. Department of Transportation			6,950	-	6,950	-
<b>Total Federal Awards</b>			<b>\$ 3,841,472</b>	<b>\$ 127,061</b>	<b>\$ 4,039,689</b>	<b>\$ 127,061</b>

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

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY, OHIO**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) is a summary of the activity of the District's federal award programs. The Schedule has been prepared on the cash basis of accounting.

**NOTE B - CHILD NUTRITION CLUSTER**

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

**NOTE C – FOOD DONATION PROGRAM**

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the Schedule at the fair value of the commodities received.

The District used the services of DJ Co-ops to hold, process, and deliver its federal commodities at a nominal rate.

**NOTE D – NONCASH AWARDS**

The District had the following federal non-cash receipts and non-cash disbursements which were received and disbursed by the Educational Service Center of Central Ohio on behalf of the District for fiscal year 2011:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Non-Cash Receipts</u>	<u>Non-Cash Disbursements</u>
English Language Acquisition Grants	84.365	\$4,512	\$4,512

**NOTE E – TRANSFERS BETWEEN PROGRAM YEARS**

Federal regulations require schools to obligate certain federal awards by June 30. However, with the Ohio Department of Education's consent, schools can transfer unobligated amounts to the subsequent fiscal year's program. The District transferred the following amounts from 2010 to 2011 programs:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Transferred from 2010 to 2011</u>
Title I Grants in Local Educational Agencies	84.010	\$11,822
Safe & Drug Free Schools & Communities State Grants	84.186	5
Education Technology State Grants	84.318	337
School Improvement Grants	84.377	405



**Independent Auditors' Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with Government Auditing Standards**

Board of Education  
Marysville Exempted Village School District  
1000 Edgewood Drive  
Marysville, Ohio 43040

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Marysville Exempted Village School District, Union County, Ohio (the District) as of and for the fiscal year ended June 30, 2011 which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2011, wherein we noted that the District implemented GASB Statement No. 54 which resulted in a restatement of fund balances and net assets and implemented GASB Statement No. 59, as disclosed in Note 3. 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*.

**Internal Control over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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.

**Compliance and Other Matters**

As part of reasonably assuring whether the District'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 that we must report under *Government Auditing Standards*.

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
Ten West Locust Street  
Newark, Ohio 43055  
(740) 345-6611  
1-800-523-6611  
FAX (740) 345-5635

Marysville Exempted Village School District

Union County

Independent Auditors' Report on Internal Control Over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial  
Statements Performed in Accordance with *Government Auditing Standards*  
Page 2

However, we noted certain matters involving internal control over financial reporting or compliance and other matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated December 21, 2011.

We intend this report solely for the information and use of management, the Board of Education, and federal awarding agencies and pass-through entities, and others within the District. We intend it for no one other than these specified parties.

*Wilson, Shannon & Son, Inc.*

Newark, Ohio

December 21, 2011



**Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control over Compliance in Accordance with OMB Circular A-133**

Board of Education  
Marysville Exempted Village School District  
1000 Edgewood Drive  
Marysville, Ohio 43040

**Compliance**

We have audited the compliance of the Marysville Exempted Village School District, Union County (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of its major federal programs for the fiscal year ended June 30, 2011. The summary of auditor's results section of the accompanying schedule of findings and responses identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal program. Our responsibility is to express an opinion on the District'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 included in the Comptroller General of the United States' *Government Auditing Standards*; 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 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 School District'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 School District's compliance with those requirements.

In our opinion, the Marysville Exempted Village School District, Union County complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the fiscal year ended June 30, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that, while not affecting our opinion on compliance, OMB Circular A-133 requires us to report. The accompanying Schedule of Findings and Responses lists this instance as Finding 2011-01.

**Internal Control over Compliance**

The District'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 District's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
Ten West Locust Street  
Newark, Ohio 43055  
(740) 345-6611  
1-800-523-6611  
FAX (740) 345-5635

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency, described in the accompanying schedule of findings and responses as item 2011-01. A significant deficiency in internal control over compliance is a deficiency of combination of deficiencies, in internal control over compliance with a federal program compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The District's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. We did not audit the District's response and, accordingly, we express no opinion on it.

We intend this report solely for the information and use of the management, the Board of Education, others within the entity, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

*Wilson, Shannon & Son, Inc.*

Newark, Ohio  
December 21, 2011

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY**

**SCHEDULE OF FINDINGS AND RESPONSES  
OMB CIRCULAR A-133 §.505**

**JUNE 30, 2011**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other significant deficiencies reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other significant deficiencies in its internal control for major federal programs?</b>	Yes
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	Yes
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	<p><b>Special Education Cluster:</b> Special Education Grants to States \ CFDA #84.027, Special Education Preschool Grants \ CFDA #84.173, Special Education Grants to States, Recovery Act \ CFDA #84.391, and Special Education Preschool Grants, Recovery Act \ CFDA #84.392.</p> <p><b>Nutrition Cluster:</b> National School Breakfast Program \ CFDA #10.552, and national school Lunch Program \ CFDA #10.555.</p> <p>State Fiscal Stabilization Fund (SFSF) – Education State Grants, Recovery Act \CFDA #84.394.</p>
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A\B Programs</b>	Type A: > \$300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	No



**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY**

**SCHEDULE OF FINDINGS AND RESPONSES  
OMB CIRCULAR A-133 §.505**

**JUNE 30, 2011**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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None.

<b>3. FINDINGS FOR FEDERAL AWARDS</b>
---------------------------------------

Finding Number	2011-01
CFDA Title and Number	<b>Special Education Cluster:</b> Special Education Grants to States \ CFDA #84.027, Special Education Preschool Grants \ CFDA #84.173, Special Education Grants to States, Recovery Act \ CFDA #84.391, and Special Education Preschool Grants, Recovery Act \ CFDA #84.392.  State Fiscal Stabilization Fund (SFSF) – Education State Grants, Recovery Act \CFDA #84.394.
Federal Award Number/Year	2011
Federal Agency	U.S. Department of Education
Pass-Through Agency	Ohio Department of Education

**Reporting**

Section 1512 of the American Recovery Reinvestment Act (ARRA), as required by the Federal Office of Management and Budget, requires testing for prime recipients. Although the District is not considered a prime recipient of ARRA money, the Ohio Department of Education requires Section 1512 testing for any school/entity receiving ARRA-Special Education Grants to States, Recovery Act Recovery Act money from the Ohio Department of Education (ODE).

The Ohio Department of Education requires that any vendor which receives a single payment greater than \$25,000 must report the expenditure on the ODE ARRA Subrecipient Vendor Report. Furthermore, the Ohio Department of Education requires the District to develop internal controls to ensure Full-Time Equivalency (FTE) information is reasonable and complete.

We noted the following issues while testing the Reporting compliance requirement associated with ARRA-Special Education Grants to States, Recovery Act money, and State Fiscal Stabilization Fund:

**State Fiscal Stabilization Fund**

<u>Date</u>	<u>Check #</u>	<u>Vendor</u>	<u>Amount</u>	<u>Description</u>
10/09/09	105070	TRECA	\$37,335	Data Acquisition Services

**Special Education Cluster**

<u>Date</u>	<u>Check #</u>	<u>Vendor</u>	<u>Amount</u>	<u>Description</u>
06/03/11	111665	Smart Ed Services	\$35,194	Technology Learning Equipment

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY**

**SCHEDULE OF FINDINGS AND RESPONSES  
OMB CIRCULAR A-133 §.505**

**JUNE 30, 2011**

**3. FINDINGS FOR FEDERAL AWARDS - Continued**

Finding Number	2011-01 (Continued)
CFDA Title and Number	<b>Special Education Cluster:</b> Special Education Grants to States \ CFDA #84.027, Special Education Preschool Grants \ CFDA #84.173, Special Education Grants to States, Recovery Act \ CFDA #84.391, and Special Education Preschool Grants, Recovery Act \ CFDA #84.392.  State Fiscal Stabilization Fund (SFSF) – Education State Grants, Recovery Act \CFDA #84.394.
Federal Award Number/Year	2011
Federal Agency	U.S. Department of Education
Pass-Through Agency	Ohio Department of Education

We noted the District did not properly report the proper Full-Time Equivalency information related to the ARRA-Special Education Grants to States, Recovery Act to the Ohio Department of Education, noting salaries were paid for the third quarter of calendar year 2010 and FTE's were not reported. .

***Official's Response:***

The District will take the necessary corrective actions to report this information to the Ohio Department of Education.

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
UNION COUNTY**

**SCHEDULE OF PRIOR FINDINGS AND RESPONSES  
OMB CIRCULAR A-133 §.505**

**JUNE 30, 2011**

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected</u>	Not Corrected, Partially Corrected, Significantly Different Corrective Action Taken, or Finding <u>No</u> <u>Longer Valid: <b>Explain</b></u>
2010-01	Reporting – Section 1512 reporting of subrecipient vendors and FTE information	No	Reissued as Finding 2011-01



## **Independent Auditors' Report on Applying Agreed-Upon Procedures**

Board of Education  
Marysville Exempted Village School District  
1000 Edgewood Drive  
Marysville, Ohio 43040

To the Board of Education:

Ohio Rev. Code Section 117.53 states "the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school."

Accordingly, we have performed the procedure enumerated below, which was agreed to by the Board, solely to assist the Board in evaluating whether the Marysville Exempted Village School District, Union County (the District) has updated its anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of this procedure is solely the responsibility of the Board. Consequently, we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the District amended its anti-harassment policy at its meeting on September 29, 2011 to include violence within a dating relationship within its definitions of harassment, intimidation or bullying.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board and is not intended to be and should not be used by anyone other than these specified parties.

*Wilson, Shannon & Snow, Inc.*

Newark, Ohio  
December 21, 2011

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
Ten West Locust Street  
Newark, Ohio 43055  
(740) 345-6611  
1-800-523-6611  
FAX (740) 345-5635



# Dave Yost • Auditor of State

**MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

**UNION COUNTY**

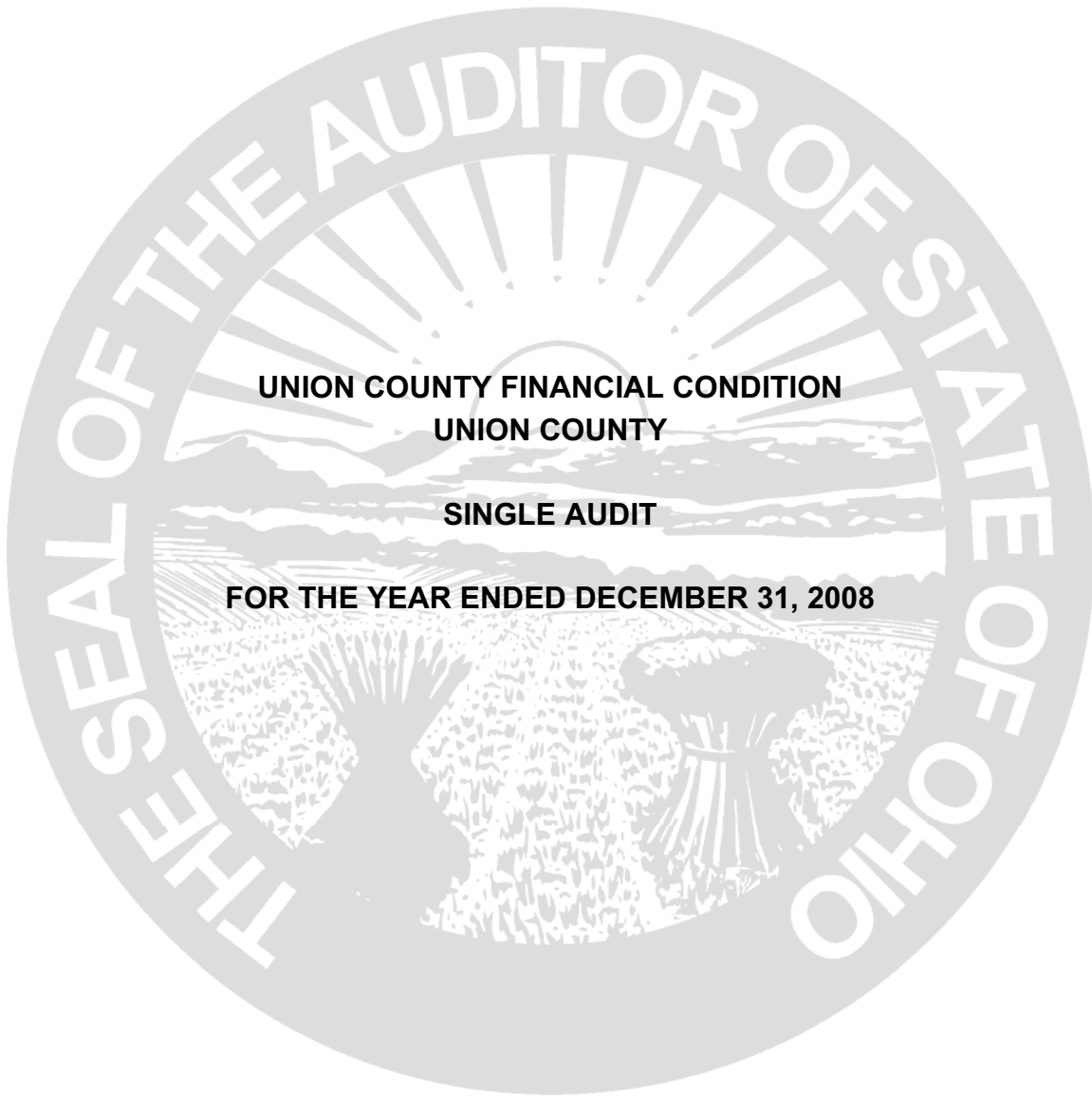
**CLERK'S CERTIFICATION**

**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  
JANUARY 24, 2012**



**UNION COUNTY FINANCIAL CONDITION  
UNION COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2008**



**Mary Taylor, CPA**  
Auditor of State



UNION COUNTY

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**UNION COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2008**

FEDERAL GRANTOR/ <i>Pass-Through Grantor</i> / County Department/Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
Mental Health and Recovery Board Supportive Housing Program	NA	14.235	\$ 133,956
<i>Ohio Department of Development</i>			
County Commissioners			
Community Development Block Grants/State's Program	B-C-06-073-1	14.228	56,360
Community Development Block Grants/State's Program	B-F-06-073-1	14.228	7,745
Total Community Development Block Grant/State's Program			<u>64,105</u>
<i>Ohio Department of Development</i>			
County Commissioners			
Home Investment Partnership Program	B-C-06-073-2	14.239	176,349
Total U.S. Department of Housing and Urban Development			<u>374,410</u>
<b>U.S. DEPARTMENT OF JUSTICE</b>			
County Sheriff			
Bulletproof Vest Partnership Program	NA	16.607	5,602
County Sheriff			
Public Safety Partnership and Community Policing Grants	N/A	16.710	1,800
2007 State Criminal Alien Assistance Program	N/A	16.606	541
2008 State Criminal Alien Assistance Program	N/A	16.606	779
2007-2008 GREAT Grant	N/A	16.737	28,972
<i>Attorney General of the State of Ohio</i>			
County Prosecutor			
Crime Victim Assistance	2007-VA-GENE-430T	16.575	80,186
<i>Ohio Department of Public Safety /Office of Criminal Justice Services</i>			
County Sheriff			
Edward Byrne Memorial Justice Assistance Grant	2007-JG-LLE-5157	16.738	20,000
Edward Byrne Memorial Justice Assistance Grant	2007-JG-B01-6599	16.738	9,294
Edward Byrne Memorial Justice Assistance Grant	2007-JG-E01-6595	16.738	18,070
			<u>47,364</u>
<i>Ohio Department of Public Safety /Office of Criminal Justice Services</i>			
County Prosecutor			
Violence Against Women Formula Grants	2007-WF-VA5-8421	16.588	<u>29,680</u>
Total U.S. Department of Justice			<u>194,924</u>
<b>U.S. DEPARTMENT OF LABOR</b>			
<i>Passed through Workforce Investment Board, Area 7</i>			
Department of Job and Family Services			
Workforce Investment Act Cluster			
Workforce Investment Act - Adult			119,105
Workforce Investment Act - Adult Administrative			5,850
Workforce Investment Act - Adult Total	31-6400-087	17.258	<u>124,955</u>
Workforce Investment Act-Youth			17,782
Workforce Investment Act - Youth Administrative			873
Workforce Investment Act - Youth Total	31-6400-087	17.259	<u>18,655</u>
Workforce Investment Act - Dislocated Worker			40,153
Workforce Investment Act - Dislocated Worker Administrative			1,973
Workforce Investment Act - Dislocated Worker Total	31-6400-087	17.260	<u>42,126</u>
Total U.S. Department of Labor - Workforce Investment Act Cluster			<u>185,736</u>

**UNION COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

<b>FEDERAL GRANTOR/Pass-Through Grantor/ County Department/Program Title</b>	<b>Pass Through Entity Number</b>	<b>Federal CFDA Number</b>	<b>Disbursements</b>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
Federal Aviation Administration			
Airport Authority			
Airport Improvement Program	N/A	20.106	120,774
Airport Improvement Program	N/A	20.106	18,124
			<u>138,898</u>
<i>Ohio Department of Transportation</i>			
Union County Agency Transportation Service			
Capital Assistance Program for Elderly and Persons w/Disabilities	PNPC-0080-029-014	20.513	43,416
County Engineer			
Highway Planning and Construction	PID #81547	20.205	419,966
Highway Planning and Construction	PID #81882	20.205	300,000
Highway Planning and Construction	PID #83432	20.205	21,669
Highway Planning and Construction Total			<u>741,635</u>
County Sheriff			
State & Community Highway Safety	HVEO-2008-80-00-00-00220	20.600	<u>16,111</u>
<b>Total U.S. Department of Transportation</b>			<u><b>940,060</b></u>
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<i>Ohio Department of Education</i>			
Adult Basic Literacy Education			
Adult Education - State Grant Program	114975-AB-SL-2007-2008	84.002	16,124
Adult Education - State Grant Program	114975-AB-SL-2008-2009	84.002	1,765
Adult Education - State Grant Program	114975-AB-SI-2008	84.002	10,626
			<u>28,515</u>
Board of Mental Retardation Developmentally Disabled			
Special Education Cluster			
Special Education - Preschool Grants	071175-PGS1-2008	84.173	23,328
Special Education - Preschool Grants	071175-PGS1-2009	84.173	2,000
Child Outcome Support Grant	071175-PGD106	84.173	3,500
Total Special Education Cluster			<u>28,828</u>
Board of Mental Retardation Developmentally Disabled			
Innovative Educational Program Strategies	071175-C2S1-2008	84.298	94
Innovative Educational Program Strategies	071175-C2S1-2009	84.298	71
Total Innovative Educational Program Strategies			<u>165</u>
<b>Total U.S. Department of Education</b>			<u><b>57,508</b></u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<i>Central Ohio Agency on Aging</i>			
Union County Agency Transportation Service			
Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Centers	2352-03	93.044	6,613
Union County Senior Services			
Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Citizens	ED 034824/034589	93.044	27,529

**UNION COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

<b>FEDERAL GRANTOR/Pass-Through Grantor/ County Department/Program Title</b>	<b>Pass Through Entity Number</b>	<b>Federal CFDA Number</b>	<b>Disbursements</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</b>			
<i>Ohio Department of Mental Health</i>			
Mental Health and Recovery Board			
Promoting Safe and Stable Families	31-6400-087	93.556	20,012
<i>Ohio Department of Jobs and Family Services</i>			
Department of Job and Family Services			
Promoting Safe and Stable Families	31-6400-087	93.556	39,746
<i>Ohio Department of Mental Health</i>			
Mental Health and Recovery Board			
Community Based Child Abuse Prevention Grants	31-6400-087	93.590	22,257
<i>Ohio Department of Jobs and Family Services</i>			
Department of Job and Family Services			
Child Welfare Services_State Grants	31-6400-087	93.645	32,790
Child Abuse Challenging Grants	31-6400-087	93.672	1,919
Independent Living	31-6400-087	93.674	31,910
<i>Ohio Department of Mental Retardation Developmentally Disabled</i>			
Board of Mental Retardation Developmentally Disabled			
Social Services Block Grant-2008	31-6400-087	93.667	17,954
Social Services Block Grant-2009	31-6400-087	93.667	19,794
<i>Ohio Department of Mental Health</i>			
Mental Health and Recovery Board			
Social Services Block Grant	31-6400-087	93.667	20,889
Total Social Services Block Grant			58,637
<i>Ohio Department of Mental Health</i>			
Mental Health and Recovery Board			
State Children's Insurance Program	31-6400-087	93.767	76,200
<i>Ohio Department of Alcohol and Drug Addiction Services</i>			
Mental Health and Recovery Board			
State Children's Insurance Program	31-6400-087	93.767	20,742
<i>Ohio Department of Mental Retardation Developmentally Disabled</i>			
Board of Mental Retardation Developmentally Disabled			
State Children's Insurance Program	31-6400-087	93.767	2,042
Total State Children's Insurance Program			98,984
<i>Ohio Department of Mental Health</i>			
Mental Health and Recovery Board			
Block Grants for Community Mental Health Services	31-6400-087	93.958	45,279
<i>Ohio Department of Alcohol and Drug Addiction Services</i>			
Mental Health and Recovery Board			
Block Grants for Prevention and Treatment of Substance Abuse	31-6400-087	93.959	145,825
<i>Ohio Department of Mental Retardation Developmentally Disabled</i>			
Board of Mental Retardation Developmentally Disabled			
Medicaid Cluster			
Waiver Admin. Claiming	31-6400-087	93.778	20,504
Target Case Management	31-6400-087	93.778	73,768
Adult Day Hab - I/O	31-6400-087	93.778	158,241
Adult Day Hab - Lv1	31-6400-087	93.778	62,591
Total Medicaid Cluster			315,104

**UNION COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(Continued)**

<b>FEDERAL GRANTOR/Pass-Through Grantor/ County Department/Program Title</b>	<b>Pass Through Entity Number</b>	<b>Federal CFDA Number</b>	<b>Disbursements</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</b>			
<i>Ohio Department of Mental Health</i> Mental Health and Recovery Board Medical Assistance Program	31-6400-087	93.778	399,387
<i>Ohio Department of Alcohol and Drug Addiction Services</i> Mental Health and Recovery Board Medical Assistance Program	31-6400-087	93.778	52,163
Total Medical Assistance Program			451,550
<i>Ohio Secretary of State</i> Board of Elections Voting Access for Individuals with Disabilities Grants to State	31-6400-087	93.617	4,562
<b>Total U.S. Department of Health and Human Services</b>			<b>1,302,717</b>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
<i>Ohio Department of Public Safety /Ohio Emergency Management Agency</i> County Sheriff Disaster Assistance - March 2008 Snow Storm Disaster Assistance - September 2008 Wind Storm	FEMA 3286-EM-159-071A9 FEMA DR-1805-OH	97.036 97.036	3,730 5,208 8,938
County Commissioners (Facilities) Disaster Assistance - March 2008 Snow Storm	FEMA 3286-EM-159-071A9	97.036	3,009
County Engineer Disaster Assistance - March 2008 Snow Storm Disaster Assistance - September 2008 Wind Storm	FEMA 3286-EM-159-071 A9 FEMA DR-1805-OH	97.036 97.036	37,290 6,407 43,697
<i>Ohio Emergency Management Agency</i> Risk Management Emergency Management Performance Grants Emergency Management Performance Grants Emergency Management Performance Grants	2007-EM-E7-0024 2007-EM-E7-0085	97.042 97.042	24,953 8,967 33,920
Citizen Corps. Program Grant Citizen Corps. Program Grant Citizen Corps. Program Grant	2006-GC-T6-0051 2007-GE-T7-0030	97.067 97.067	3,200 466 3,666
State Homeland Security Grant Program Total - Homeland Security Grant Program	2007-GE-T7-0030	97.067	63,300 66,966
<b>Total U.S. Department of Homeland Security</b>			<b>156,530</b>
<b>U.S. ELECTION ASSISTANCE COMMISSION</b>			
<i>Ohio Secretary of State</i> County Board of Elections Help America Vote Act Requirements Payments	n/a	90.401	390
<b>TOTAL FEDERAL AWARDS EXPENDITURES</b>			<b>\$ 3,212,275</b>

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

# **UNION COUNTY**

## **NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE FOR THE YEAR ENDED DECEMBER 31, 2008**

### **NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Federal Awards Expenditures Schedule (the Schedule) summarizes activity of the County's federal award programs. The Schedule has prepared on the cash basis of accounting except for Highway Planning Construction (CFDA 20.205) expenditures which are presented on an accrual basis.

### **NOTE B - 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 C – HOMELAND SECURITY CLUSTER**

The County reported the following federal programs for the Homeland Security Cluster on the Schedule. A couple programs for federal fiscal year 2006 were incorporated into the Homeland Security Grant (97.067) in accordance with the guidance from the U.S. Department of Homeland Security.

<b>CFDA #</b>	<b>Program</b>	<b>Amount</b>
	<i>Risk Management</i>	
	2006	
97.053	Citizen Corps Program Grant	3,200
<b>97.067</b>	<b>Homeland Security Grant Program</b>	<b><u>\$ 3,200</u></b>

### **NOTE D—CORRECTION TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

The accompanying Schedule of Federal Awards Expenditures has been reissued. The Schedule includes the following expenditures which were previously omitted.

<b>Program</b>	<b>CFDA #</b>	<b>Amount</b>
Promoting Safe and Stable Families	93.556	\$59,758
Community Based Child Abuse Prevention Grants	93.590	22,257
Child Welfare Services State Grants	93.645	32,790
Child Abuse Challenging Grants	93.672	1,919
Independent Living	93.674	31,910
Social Services Block Grant	93.667	58,637
State Children's Insurance Program	93.767	98,984
Block Grants for Community Mental Health Services	93.958	45,279
Block Grants for Prevention and Treatment of Substance Abuse	93.959	145,825
Medicaid Cluster	93.778	319,010
<b>Total</b>		<b><u>\$816,369</u></b>

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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**

Union County  
233 West Sixth Street  
Marysville, Ohio 43040

To the Board of County Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Union County, Ohio (the County) as of and for the year ended December 31, 2008, which collectively comprises the County's basic financial statements and have issued our report thereon dated July 22, 2009. 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 Memorial Hospital of Union County and Affiliates, a major fund, as described in our opinion on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that those auditors separately reported. Other auditors audited the financial statements of the U-Co Industries, Inc., one of the County's discretely presented component units, 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.

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

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.

88 E. Broad St. / Tenth Floor / Columbus, OH 43215-3506  
Telephone: (614) 466-3402 (800) 443-9275 Fax: (614) 728-7199  
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We consider finding 2008-001 described in the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. The significant deficiency described above is also a material weakness.

### **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 that we must report under *Government Auditing Standards*.

We did note certain noncompliance or other matter that we reported to the County's management in a separate letter dated July 22, 2009.

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

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



**Mary Taylor, CPA**  
Auditor of State

July 22, 2009



# Mary Taylor, CPA

## Auditor of State

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

Union County  
233 West Sixth Street  
Marysville, Ohio 43040

To the Board of County Commissioners:

#### **Compliance**

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

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

In our opinion, the County complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended December 31, 2008. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that OMB Circular A-133 requires us to report, which is described in the accompanying schedule of findings as item 2008-002.

#### **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.

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

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to administer a federal program such that there is more than a remote likelihood that the County's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings as finding 2008-002 to be a significant deficiency.

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Union County, Ohio, as of and for the year ended December 31, 2008, and have issued our report thereon dated July 22, 2009, wherein we noted the financial statements of U-Co Industries, Inc., a discretely presented component unit, and Memorial Hospital of Union County and Affiliates, a major fund, 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.

The accompanying Schedule of Federal Awards Expenditures (the Schedule) replaces the Schedule for the County's fiscal year ended December 31, 2008, previously issued with our report dated July 22, 2009. You should rely on this report rather than on our report dated July 22, 2009. The Schedule was revised to include expenditures for the following programs: Promoting Safe and Stable Families (CFDA #93.556), Community Based Child Abuse Prevention Grants (CFDA #93.590), Child Welfare Services State Grants (CFDA #93.645), Child Abuse Challenging Grants (CFDA #93.672), Independent Living (CFDA #93.674), Social Services Block Grant (CFDA #93.667), State Children's Insurance Program (CFDA #93.767), Block Grants for Community Mental Health Services (CFDA #93.958), Block Grants for Prevention and Treatment of Substance Abuse (CFDA #93.959), and the Medicaid Cluster (CFDA #93.778).

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

We intend this report solely for the information and use of the finance 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.

A handwritten signature in black ink that reads "Mary Taylor". The script is cursive and fluid, with the first letter of each name being capitalized and prominent.

**Mary Taylor, CPA**  
Auditor of State

July 22, 2009, except for the third preceding paragraph which is dated September 9, 2009

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**UNION COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2008**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(ii)</b>	<b>Were there any other significant deficiency reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other significant deficiencies in internal control reported for major federal programs?</b>	Yes
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	Yes
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Highway Planning and Construction – CFDA # 20.205  Home Investment Partnership Program – CFDA # 14.239  Medical Assistance Program – CFDA # 93.778
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	No

**UNION COUNTY**  
**SCHEDULE OF FINDINGS**  
**OMB CIRCULAR A -133 § .505**  
**DECEMBER 31, 2008**  
**(Continued)**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
---

<b>Finding Number</b>	<b>2008-001</b>
-----------------------	-----------------

**Significant Deficiency/Material Weakness**

**Financial Reporting**

The County currently has monitoring controls over daily cash-basis transactions entered into the accounting system. At year-end the cash basis information from the accounting system is converted into the Comprehensive Annual Financial Report reported under Generally Accepted Accounting Principles. Accrual information is prepared by the County and is submitted to an outside consultant to prepare the trial balances and basic financial statements.

Sixty three modifications or audit adjustments and reclassifications (\$2,000 to \$6,211,534) were posted to the County's basic financial statements to accurately reflect account balances reported. Errors included incorrect receipt classifications, overstatement of intergovernmental receivables, and improper revenue recognition on the modified accrual financial statements. The County's financial statements have been adjusted to accurately reflect these adjustments and reclassifications. In addition there were twenty nine audit adjustments and reclassifications that were inconsequential to the overall financial statements of the County and were not posted to the December 31, 2008 financial statements.

Although the consultant prepares the basic financial statements, management is responsible for the presentation of the basic financial statements and accordingly should implement review procedures and controls over the financial statement preparation and reporting processes.

We recommend the County implement additional procedures to provide assurances over the completeness and accuracy of financial information reported within the Comprehensive Annual Financial Report. Such procedures may include review of the financial statements including the notes to the financial statements by a member of management and an analytical comparison of the current year annual report to the prior year annual report for obvious errors or omissions.

**Officials' Response:**

With regard to financial reporting, the County Auditor wishes to clarify that accounting for all receipts and expenditures within the County Auditor's office, and within the County's accounting system, are accurate. The comment regarding Financial Reporting refers to the County's conversion of financial data from a cash basis to a Comprehensive Annual Financial Report (CAFR) under Generally Accepted Accounting Principles (GAAP).

The County Auditor acknowledges that management should provide greater oversight of financial statements prepared by outside contractors and consultants, and the timely delivery of these statements.

**UNION COUNTY**  
**SCHEDULE OF FINDINGS**  
**OMB CIRCULAR A -133 § .505**  
**DECEMBER 31, 2008**  
**(Continued)**

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

<b>Finding Number</b>	2008-002
<b>CFDA Title and Number</b>	CFDA #14.239 – Home Investment Partnership Program
<b>Federal Award Number / Year</b>	Home Investment Partnership Program B-C-06-073-2
<b>Federal Agency</b>	United States Department of Housing and Urban Development
<b>Pass-Through Agency</b>	Ohio Department of Development

**Cash Management – Non-compliance/Significant Deficiency**

**24 CFR 85.21(c)** states grantees and subgrantees shall be paid in advance, provided they maintain or demonstrate the willingness and ability to maintain procedures to minimize the time elapsing between the transfer of the funds and their disbursement by the grantee or subgrantee.

The Ohio Office of Housing and Community Partnership's Financial Management Rules and Regulations, Section (A)(3)(f), states in part the grantee must develop a cash management system to ensure compliance with the Fifteen Day Rule relating to prompt disbursement of funds. This rule states that funds drawn down should be limited to amounts that will enable the grantee to disburse the funds on hand to a balance of less than \$5,000 within fifteen days of receipt of any funds.

The County was the recipient of a Home Investment Partnership Program (HOME) Grant obtained through the Ohio Department of Development's Office of Housing and Community Partnerships (OHCP). Amounts drawn down from these grants were not reduced to \$5,000 within fifteen days of receipt of funds as follows:

Date of Receipt	Amount	Balance on Hand After 15 days	Approximate Number of Days Until the Balance was reduced to Below \$5,000
4/4/2008	\$40,861	\$81,318.51	30 days
6/19/2008	15,958	47,722.51	90 days
6/25/2008	29,337	47,722.51	84 days

We recommend the County implement cash management procedures to disburse HOME grant funds on hand to a balance of less than \$5,000 within fifteen days of receipt.

**Officials' Response and Corrective Action Plan:**

With regard to draw downs for Home Investment Partnership Program (HOME) grants from the Ohio Office of Housing and Community Partnership, and corresponding Financial Management Rules and Regulations, the County Commissioners have taken steps to reduce the balance on hand and make disbursements within the Fifteen Day Rule.

Anticipated Completion Date: July 22, 2009  
Responsible Contact Person: Rebecca Roush



UNION COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A -133 § .315 (b)  
DECEMBER 31, 2008

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2007-001	Financial Reporting	No	Comment Reissued as Finding 2008-001
2007-002	Cash Management - Community Development Block Grant	No	Comment Reissued as Finding 2008-002

# **UNION COUNTY, OHIO**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For The Fiscal Year Ended December 31, 2008**

**Prepared by the Union County  
Auditor's Office**

**Mary H. Snider  
County Auditor**

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# UNION COUNTY, OHIO

## *Comprehensive Annual Financial Report*

*For the Year Ended December 31, 2008*

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*Comprehensive Annual Financial Report*

*For the Year Ended December 31, 2008*

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# UNION COUNTY, OHIO

*Comprehensive Annual Financial Report*

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## Mary H. Snider

Union County Auditor  
233 West Sixth Street  
P.O. Box 420  
Marysville, OH 43040-0420  
937-645-3003  
Fax 937-645-3057  
County Wide 800-258-8278

GIS  
645-3054

Payroll  
645-3063

Accounting  
645-3064

Real Estate  
645-3068

Settlements  
645-3071

Weights & Measures  
(614) 943-3302  
or 645-3058

July 22, 2009

Citizens of Union County  
Union County Commissioners

It is my pleasure to present Union County's Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2008. State law requires that every general-purpose local government publish a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year just ended.

The responsibility for both the accuracy of the presented data and the complete, fair presentation, including all disclosures, rests with the County Auditor. This report reflects the financial data that will enable the citizens of Union County to gain a true understanding of Union County finances.

This CAFR conforms to accounting standards generally accepted in the United States of America (GAAP) as set forth by the Government 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 Union County.

As part of the preparation of the comprehensive annual financial report, the County subjects its financial statements to an annual audit. The annual audit serves to strengthen the County's accounting, internal controls, and budgetary controls. The Auditor of State's Office completed the audit and has issued an unqualified opinion on the Union County financial statements for the year ended December 31, 2008. The independent accountant's report is located on page 11 at the front of the financial section of this report.

In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet requirements of the Federal Single Audit Act of 1996 and the related U.S. Office of Management and Budget's Circular A-133, Revised. United States of America generally accepted auditing standards and the standards set forth in the General Accounting Office's *Government Auditing Standards* were used by the auditors in conducting the engagement.

The CAFR is presented in three sections: introductory, financial, and statistical. The Introductory Section contains this letter of transmittal, the 2007 Certificate of Achievement for Excellence in Financial Reporting, a list of principal officials, an organization chart, and a chart of the County Auditor's duties and responsibilities. The Financial Section includes the Independent Accountants' Report, Management's Discussion and Analysis, the Basic Financial

Statements and Notes that provide an overview of the County's financial position and operating results, the RSI for Infrastructure, the Combining Statements for nonmajor funds and other schedules that provide detailed information relative to the Basic Financial Statements. The Statistical Section presents historical, financial, economic, and demographic information.

Management's discussion and analysis (MD&A) immediately follows the Independent Accountant's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

### **Profile of the Government:**

Formed on April 1, 1820, from portions of Delaware, Franklin, Madison, and Logan Counties together with a part of the old Indian Territory, Union County contains 277,760 acres lying in a nearly central position in the State of Ohio. Through the effort of Colonel James Curry, then a member of the State legislature, an act was passed January 10, 1820, entitled, "An act to erect the county of Union". The formation of fourteen townships and the selection of Marysville as the County Seat followed on May 15, 1821. A portion of the City of Dublin that is now wholly in a fifteenth township and five other municipalities are within the 434 square miles of the County that contained 40,909 people as of the 2000 census. The first census taken in 1830 revealed 3,192 settlers.

The County provides for its citizens with the powers conferred upon it by Ohio statutes. The elected three-member Board of County Commissioners functions as both the legislative and executive branches. Each Commissioner serves a term of four years. Other officials elected by the voters of Union County that manage various segments of the County's operations are the Auditor, who serves as the chief fiscal officer, Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, a Common Pleas Court Judge, a Probate/Juvenile Court Judge, and a Municipal Court Judge.

The County's reporting entity has been defined in accordance with Governmental Accounting Standards Board (GASB) Statement 14, "The Financial Reporting Entity" as amended by GASB Statement 39, "Determining Whether Certain Organizations are Component Units". The financial statements in this report include the primary government, which is composed of all funds, agencies, boards, and commissions that make up the County's legal entity and the component units, which are legally separate organizations and are either financially dependent on the County or for which the County is financially accountable. The Union County Airport Authority and U-Co Industries have been included in the reporting entity as discretely presented component units.

The County Auditor serves as fiscal officer and the County Treasurer as the custodian of funds but the County is not financially accountable for the Union County General Health District, the Union County Soil and Water Conservation District, the Union County Council for Families, the Union County Joint Recreation Board, and the Central Ohio Youth Center. The activities of these organizations are reflected as agency funds within the basic financial statements. The

County is associated with certain organizations that are defined as jointly governed organizations, joint ventures, and a group purchasing pool. A further discussion of these organizations is provided in Notes 24, 25, and 26, respectively, to the basic financial statements.

A complete discussion of the County's reporting entity is provided in Note 1 to the basic financial statements.

### **Information Useful in Assessing Union County's Economic Condition:**

#### **Local Economy:**

Union County continues to be primarily an agricultural community, with 231,047 acres of its 277,760 total acreage being devoted to agricultural use. The County's acreage devoted to agricultural use in 2008 remained about the same as 2007.

Unemployment rates in Union County showed a slightly higher average annual rate of 5.2% during 2008, a marginal increase from the 2007 average of 4.5%. However, these rates continually remain below the overall state and national rates.

During 2008, Union County issued 533 residential permits for an estimated construction value of \$38 million. There were 278 commercial building permits issued at an estimated construction value of \$78 million.

Development continues to occur in the commerce district known as Coleman's Crossing. The development includes large retail outlets including a Honda of America dealership, Home Depot and Wal-Mart. The City Gate commercial development continues to expand. A Walgreen's Drug Store opened in 2008 and construction of a White Castle Restaurant was near completion, with a grand opening set for early 2009.

Union Rural Electric Cooperative broke ground in May 2007 for the renovation and addition to its office in Marysville. The cooperative moved into their new state of the art facility on August 10, 2008. This 29,000 square foot facility is the first distribution electric cooperative facility in the United States to achieve an Energy Star Label and L.E.E.D (Leadership in Energy and environmental Design) Gold Certification from the U.S. Green Building Council. The energy model for this facility estimates the energy cost per square foot to be \$.74; as compared with the average office building which costs approximately \$2.00 per square foot.

In 2008, the City of Marysville's Uptown Renewal Team (URT) received a \$400,000 grant which will lead to additional public infrastructure improvements and millions of dollars of private investment. Since 2005, over \$5,000,000 has been invested in various buildings in the area including Union County's investment in the rehabilitation and renovation of a former furniture store for additional county office space.

With the assistance of over \$700,000 in grant monies, the Richwood Business Park completed infrastructure improvements resulting in construction of a 50,000 square foot manufacturing

facility known as MAI Manufacturing. During 2008, an additional 48,000 square feet was under construction in the park bringing additional job creation and payroll.

In Plain City, the Village is currently completing the Plain City Uptown Revitalization Plan which will establish the strategic plan for the future revitalization of Uptown Plain City. New commercial developments, including the Lovejoy Plaza and the Champaign Bank office park, have occurred south of the downtown area.

#### Long-term Planning:

The Commissioners recognize that Union County is one of the fastest growing counties in Ohio and have adopted a philosophy whereby growth will pay for growth. Therefore, as development occurs in the unincorporated areas of the county, much of the financial burden associated with infrastructure will be borne by the development and the residents that directly benefit. It is not anticipated that infrastructure costs will be borne by the County general fund.

With that said, the Commissioners do anticipate the need to continue to expand services as the County grows with services funded by user fees, the sales tax and incremental increases in the County real estate taxes.

A specific capital project that the Commissioners envision over the next 10 years includes development of a central sewer system for the area of Raymond and Peoria, Ohio. This project has urgency because the County is under an EPA advisory to address failing septic systems in that area of the County. The County will likely form a partnership with the City of Marysville in providing the proposed infrastructure. The project will be funded using long-term funding and assessed back to property owners through user fees, tap fees, and grants to help supplement their costs for those who are low to below average income.

Significant renovations and expansion of Memorial Hospital of Union County will likely be funded through revenue bonds and/or indirect County debt. Those developments will be in response to the age and condition of the existing hospital and the needs presented by the hospital planning board in which the Commissioners actively participate.

The Commissioners routinely meet with County office holders and business leaders in their planning efforts. Given the growth of the County, the Commissioners envision a time when Union County will have a full-time planning staff and a County Administrator.

#### Financial Information:

Accounting System. Union County's accounting system is maintained on a "fund" basis. Each fund is a distinct self-balancing entity. The basis of accounting and the various funds utilized by Union County are fully described in Note 2 to the basic financial statements. Local financial policies did not have a significant impact on the current period's financial statements.

Internal Controls. In developing the County's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are

designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits to be derived from their implementation.

Budgetary Controls. According to the Ohio Revised Code, the County Commissioners may adopt a temporary appropriation measure on or about January 1. A permanent annual budget must be passed by April 1. All disbursements and transfers of cash between funds require appropriation authority. Budgets are controlled at the object level within a department and fund. The County Auditor's office is responsible for the auditing and analysis of all purchase orders and vouchers of the County. As purchase orders and vouchers are received, the amounts are encumbered to ensure the availability of funds. No expenditures may take place without the County Auditor certifying that funds are available or are in the process of being collected. The County uses a fully automated accounting system to ensure that financial statements are both accurate and reliable. Further discussion of the budgetary accounting system and its controls may be found in Note 2 to the basic financial statements.

Financial Condition. This is the sixth year the County has prepared financial statements following GASB Statement 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments." GASB 34 created the following basic financial statements for reporting on the County's financial activities:

Government wide financial statements: These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by businesses. The government wide statements distinguish between those county activities that are governmental and those that are considered business-like.

Fund Financial Statements: These statements present information for individual major funds rather than by fund type. All nonmajor funds are combined. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the government wide financial statements. Proprietary funds use the accrual basis of accounting.

Statement of budgetary comparisons: These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

#### Debt Administration:

Use of debt continues to be used to finance major projects in Union County. A complete discussion of Debt and other Long-Term obligations is provided in Notes 16 and 17 to the basic financial statements.

Major County Initiatives:

During 2008, renovation was completed to the Main Street building located in historic uptown Marysville. This 22,000 sq. ft. facility is being used as a records repository, and additional office space for both the Sheriff's Department and Juvenile/Probate Court staff. Building occupancy permits were received in late 2008, with various departments and agencies moving into the structure during the month of December.

On December 10, 2007, the Union County Commissioners voted by resolution to place a proposed one quarter of one percent (.25%) sales tax on the ballot for consideration at the March 8, 2008 primary election. The ballot language for the issue specified that, if passed, the increased amounts would be allocated at 50% for the improvement and construction of county roads and bridges, and 50% for direct senior services including meals on wheels, home health care and transportation. The issue passed by just three votes, commencing on July 1, 2008.

Awards and Acknowledgements:

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Union County for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2007. This was the thirteenth consecutive year that the County has received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the 2008 CAFR would not have been possible without the cooperation and assistance of my office staff. The guidance provided by the firm of Steen & Company LLC, Certified Public Accountants and Business & Government Consultants, is also acknowledged. Finally, credit also must be given to all of the department heads, the Union County Engineer's Office, and the staff of the Union County Chamber of Commerce for providing us with valuable information and statistical data.

Respectfully submitted,



Mary H Snider  
Union County Auditor

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Union County  
Ohio

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

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



President

Executive Director



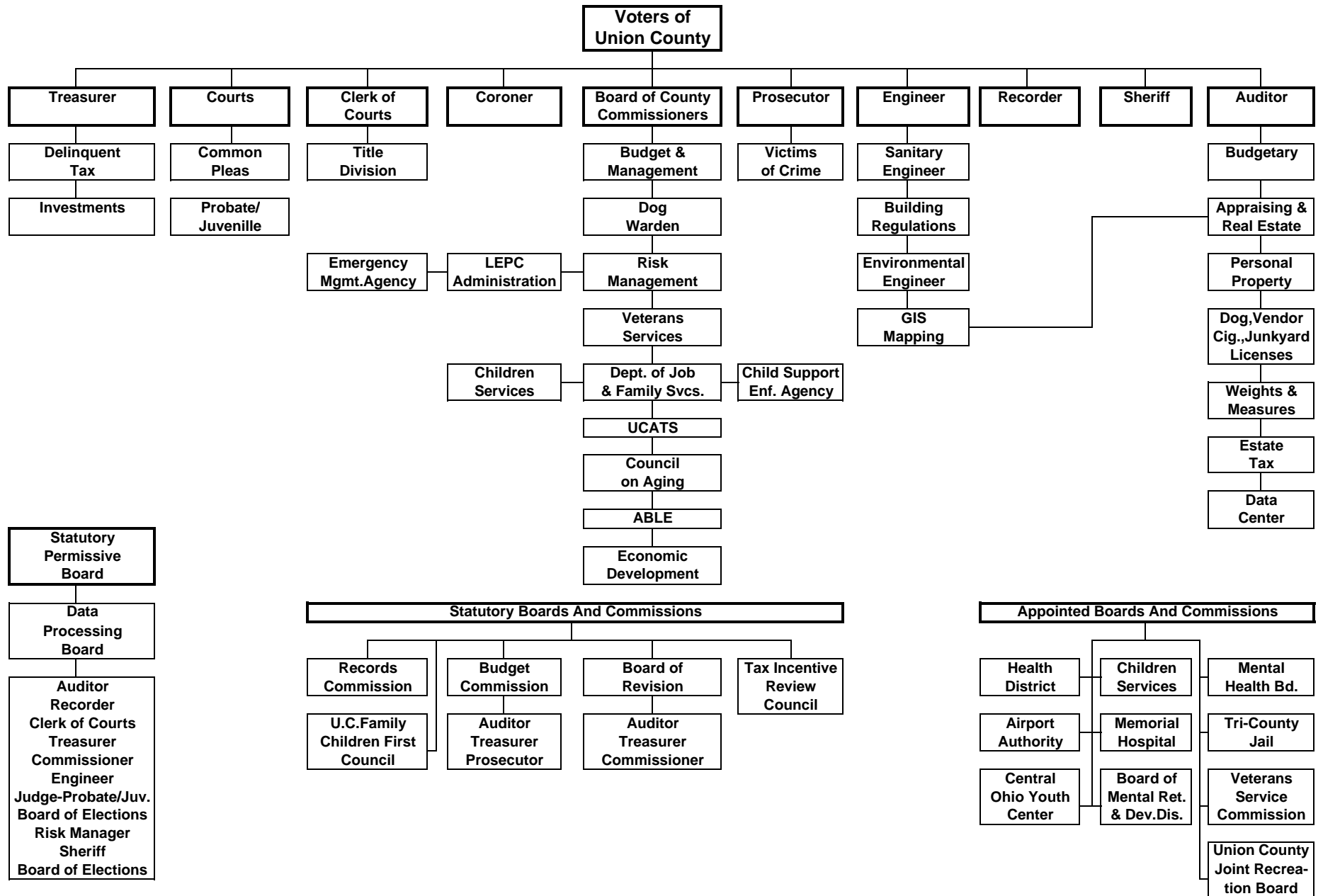
# UNION COUNTY, OHIO

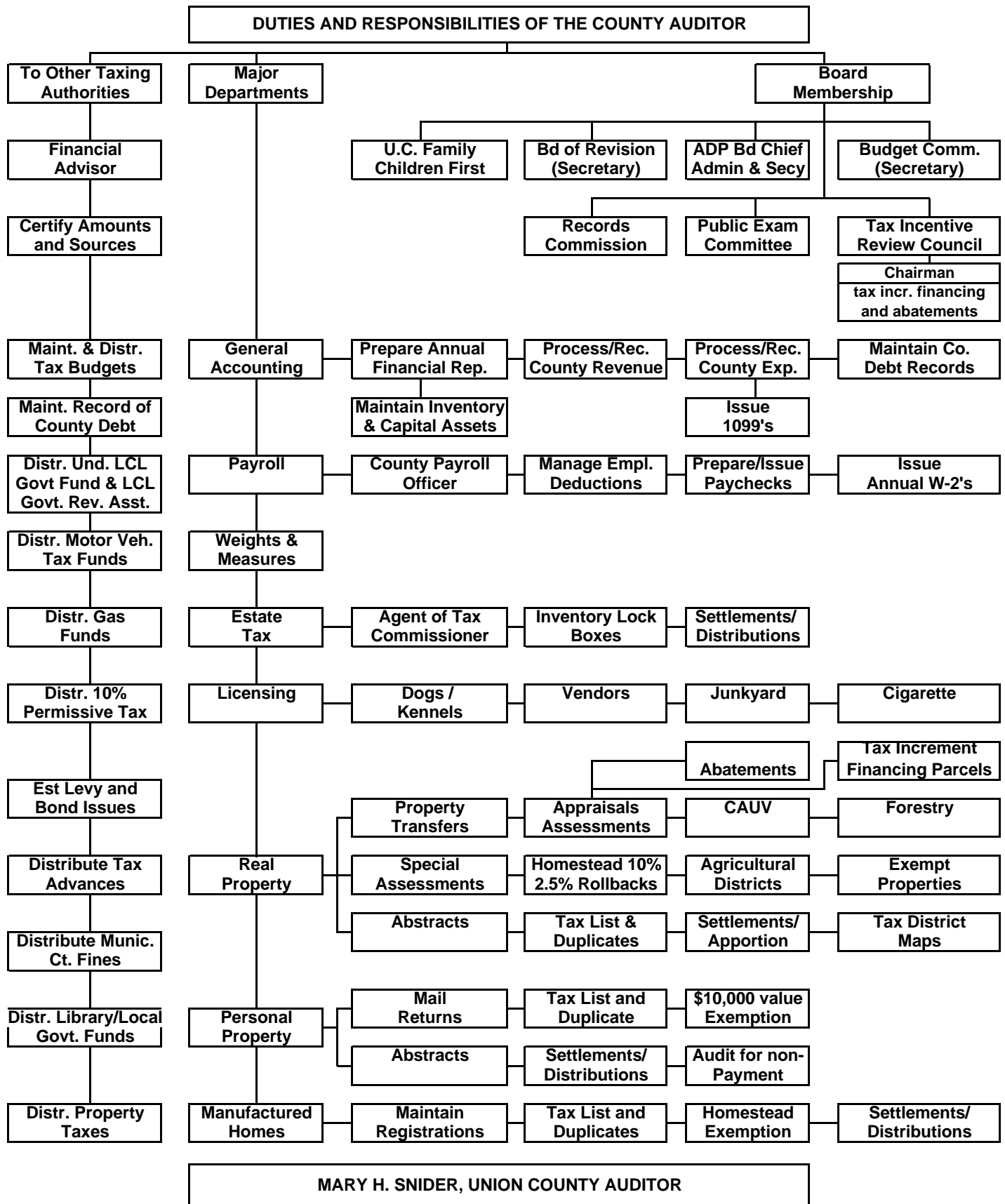
## PRINCIPAL OFFICIALS DECEMBER 31, 2008

### ELECTED OFFICIALS

Commissioner.....	Tom McCarthy
Commissioner.....	Charles A. Hall
Commissioner.....	Gary J. Lee
Auditor.....	Mary H. Snider
Treasurer.....	Tamara K. Lowe
Prosecuting Attorney.....	David W. Phillips
Common Pleas Judge.....	Richard E. Parrott
Probate and Juvenile Judge.....	Charlotte C. Eufinger
Clerk of Courts.....	Paula K. Warner (Jan - Oct 2008) Teresa L. Nickle (Nov - Dec 2008)
Coroner.....	David T. Applegate, MD
Sheriff.....	Rocky W. Nelson
Recorder.....	Teresa L. Markham
Engineer.....	Steve A. Stolte

# ORGANIZATION CHART







# Mary Taylor, CPA

## Auditor of State

### INDEPENDENT ACCOUNTANTS' REPORT

Union County  
233 West Sixth Street  
Marysville, Ohio 43040

To the Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Union County, Ohio (the County), as of and for the year ended December 31, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Memorial Hospital of Union County and Affiliates, a major fund, which represents ninety-seven percent, ninety-six percent and ninety-eight percent, respectively, of the assets, net assets, and revenues for the business-type activities. We also did not audit the financial statements of U-Co Industries, Inc., one of the County's discretely presented component units. Other auditors audited those financial statements. They have furnished their reports thereon to us and we base our opinion, insofar as they relate to the amounts included for Memorial Hospital of Union County and Affiliates, and U-Co Industries, Inc., on the reports 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 U-Co 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 reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Union County, Ohio, as of December 31, 2008, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Motor Vehicle and Gas Tax, and Board of MR/DD Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

88 E. Broad St. / Tenth Floor / Columbus, OH 43215-3506  
Telephone: (614) 466-3402      (800) 443-9275      Fax: (614) 728-7199  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

In accordance with *Government Auditing Standards*, we have also issued our report dated July 22, 2009, 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 and Condition Assessment of the County's Infrastructure Report Under the Modified Approach are not required parts of the basic financial statements but are 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 them.

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

A handwritten signature in black ink that reads "Mary Taylor". The script is cursive and fluid, with the first letters of each word being capitalized and prominent.

**Mary Taylor, CPA**  
Auditor of State

July 22, 2009

**UNION COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2008  
Unaudited

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

**FINANCIAL HIGHLIGHTS**

Key financial highlights for 2008 are as follows:

- The total net assets of the County increased \$7.75 million. Net assets of governmental activities increased \$4.42 million, which represents a 4.8% increase over fiscal year 2007. Net assets of business-type activities increased \$3.33 million or 8.5% from fiscal year 2007.
- The County had \$49.11 million in expenses related to governmental activities; \$26.09 million of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily taxes and intergovernmental) of \$27.44 million were adequate to provide for these programs.
- The General Fund, the County's largest major governmental fund, had revenues of \$19.41 million in 2008, a decrease of \$343,864 or less than 1.7% from 2007 revenues. The decrease is attributed to reduced revenues in charges for services, licenses & permits, and intergovernmental revenues. Sales taxes reflected a modest increase. The General Fund, had expenditures of \$19.41 million in 2008, an increase of \$2.81 million or 16.92% from 2007. With the slight decrease in revenues and increase of expenditures, the General Fund balance decreased by \$1.14 million from 2007 to 2008.
- The Union County Board of Developmental Disabilities Fund (Board of DD Fund), a major governmental fund, had revenues of \$8.41 million in 2008, a decrease of \$1.08 million or 11.37% from 2007 revenues. The Board of DD Fund, had expenditures of \$8.51 million in 2008, an increase of \$1.68 million or 24.6% from 2007. With the decrease in revenue and higher expenditures, the County Board of DD Fund balance decreased by \$97,164 from 2007 to 2008.
- In the General Fund, the actual revenues came in \$2.10 million higher than they were originally budgeted and \$1.70 million higher than the final budget. Actual expenditures were \$1.42 million less than the amount in the original budget and \$1.99 million less than the final budget. These positive variances are a result of the County's conservative budgeting process coupled with reduced spending for contract services and other expenditures.
- The assets of the County exceeded its liabilities at December 31, 2008 by \$91.66 million.
- The County's debt for governmental activities increased more than \$2,583,254 in 2008.

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**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. These statements are organized so the reader can understand Union County's financial position.

*The Statement of Net Assets and the Statement of Activities* provide information about the activities of Union County as an entity and present a long-term view of the County's finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the County's most significant funds with all other nonmajor funds presented in total in one column. The County's major funds are the General Fund the Board of MR/DD Fund, and the Motor Vehicle and Gas Fund.

**REPORTING THE COUNTY AS A WHOLE**

**STATEMENT OF NET ASSETS AND STATEMENT OF ACTIVITIES**

While this document contains information about the funds used by the County to provide services to our citizens, the view of the County as a whole looks at all financial transactions and asks the question, "How did we do financially in 2008?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting that is similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two 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 improved or diminished. However, in evaluating the overall position of the County, nonfinancial information such as changes in the County's tax base and the condition of County's capital assets will also need to be evaluated.

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

- Government Activities – Most of the County's services are reported here including public safety and social service programs, administration, and all departments with the exception of our Sanitary Sewer, Water District and Building Development funds.
- Business-Type Activities – These services have a charge based upon the amount of usage. The County charges fees to recoup all or most of the cost of the services provided. The County's Sanitary Sewer, Water District, Building and Development, and Memorial Hospital are reported here.
- Component Units – The County includes financial data for the Union County Airport Authority and U-Co Industries. Refer to note 1 to the Basic Financial Statements for detail on the Component Units.

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

**FUND FINANCIAL STATEMENTS**

The fund financial statements provide detailed information about the County's major funds. The County's major governmental funds are the General Fund, Board of MR/DD Fund, and the Motor Vehicle and Gas Fund. The major proprietary fund is the Memorial Hospital Fund. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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 government'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 facilitate 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 these non-major governmental funds is provided in the form on combining statements elsewhere in this report. The governmental fund financial statements can be found on pages 24-30 of this report.

Proprietary Funds use the accrual basis of accounting, the same as that used for business-type activities in the government-wide financial statements. The proprietary fund financial statement can be found on pages 31-33 of this report.

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. The accounting used for fiduciary funds is much like that of the proprietary funds. The fiduciary fund financial statements can be found on page 34 of this report.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 35 of this report.

Other Information: In addition to the financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules. Also included is certain required supplementary information required by Governmental Accounting Standards Board Statement No. 34 relating to disclosure about infrastructure reporting using the modified approach. The required supplementary information discussing the condition of the County's infrastructure can be found on pages 79 and 80.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Table I provides a summary of the County's net assets for 2008 compared to 2007.



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Table 1  
Net Assets  
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
<b>Assets:</b>						
Current and Other Assets	\$ 46,126	\$ 46,800	\$ 37,796	\$ 36,160	\$ 83,922	\$ 82,959
Capital Assets, Net	71,670	65,444	36,132	36,217	107,802	101,661
Total Assets	<u>117,796</u>	<u>112,244</u>	<u>73,928</u>	<u>72,377</u>	<u>191,724</u>	<u>184,620</u>
<b>Liabilities:</b>						
Current & Other Liabilities	14,940	16,394	5,747	6,365	20,687	22,759
Long term Liabilities	11,194	8,611	25,617	26,776	36,811	35,387
Total Liabilities	<u>26,134</u>	<u>25,005</u>	<u>31,364</u>	<u>33,141</u>	<u>57,498</u>	<u>58,146</u>
<b>Net Assets:</b>						
Invested in Capital Assets						
Net of Related Debt	61,760	57,915	13,509	11,783	75,269	69,698
Restricted	21,064	18,900	4,929	4,318	25,993	23,218
Unrestricted	8,838	10,424	24,126	23,135	32,964	33,559
Total Net Assets	<u>\$ 91,662</u>	<u>\$ 87,239</u>	<u>\$ 42,564</u>	<u>\$ 39,236</u>	<u>\$ 134,226</u>	<u>\$ 126,475</u>

There was a \$4.42 million increase in total net assets for governmental activities. A decrease in cash and cash equivalents of \$3.05 million, attributable to increases in expenses and relatively "flat" governmental fund revenue. There is a growth related increase of \$1.20 million in property tax receivables and increase of \$1.06 million for intergovernmental receivables. Detail on the increase in net capital assets of \$6.23 million can be found in Note 10 to the Basic Financial Statements and on pages 196 to 199.

Total liabilities increased \$1.13 million from 2007 due to re-issue of \$3 million note payable related to the Main Street Building project, and \$603,952 increase in accounts payable. The increase was offset by a decrease of \$28,152 in wages payable and \$1.58 million increase in unearned revenue.

As noted earlier, the County's net assets, when reviewed over time, may serve as a useful indicator of the County's financial position. The largest portion of the County's assets reflect its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure) less any related debt to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. An additional portion of the County's net assets represent resources that are subject to restrictions on how they can be used. The remaining balance of unrestricted assets may be used to meet the ongoing obligations to citizens and creditors. Total Net Assets increased \$4.42 million in 2008. As of December 31, 2008, the County is able to report a positive net asset balance of \$91.66 million for its governmental activities. For business-type activities, a net asset balance of \$42.56 million is reported.

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Table 2 shows the changes in net assets for 2008 as compared to 2007.

Table 2  
Change in Net Assets  
(In Thousands)

Charges for Service	\$ 6,538	\$ 6,128	\$ 68,288	\$ 67,920	\$ 74,826	\$ 74,048
Operating Grants and Contributions	16,511	8,930	-	-	16,511	8,930
Capital Grants & Contributions	3,042	1,109	370	558	3,412	1,667
Total Program Revenues	<u>26,091</u>	<u>16,167</u>	<u>68,658</u>	<u>68,478</u>	<u>94,749</u>	<u>84,645</u>
General revenues						
Property Taxes	10,361	11,916	-	-	10,361	11,916
Sales Taxes	9,566	9,379	-	-	9,566	9,379
Intergovernmental	4,313	9,597	-	-	4,313	9,597
Interest	1,516	1,801	566	931	2,082	2,732
Gain on Sale of Capital Assets	-	-	-	-	-	-
Other	1,687	1,654	2,166	2,203	3,853	3,857
Total General Revenues	<u>27,443</u>	<u>34,347</u>	<u>2,732</u>	<u>3,134</u>	<u>30,175</u>	<u>37,481</u>
Total Revenues	<u>53,534</u>	<u>50,514</u>	<u>71,390</u>	<u>71,612</u>	<u>124,924</u>	<u>122,126</u>
Program Expenses:						
General Government						
Legislative and Executive	13,793	11,990	-	-	13,793	11,990
Judicial	2,637	2,371	-	-	2,637	2,371
Public Safety	7,161	6,735	-	-	7,161	6,735
Public Works	3,227	3,342	-	-	3,227	3,342
Health	4,021	3,835	-	-	4,021	3,835
Human Services	16,905	13,835	-	-	16,905	13,835
Economic Development	366	298	-	-	366	298
Other	519	-	-	-	519	-
Interest and Fiscal Charges	485	329	-	-	485	329
Sanitary Sewer District	-	-	319	223	319	223
Water District	-	-	-	150	-	150
Building and Development	-	-	679	731	679	731
Memorial Hospital	-	-	67,061	62,880	67,061	62,880
Total Expenses	<u>49,114</u>	<u>42,735</u>	<u>68,059</u>	<u>63,984</u>	<u>117,173</u>	<u>106,719</u>
Transfers	<u>3</u>	<u>-</u>	<u>(3)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Assets	<u>\$ 4,424</u>	<u>\$ 7,779</u>	<u>\$ 3,328</u>	<u>\$ 7,628</u>	<u>\$ 7,751</u>	<u>\$ 15,407</u>
Ending Net Assets	<u>\$ 91,662</u>	<u>\$ 87,238</u>	<u>\$ 42,564</u>	<u>\$ 39,236</u>	<u>\$ 134,226</u>	<u>\$ 126,474</u>

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**FINANCIAL ANALYSIS – GOVERNMENT ACTIVITIES**

The major program expenses for the County are Human Services, Legislative & Executive, Public Safety, Public Works, and Health. These programs account for 92 percent of the total governmental activities. Human Services represent costs associated with providing services for various state and locally mandated welfare programs. These programs include the Board of Developmental Disabilities, Children's Services, and the Department of Jobs and Family Services. Legislative & Executive represents costs associated with risk management, insurance, common facilities, maintenance, equipment and various administrative departments. Public Safety primarily involves costs associated with the Sheriff's department. Public Works expenses are mainly associated with maintaining the roads and bridges of the county. Health costs are primarily expenses related to grants for mental health, alcohol and drug, and community support.

Funding for the major programs indicated above is from charges for services, operating or capital grants, and in most cases property tax. The Child Support and Jobs and Family Services Departments are basically funded with state and federal monies. The Developmental Disabilities School is partially supported through voted property tax levies. The operation of the 9-1-1 emergency phone system is also partially supported with a voted property tax levy. Charges for services revenue is more than 2007 for government activities. Operating grants increased about \$7.58 million from 2007 revenues. The capital grant increase of \$1.93 million is primarily related to special project Federal road and bridge program monies received in 2008. General revenues decreased from 2007 revenues due to relatively flat sales and property tax receipts.

Table 3, for governmental activities, indicates the total cost of services and the net cost of services. 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  
(In Thousands)

	Total Cost of Services 2008	Net Cost of Services 2008	Total Cost of Services 2007	Net Cost of Services 2007
General Government				
Legislative and Executive	\$ 13,793	\$ 10,694	\$ 11,990	\$ 8,651
Judicial	2,637	1,933	2,371	1,670
Public Safety	7,161	5,384	6,735	5,543
Public Works	3,227	(4,599)	3,342	1,705
Health	4,021	964	3,835	2,469
Human Services	16,905	7,615	13,835	5,924
Economic Development	366	28	298	277
Interest and Fiscal Charges	485	485	329	329
Other	519	519	-	-
Total Governmental Activities	<u>\$ 49,114</u>	<u>\$ 23,023</u>	<u>\$ 42,735</u>	<u>\$ 26,568</u>

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**FINANCIAL ANALYSIS – BUSINESS-TYPE ACTIVITIES**

Memorial Hospital of Union County is the major Proprietary fund. The County's "Other Enterprise" funds consisted of the Sewer Fund and the Building Development Fund. The Building Development Fund had reduced program revenue as residential building fees decreased \$120,724 from the prior year. Program revenues were below expenses by \$54,947 for the Sewer Fund. All revenues posted to the Water District Fund were transferred out by resolution to the Sewer Fund in 2008. Expenses exceeded revenue by \$69,799 in the Building Development Fund. Program revenues were about \$719,678 above expenses for Memorial Hospital.

Memorial Hospital began an expansion in 2003 with the issuance of additional general obligation bonds and notes to fund the project. Payments are anticipated to come from the hospital's operating revenues. Bonds were issued in 2005 to advance refund parts of the 1996 and 1999 Hospital Bond issues. The 2005 hospital notes of \$4,075,000 were refinanced in 2006 for \$3,635,000. In 2007, Memorial Hospital issued refunding bonds which defeased in-substance \$4,360,000 of the 2003 general obligation bonds and paid off \$3,635,000 in tax general obligation notes. Refer to Note 17 for details.

**BUDGETARY HIGHLIGHTS**

By State statute, the County Commissioners adopt the annual operating budget on the first day of January. The County's most significant fund is the General Fund. Budgeted revenues were increased more than 2% over the original budget. Actual revenues were 9.2% or \$1,695,407 above the revised budgeted amount, primarily due to increased interest, sales and property tax revenue. The expenditures budget was increased nearly 3% during the year. Actual expenditures ended the year \$1,985,399 below the final budget. The major areas of under spending were contract services in Maintenance and Capital Improvements as well as other expenditures in Risk Management.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

Capital Assets: The County's investment in capital assets for governmental and business type activities as of December 31, 2008 was \$107.80 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, vehicles, furniture & fixtures, construction in progress, and infrastructure made up of roads and bridges.

Detail on governmental capital asset activity can be found on pages 196-199 and in Note 10 of this document. All 2007 completed "construction in progress" projects have been capitalized as additions. Infrastructure improvements increased the infrastructure investment of the County by \$4.37 million.

The modified approach is used for reporting the Union County's infrastructure assets. The plan includes a ten year program for road repairs and improvements and an annual bridge evaluation in accordance with Ohio Department of Transportation requirements. Currently 97% of the County's roads have a numerical rating of 5 or higher as compared with a policy of at least 75% of the roads at 5 or higher. For bridges, 94% of the bridges met or exceeded

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**CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)**

the numerical rating of 5 as compared to a policy of 85%. Estimated expenditures for roads and bridges were \$8,366,634 for 2008. Actual expenditures for the year were \$8,022,284. For more information on the rating system and results, refer to Required Supplementary Information beginning on page 79 of this report.

Long Term Debt: At December 31, 2008, the County had bonded debt outstanding of \$26,595,000. Of this amount, \$19,730,000 is expected to be repaid from business-type activities and \$4,420,000 represents sales tax revenue bonds. In June 2009, a \$3,000,000 bond anticipation note was included in refunded bonded debt. In addition to the bonded debt, the County's long-term obligations include compensated absences, mortgage loans, notes payable, and capital leases. Additional information on the County's long term debt can be found in Notes 17 and 29 of this report.

**ECONOMIC FACTORS**

The average unemployment rate in the County was 5.2% for 2008, slightly higher than the 4.5% average rate in 2007. This compares favorably to the State rate of 7.3% and to the national rate of 5.8%. Union County's strong industrial segment allows the County to enjoy the fourth lowest unemployment rate in Ohio.

Union County is primarily an agricultural community with 83% of its acreage devoted to agriculture. A strong manufacturing presence coexists, allowing for growth within the community. Estimated actual values were at \$3.52 billion for 2008. This has grown by an average rate of 2% per year for the past three years. The actual and assessed values are lower than prior years as tangible personal property is being phased out through 2008. For information on this reduction, refer to Note 7 of this report.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the County's finances for all those with an interest in government finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Mary H. Snider, Union County Auditor, 233 West Sixth Street, Marysville, Ohio 43040. Questions may be e-mailed to [auditor@co.union.oh.us](mailto:auditor@co.union.oh.us) or visit the Auditors link from the County's web site: <http://www.co.union.oh.us/Auditor/auditor.html>.

# Union County, Ohio

## Statement of Net Assets

December 31, 2008

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	UCO Industries	Airport Authority
<b>Assets</b>					
Equity In Pooled Cash And Cash Equivalents- Cash and Cash Equivalents	\$22,870,713	\$1,642,073	\$24,512,786		\$579,856
In Segregated Accounts - - - - -	811,681	20,087,681	20,899,362	1,715,313	-
Investments - - - - -	-	450,164	450,164	-	-
Materials and Supplies Inventory - - - - -	144,636	670,877	815,513	848,556	-
Accrued Interest Receivable - - - - -	9,970	1,953	11,923	-	-
Loans Receivable - - - - -	81,674	-	81,674	-	-
Accounts Receivable - - - - -	180,870	9,983,402	10,164,272	2,422,487	1,030
Intergovernmental Receivable - - - - -	5,115,223	-	5,115,223	-	-
Prepaid Items - - - - -	-	554,208	554,208	19,134	-
Sales Tax Receivable - - - - -	2,573,081	-	2,573,081	-	-
Property Taxes Receivable - - - - -	14,337,619	-	14,337,619	-	-
Unamortized Issuance Costs - - - - -	-	1,331,950	1,331,950	40,202	-
Restricted Assets:					
Cash and Cash Equivalents With Fiscal and Escrow Agents - - - - -	-	3,073,814	3,073,814	-	-
Nondepreciable Capital Assets - - - - -	51,710,961	2,857,549	54,568,510	224,400	767,895
Depreciable Capital Assets, Net - - - - -	19,959,042	33,274,790	53,233,832	4,152,561	2,232,650
<b>Total Assets</b>	<b>117,795,470</b>	<b>73,928,461</b>	<b>191,723,931</b>	<b>9,422,653</b>	<b>3,581,431</b>
<b>Liabilities</b>					
Wages Payable - - - - -	715,340	2,393,657	3,108,997	41,452	318
Accounts Payable - - - - -	899,470	1,956,275	2,855,745	3,845,100	88,750
Contracts Payable - - - - -	-	598,175	598,175	-	-
Intergovernmental Payable - - - - -	288,025	799,438	1,087,463	-	-
Accrued Liabilities - - - - -	-	-	-	17,105	-
Unearned Revenue - - - - -	13,036,800	-	13,036,800	-	-
Compensated Absences Payable - - - - -	-	-	-	-	-
Long-Term Liabilities:					
Due Within One Year - - - - -	4,924,179	2,583,374	7,507,553	207,545	26,126
Due in More Than One Year - - - - -	6,269,961	23,033,811	29,303,772	2,002,064	55,548
<b>Total Liabilities</b>	<b>26,133,775</b>	<b>31,364,730</b>	<b>57,498,505</b>	<b>6,113,266</b>	<b>170,742</b>
<b>Net Assets</b>					
Invested in Capital Assets, Net of related debt - - - - -	61,759,667	13,508,658	75,268,325	3,056,871	2,918,871
Restricted For:					
Capital Projects - - - - -	1,906,616	1,027,885	2,934,501	-	-
Debt Service - - - - -	-	3,725	3,725	-	-
Human Service Programs - - - - -	10,449,860	-	10,449,860	-	-
Public Works Projects - - - - -	3,688,199	-	3,688,199	-	-
Health Programs - - - - -	1,057,715	-	1,057,715	-	-
Legislative and Executive - - - - -	1,482,361	-	1,482,361	-	-
Public Safety - - - - -	1,588,201	-	1,588,201	-	-
Judicial - - - - -	339,968	-	339,968	-	-
Economic Development - - - - -	355,276	-	355,276	-	-
Other Hospital Restrictions - - - - -	-	3,897,062	3,897,062	-	-
Unrestricted - - - - -	\$9,033,832	\$24,126,401	\$33,160,233	252,516	\$491,818
<b>Total Net Assets</b>	<b>\$91,661,695</b>	<b>\$42,563,731</b>	<b>\$134,225,426</b>	<b>\$3,309,387</b>	<b>\$3,410,689</b>

See accompanying notes to the basic financial statements.

# Union County, Ohio

## Statement of Activities For The Year Ended December 31, 2008

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government:				
Legislative and Executive.....	\$13,793,161	\$2,799,982	\$158,828	\$140,828
Judicial.....	2,637,145	696,302	7,593	-
Public Safety.....	7,161,068	793,587	983,000	-
Public Works.....	3,227,196	800,713	4,124,622	2,900,836
Health.....	4,020,931	174,411	2,882,747	-
Human Services.....	16,904,850	1,252,022	8,038,000	-
Economic Development.....	365,747	21,876	316,391	-
Other.....	519,194	-	-	-
Interest and Fiscal Charges.....	485,352	-	-	-
<b>Total Governmental Activities.....</b>	<b>49,114,644</b>	<b>6,538,893</b>	<b>16,511,181</b>	<b>3,041,664</b>
<b>Business Type Activities:</b>				
Memorial Hospital.....	67,061,083	67,410,277	-	370,484
Nonmajor:				
Sanitary Sewer District.....	319,305	264,358	-	-
Water District.....	-	3,989	-	-
Building and Development.....	679,417	609,618	-	-
<b>Total Business-Type Activities.....</b>	<b>68,059,805</b>	<b>68,288,242</b>	<b>-</b>	<b>370,484</b>
<b>Total Primary Government.....</b>	<b>\$117,174,449</b>	<b>\$74,827,135</b>	<b>\$16,511,181</b>	<b>\$3,412,148</b>
<b>Component Units:</b>				
UCO Industries.....	\$11,675,246	\$11,183,612	\$566,141	\$ -
Airport Authority.....	197,436	160,891	162,587	-
<b>Total Component Units</b>	<b>\$11,872,682</b>	<b>\$11,344,503</b>	<b>\$728,728</b>	<b>\$ -</b>

### General Revenues:

#### Property Taxes Levied for:

General Purposes  
Board of MR/DD  
Public Safety  
Health

#### Sales Taxes Levied for General Purposes

#### Sales Taxes Levied for Public Works

#### Sales Taxes Levied for Senior Services

#### Grants and Entitlements not Restricted to Specific Programs

#### Interest

#### Other

#### Total General Revenues

#### Transfers

#### Total General Revenues and Transfers

#### Change in Net Assets

#### Net Assets, Beginning of Year

#### Net Assets, End of Year

See accompanying notes to the basic financial statements.

Net(Expense) Revenue and Changes in Net Assets				
Governmental Activities	Primary Government		Component Units	
	Business-Type Activities	Total	UCO Industries	Airport Authority
(\$10,693,523)	\$ -	(10,693,523)	\$ -	\$ -
(1,933,250)	-	(1,933,250)	-	-
(5,384,481)	-	(5,384,481)	-	-
4,598,975	-	4,598,975	-	-
(963,773)	-	(963,773)	-	-
(7,614,828)	-	(7,614,828)	-	-
(27,480)	-	(27,480)	-	-
(519,194)	-	(519,194)	-	-
(485,352)	-	(485,352)	-	-
(23,022,906)	-	(23,022,906)	-	-
-	719,678	719,678	-	-
-	(54,947)	(54,947)	-	-
-	3,989	3,989	-	-
-	(69,799)	(69,799)	-	-
-	598,921	598,921	-	-
(\$23,022,906)	\$598,921	(\$22,423,985)	\$ -	\$ -
\$ -	\$ -	\$ -	\$74,507	\$ -
-	-	-	-	\$126,042
\$ -	\$ -	\$ -	\$74,507	\$126,042
3,781,723	-	3,781,723	-	-
5,448,129	-	5,448,129	-	-
753,070	-	753,070	-	-
377,757	-	377,757	-	-
8,561,025	-	8,561,025	-	-
502,440	-	502,440	-	-
502,440	-	502,440	-	-
4,312,843	-	4,312,843	-	80,604
1,516,355	565,872	2,082,227	67,577	2,709
1,687,155	2,166,086	3,853,241	2,325	2,513
27,442,937	2,731,958	30,174,895	69,902	85,826
3,146	(3,146)	-	-	-
27,446,083	2,728,812	30,174,895	-	-
4,423,177	3,327,733	7,750,910	144,409	211,868
87,238,518	39,235,998	126,474,516	3,164,978	3,198,821
\$91,661,695	\$42,563,731	\$134,225,426	\$3,309,387	\$3,410,689



# Union County, Ohio

*Balance Sheet  
Governmental Funds  
December 31, 2008*

	General	Board of MR/DD	Motor Vehicle/ Gas tax	Other Governmental Funds
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents.....	\$ 5,582,494	\$ 9,275,408	\$ 1,034,897	\$ 6,977,914
Cash and Cash Equivalents In Segregated Accounts.....	173,146	-	-	638,535
Material and Supplies Inventory.....	119,517	21,330	-	3,789
Accounts Receivable.....	79,280	31,350	1,640	68,600
Interfund Receivable.....	50,000	-	-	2,000
Intergovernmental Receivable.....	767,517	413,678	2,143,456	1,790,572
Interest Receivable.....	7,600	-	-	2,370
Sales Taxes Receivable.....	2,062,805	-	255,138	255,138
Property Taxes Receivable.....	4,506,025	8,175,693	-	1,655,901
Loans Receivable.....	81,674	-	-	-
<b>Total Assets</b>	<b>\$ 13,430,058</b>	<b>\$ 17,917,459</b>	<b>\$ 3,435,131</b>	<b>\$ 11,394,819</b>
<b><u>Liabilities:</u></b>				
Accounts Payable.....	\$ 36,490	\$ 99,850	\$ 1,070	\$ 762,060
Wages Payable.....	315,532	139,213	86,627	173,968
Intergovernmental Payable.....	136,250	57,811	26,000	67,964
Unearned Revenue.....	6,407,308	8,825,020	1,951,953	3,098,904
Interfund Payable.....	-	-	-	52,000
<b>Total Liabilities</b>	<b>6,895,580</b>	<b>9,121,894</b>	<b>2,065,650</b>	<b>4,154,896</b>
<b><u>Fund Balances:</u></b>				
Reserved for Encumbrances.....	44,552	9	116,720	87,773
Reserved for Loans Receivable.....	81,674	-	-	-
Reserved for Debt Service.....	-	-	-	196,115
Reserved for Inventory.....	119,517	21,330	-	3,789
Unreserved, Undesignated, Reported in:				
General Fund.....	6,288,735	-	-	-
Special Revenue Funds.....	-	8,774,226	1,252,761	5,256,389
Capital Projects.....	-	-	-	1,695,857
<b>Total Fund Balances</b>	<b>6,534,478</b>	<b>8,795,565</b>	<b>1,369,481</b>	<b>7,239,923</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 13,430,058</b>	<b>\$ 17,917,459</b>	<b>\$ 3,435,131</b>	<b>\$ 11,394,819</b>

See accompanying notes to the basic financial statements.

# Union County, Ohio

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

<b>Total Governmental Funds</b>	<b>Total Governmental Fund Balances</b>	\$ 23,939,447
	<i>Amounts reported for governmental activities in the statement of net assets are different because of the following:</i>	
\$ 22,870,713	Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	71,670,003
811,681		
144,636		
180,870		
52,000	Assets and liabilities not available to pay for current period expenditures and, therefore, are deferred in the funds:	7,246,385
5,115,223		
9,970		
2,573,081		
14,337,619		
81,674		
<u>\$ 46,177,467</u>		
\$ 899,470	Long-term obligations not due and payable in the current period and, therefore, are not reported in the funds:	
715,340	Notes Payable	(3,000,000)
288,025	General Obligation and Sales Tax Revenue Bonds Payable	(6,910,336)
20,283,185	Compensated Absences Payable	<u>(1,283,804)</u>
52,000		
<u>22,238,020</u>		(11,194,140)
249,054		
81,674		
196,115		
144,636		
6,288,735	<i>Net Assets of Governmental Activities</i>	<u><u>\$91,661,695</u></u>
15,283,376		
1,695,857		
<u>23,939,447</u>		
<u>\$ 46,177,467</u>		

# Union County, Ohio

## Statement of Revenues, Expenditures, and Changes in Fund Balances

### Governmental Funds

For The Year Ended December 31, 2008

	General	Board of MR/DD	Motor Vehicle/ Gas Tax	Other Governmental
<b>Revenues:</b>				
Property Taxes.....	\$4,035,530	\$5,765,298	\$0	\$1,208,217
Sales Taxes.....	8,765,737	-	333,806	333,806
Charges For Services.....	2,212,745	-	742,435	2,806,473
Licenses and Permits.....	2,867	-	2,660	122,734
Fines and Forfeitures.....	128,514	-	-	63,836
Intergovernmental.....	1,712,002	2,421,338	4,768,585	13,682,231
Special Assessments.....	-	-	-	97,984
Interest.....	1,402,706	-	32,961	80,688
Other - Rent.....	446,693	-	-	2,379
Other.....	698,752	222,813	109,418	682,379
<b>Total Revenues.....</b>	<b>19,405,546</b>	<b>8,409,449</b>	<b>5,989,865</b>	<b>19,080,727</b>
<b>Expenditures:</b>				
Current:				
General Government:				
Legislative and Executive.....	8,428,818	-	731,199	3,110,506
Judicial.....	2,185,800	-	-	275,989
Public Safety.....	5,647,751	-	-	1,406,403
Public Works.....	130,562	-	5,189,463	2,869,188
Health.....	440,937	-	-	3,365,955
Human Services.....	1,721,887	8,508,846	-	6,605,196
Economic Development.....	188,929	-	-	94,334
Other.....	667,534	-	-	8,622
Capital Outlay.....	-	-	-	3,109,724
Debt Service:				
Principal Retirement.....	-	-	-	600,000
Interest and Fiscal Charges.....	-	-	-	485,352
<b>Total Expenditures.....</b>	<b>19,412,218</b>	<b>8,508,846</b>	<b>5,920,662</b>	<b>21,931,269</b>
<b>Excess of Revenues Over   (Under) Expenditures.....</b>	<b>(6,672)</b>	<b>(99,397)</b>	<b>69,203</b>	<b>(2,850,542)</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds of notes.....	-	-	-	3,000,000
Transfers In.....	-	900	37,290	1,258,871
Transfers Out.....	(922,431)	-	(121,121)	(250,363)
<b>Total Other Financing Sources (Uses).....</b>	<b>(922,431)</b>	<b>900</b>	<b>(83,831)</b>	<b>4,008,508</b>
<b>Net Change in Fund Balances.....</b>	<b>(929,103)</b>	<b>(98,497)</b>	<b>(14,628)</b>	<b>1,157,966</b>
<b>Fund Balances Beginning of Year.....</b>	<b>7,675,393</b>	<b>8,892,729</b>	<b>1,384,109</b>	<b>6,095,870</b>
Increase (Decrease) in Reserve for Inventory	(211,812)	1,333	-	(13,913)
<b>Fund Balances End of Year.....</b>	<b>\$6,534,478</b>	<b>\$8,795,565</b>	<b>\$1,369,481</b>	<b>\$7,239,923</b>

See accompanying notes to the basic financial statements.

# Union County, Ohio

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

<b>Total Governmental Funds</b>	<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 115,738</b>
	<b>Amounts reported for governmental activities on the statement of activities are different because:</b>	
\$11,009,045	Governmental funds report capital outlays as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
9,433,349		
5,761,653		
128,261		
192,350		
22,584,156	Capital Outlay - Depreciable Capital Assets	3,782,712
97,984	Capital Outlay - Non-Depreciable Capital Assets	4,367,079
1,516,355	Depreciation	(1,611,822)
449,072		
1,713,362		
<u>52,885,587</u>		
	Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.	(169,559)
12,270,523	Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.	
2,461,789		
7,054,154		
8,189,213		
3,806,892		
16,835,929	Intergovernmental	1,281,532
283,263	Property Taxes	132,556
676,156	Sales Tax	(648,366)
3,109,724		765,722
600,000	Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net assets.	600,000
485,352		
<u>55,772,995</u>		
	Proceeds of notes is recognized as revenue in the governmental funds, but the repayment reduces long-term liabilities on the statement of net assets.	(3,000,000)
(2,887,408)		
	Some expenses reported on the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
3,000,000		
1,297,061		
(1,293,915)		
3,003,146		
	Compensated absences	(202,301)
115,738		
24,048,101	Government funds report expenditures for inventory when purchased. However, in the statement of activities, they are reported as an expense when consumed.	(224,392)
(224,392)		
<u>\$23,939,447</u>	<b>Change in Net Assets of Governmental Activities</b>	<b>\$ 4,423,177</b>

# UNION COUNTY, OHIO

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Property Taxes	\$3,797,474	\$3,797,474	\$4,036,127	\$238,653
Sales Taxes	7,292,195	7,692,195	8,769,759	1,077,564
Charges for Service	2,112,550	2,112,550	2,304,346	191,796
Licenses and Permits	2,750	2,750	2,867	117
Fines and Forfeitures	125,000	125,000	131,661	6,661
Intergovernmental	2,185,206	2,185,206	2,265,728	80,522
Interest	1,505,330	1,505,330	1,443,463	(61,867)
Rental Income	388,500	388,500	443,773	55,273
Other	547,150	547,150	658,838	111,688
<b>Total Revenues</b>	<u>17,956,155</u>	<u>18,356,155</u>	<u>20,056,562</u>	<u>1,700,407</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Government:				
Legislative and Executive	9,147,076	9,710,113	8,542,807	1,167,306
Judicial	2,263,782	2,385,888	2,167,998	217,890
Public Safety	6,031,028	5,857,780	5,602,569	255,211
Public Works	128,500	128,500	127,149	1,351
Health	444,656	539,051	453,916	85,135
Human Services	2,088,161	2,039,141	1,764,815	274,326
Economic Development	197,973	197,973	194,572	3,401
Other	560,137	569,508	678,994	(109,486)
<b>Total Expenditures</b>	<u>20,861,313</u>	<u>21,427,954</u>	<u>19,532,820</u>	<u>1,895,134</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,905,158)</u>	<u>(3,071,799)</u>	<u>523,742</u>	<u>3,595,541</u>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Advance In	0	0	53,945	53,945
Advance Out	0	0	(103,945)	(103,945)
Transfers Out	(1,528,786)	(1,254,674)	(922,431)	332,243
<b>Total Other Financing Sources (Uses)</b>	<u>(1,528,786)</u>	<u>(1,254,674)</u>	<u>(972,431)</u>	<u>282,243</u>
Net Change in Fund Balance	(4,433,944)	(4,326,473)	(448,689)	3,877,784
<b>Fund Balance, January 1</b>	5,472,170	5,472,170	5,472,170	0
Prior year encumbrances appropriated	528,448	528,448	528,448	0
<b>Fund Balance, December 31</b>	<u>\$1,566,674</u>	<u>\$1,674,145</u>	<u>\$5,551,929</u>	<u>\$3,877,784</u>

See accompanying notes to the basic financial statements.

# UNION COUNTY, OHIO

*Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Basis) and Actual  
Board of MR/DD Fund  
For the Year Ended December 31, 2008*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Property Taxes	\$5,191,673	\$5,191,673	\$5,766,229	\$574,556
Intergovernmental	2,751,611	2,751,611	2,732,203	(19,408)
Other	124,300	124,300	192,314	68,014
<b>Total Revenues</b>	<u>8,067,584</u>	<u>8,067,584</u>	<u>8,690,746</u>	<u>623,162</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Human Services	10,994,548	11,150,098	8,635,512	2,514,586
<b>Total Expenditures</b>	<u>10,994,548</u>	<u>11,150,098</u>	<u>8,635,512</u>	<u>2,514,586</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,926,964)</u>	<u>(3,082,514)</u>	<u>55,234</u>	<u>3,137,748</u>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers In	0	900	900	0
Transfers Out	(83,000)	(83,000)	0	83,000
Total Other Financing Sources (Uses)	<u>(83,000)</u>	<u>(82,100)</u>	<u>900</u>	<u>83,000</u>
Net Change in Fund Balance	(3,009,964)	(3,164,614)	56,134	3,220,748
<b>Fund Balance, January 1</b>	9,067,488	9,067,488	9,067,488	0
Prior year encumbrances appropriated	151,777	151,777	151,777	0
<b>Fund Balance, December 31</b>	<u><u>\$6,209,301</u></u>	<u><u>\$6,054,651</u></u>	<u><u>\$9,275,399</u></u>	<u><u>\$3,220,748</u></u>

See accompanying notes to the basic financial statements.

# UNION COUNTY, OHIO

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

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance: Favorable (Unfavorable)</b>
<b><u>REVENUES:</u></b>				
Taxes	\$0	\$316,000	\$247,302	(\$68,698)
Charges for Service	630,000	630,000	765,208	135,208
Licenses and Permits	4,000	4,000	2,660	(1,340)
Intergovernmental	4,220,000	4,220,000	4,408,954	188,954
Interest	68,200	68,200	37,464	(30,736)
Other	97,500	97,500	107,778	10,278
<b>Total Revenues</b>	<b>5,019,700</b>	<b>5,335,700</b>	<b>5,569,366</b>	<b>233,666</b>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Government				
Legislative & Executive	829,000	912,096	692,628	219,468
Public Works	5,160,000	5,684,257	5,339,907	344,350
<b>Total Expenditures</b>	<b>5,989,000</b>	<b>6,596,353</b>	<b>6,032,535</b>	<b>563,818</b>
Excess of Revenues (Under) Expenditures	(969,300)	(1,260,653)	(463,169)	797,484
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers In	0	0	37,290	37,290
Transfers Out	0	(121,121)	(121,121)	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>(121,121)</b>	<b>(83,831)</b>	<b>37,290</b>
Net Change in Fund Balance	(969,300)	(1,381,774)	(547,000)	834,774
<b>Fund Balance, January 1</b>	<b>1,256,466</b>	<b>1,256,466</b>	<b>1,256,466</b>	<b>0</b>
Prior year encumbrances appropriated	208,714	208,714	208,714	0
<b>Fund Balance, December 31</b>	<b>\$495,880</b>	<b>\$83,406</b>	<b>\$918,180</b>	<b>\$834,774</b>

# UNION COUNTY, OHIO

## Statement of Fund Net Assets

### Proprietary Funds

DECEMBER 31, 2008

	Memorial Hospital	Other Enterprise	Total
<b><u>ASSETS:</u></b>			
Current Assets:			
Equity In Pooled Cash and Cash Equivalents	\$ -	\$1,642,073	\$1,642,073
Cash and Cash Equivalents in Segregated Accounts	20,087,681	-	20,087,681
Investments	450,164	-	450,164
Receivables:			
Accounts	9,982,592	810	9,983,402
Accrued Interest	-	1,953	1,953
Materials and Supplies Inventory	670,877	-	670,877
Unamortized Bond Issuance Costs	1,331,950	-	1,331,950
Prepaid Items	554,208	-	554,208
<i>Total Current Assets</i>	<u>\$33,077,472</u>	<u>1,644,836</u>	<u>34,722,308</u>
Noncurrent Assets:			
Capital Assets:			
Nondepreciable Capital Assets	2,829,008	28,541	2,857,549
Depreciable Capital Assets, Net	33,113,968	160,822	33,274,790
Restricted Cash and Cash Equivalents with			
Fiscal and Escrow Agents:			
Permanent Endowments	25,000	-	25,000
Bond Indenture Agreement-Cash	295,692	-	295,692
Capital, Debt, & Other Projects	2,753,122	-	2,753,122
<i>Total Noncurrent Assets</i>	<u>39,016,790</u>	<u>189,363</u>	<u>39,206,153</u>
<b>TOTAL ASSETS</b>	<u>72,094,262</u>	<u>1,834,199</u>	<u>73,928,461</u>
<b><u>LIABILITIES:</u></b>			
Current Liabilities:			
Wages Payable	2,375,581	18,076	2,393,657
Accounts Payable	1,951,429	4,846	1,956,275
Contracts Payable	578,867	19,308	598,175
Intergovernmental Payable	777,075	22,363	799,438
Notes Payable	92,414	-	92,414
Compensated Absences Payable	1,539,068	99,832	1,638,900
Capital Lease Payable	22,060	-	22,060
Bonds Payable	830,000	-	830,000
<i>Total Current Liabilities</i>	<u>8,166,494</u>	<u>164,425</u>	<u>8,330,919</u>
Long-Term Liabilities:			
Compensated Absences Payable	758,049	-	758,049
Bonds Payable	18,900,000	-	18,900,000
Capital Lease Payable	11,323	-	11,323
Notes Payable	3,364,439	-	3,364,439
<i>Total Long-Term Liabilities</i>	<u>23,033,811</u>	<u>-</u>	<u>23,033,811</u>
<b>TOTAL LIABILITIES</b>	<u>31,200,305</u>	<u>164,425</u>	<u>31,364,730</u>
<b><u>NET ASSETS:</u></b>			
Invested in Capital Assets, Net of Related Debt	13,319,295	189,363	13,508,658
Restricted:			
Permanent Endowments	25,000	-	25,000
Debt, Capital, & Other Projects	4,903,672	-	4,903,672
Unrestricted	22,645,990	1,480,411	24,126,401
<i>Total Net Assets</i>	<u>\$40,893,957</u>	<u>1,669,774</u>	<u>\$42,563,731</u>

See accompanying notes to the basic financial statements.



# UNION COUNTY, OHIO

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

<b>OPERATING REVENUES:</b>	<b>Memorial Hospital</b>	<b>Other Enterprise</b>	<b>Total</b>
Charges For Services	\$ -	\$799,554	\$799,554
License and Permits	-	33,556	33,556
Net Patient Services	67,410,277	-	67,410,277
Tap-in Fees	-	200	200
Special Assessment	-	44,655	44,655
Other	1,870,325	9,993	1,880,318
<i>Total operating revenue</i>	<u>69,280,602</u>	<u>887,958</u>	<u>70,168,560</u>
 <b>OPERATING EXPENSES:</b>			
Personal Services	37,766,086	669,550	38,435,636
Contract Services	11,226,297	248,137	11,474,434
Materials and Supplies	14,114,760	17,873	14,132,633
Depreciation and Amortization	2,800,478	23,653	2,824,131
Other Operating Expenses	-	39,509	39,509
<i>Total Operating Expenses</i>	<u>65,907,621</u>	<u>998,722</u>	<u>66,906,343</u>
 <i>OPERATING INCOME (Loss)</i>	<u>3,372,981</u>	<u>(110,764)</u>	<u>3,262,217</u>
 <b>NON-OPERATING REVENUES (EXPENSES):</b>			
Interest income	523,986	41,886	565,872
Gifts, Grants, and Bequests	370,484	-	370,484
Interest and Fiscal Charges	(1,153,462)	-	(1,153,462)
Other Non-Operating Income	285,768	-	285,768
<i>Total Non-Operating Income (Expenses)</i>	<u>26,776</u>	<u>41,886</u>	<u>68,662</u>
 <b><u>OTHER FINANCING SOURCES (USES):</u></b>			
Transfers In/(Out)	-	(3,146)	(3,146)
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>(3,146)</u>	<u>(3,146)</u>
 <i>Change in Net Assets</i>	<u>3,399,757</u>	<u>(72,024)</u>	<u>3,327,733</u>
 <i>Net Assets - Beginning of Year</i>	<u>37,494,200</u>	<u>1,741,798</u>	<u>39,235,998</u>
 <i>Net Assets - End of Year</i>	<u><u>\$40,893,957</u></u>	<u><u>\$1,669,774</u></u>	<u><u>\$42,563,731</u></u>

See accompanying notes to the basic financial statements.

# UNION COUNTY, OHIO

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

	Memorial Hospital	Other Enterprise	Total
<b>Increase (Decrease) in Cash and Cash Equivalents</b>			
<b>Cash flows from operating activities:</b>			
Cash received from sales/service charges.....	\$ -	\$ 833,310	\$ 833,310
Cash received from patients and third-party payer.....	67,376,816	-	67,376,816
Cash payments for personal services.....	(37,417,980)	(634,610)	(38,052,590)
Cash payments for contract services.....	-	(245,457)	(245,457)
Cash payments for supplies and materials.....	(26,444,891)	(16,513)	(26,461,404)
Other cash (payments)/receipts.....	1,870,325	15,139	1,885,464
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>5,384,270</b>	<b>(48,131)</b>	<b>5,336,139</b>
<b>Cash flows from non-capital financing activities:</b>			
Cash received from transfers in.....	-	417,563	417,563
Cash paid for transfers in .....	-	(420,709)	(420,709)
Other.....	285,768	-	285,768
<b>Net Cash Provided by (Used in) Noncapital Financing Act.</b>	<b>285,768</b>	<b>(3,146)</b>	<b>282,622</b>
<b>Cash flows from capital and related used for financing activities:</b>			
Purchase of capital assets.....	(2,740,549)	-	(2,740,549)
Principal retirement.....	(1,213,682)	-	(1,213,682)
Interest and fiscal charges.....	(1,077,443)	-	(1,077,443)
Proceeds from sale of capital assets	608	-	608
Grants and Contributions .....	370,484	-	370,484
<b>Net Cash Used In Capital and Related Financing Activities.....</b>	<b>(4,660,582)</b>	<b>-</b>	<b>(5,081,291)</b>
<b>Cash flows from investing activities:</b>			
Interest income.....	459,091	44,166	503,257
<b>Net cash provided by investing activities</b>	<b>459,091</b>	<b>44,166</b>	<b>503,257</b>
<b>Net increase (decrease) in cash and cash equivalents.....</b>	<b>1,468,547</b>	<b>(7,111)</b>	<b>1,040,727</b>
Cash and cash equivalents at beginning of year.....	21,628,053	1,649,184	23,277,237
<b>Cash and cash equivalents at end of year.....</b>	<b>23,096,600</b>	<b>1,642,073</b>	<b>24,317,964</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating Income (Loss).....	3,372,981	(110,764)	3,262,217
<b>Adjustments to reconcile operating income (loss) to net cash provided (used in) by operating activities...</b>			
Depreciation and amortization.....	2,800,478	23,653	2,824,131
Loss (gain) on disposal of capital assets .....	91	-	91
Bad debts.....	4,519,450	-	4,519,450
Change in assets and liabilities:			
Other Assets .....	36,094	-	36,094
Accounts receivable.....	(4,742,884)	-	(4,742,884)
Prepayments.....	-	-	-
Accrued Interest.....	-	-	-
Accounts payable.....	(440,880)	-	(440,880)
Contracts payable.....	-	-	-
Accrued wages and benefits.....	-	(1,669)	(1,669)
Compensated absences payable.....	-	27,913	27,913
Other accrued expenses.....	(161,060)	4,040	(157,020)
Due to other governments.....	-	8,696	8,696
<b>Net cash provided by (used in) operating activities.....</b>	<b>\$ 5,384,270</b>	<b>\$ (48,131)</b>	<b>\$ 5,336,139</b>

See accompanying notes to the basic financial statements.

# Union County, Ohio

*Statement of Assets and Liabilities*  
*Fiduciary Funds*  
*December 31, 2008*

	<b>AGENCY FUNDS</b>
<hr/>	
<b><u>Assets:</u></b>	
Equity in Pooled Cash and	
Cash Equivalents.....	\$ 6,320,368
Cash and Cash Equivalents:	
In Segregated Accounts.....	439,489
Intergovernmental Receivable.....	4,226,973
Property Taxes Receivable.....	61,335,192
	<hr/>
	\$ 72,322,022
	<hr/>
<b><u>Liabilities:</u></b>	
Undistributed Assets.....	\$ 72,322,022
<i>Total Liabilities</i>	<hr/>
	\$ 72,322,022
	<hr/>

See accompanying notes to the basic financial statements

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 1 - DESCRIPTION OF THE COUNTY:**

Union County, Ohio (the County), was created in 1820. 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 are responsible for various aspects of the County's government are the Auditor, Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, a Common Pleas Court Judge, and a Probate and Juvenile Court Judge.

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 County, including each of these departments.

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

**Primary Government:**

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the County. For Union County, this includes the Union County Board of Mental Retardation and Developmental Disabilities (MRDD); Mental Health and Recovery Board of Union County (MHRB); Union County Memorial Hospital; Union County Children's Services Board; and departments and activities that are directly operated by the elected County officials.

**Component Units:**

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 that are fiscally dependent on the County in that the County approves the budget, the issuance of debt, or the levying of taxes.

**Discretely Presented Component Units:**

The component unit columns in the financial statements present the financial data of the County's discretely presented component units, Union County Airport Authority and U-Co. Industries, Inc. They are reported separately to emphasize that they are legally separate from the County.

**Union County Airport Authority**

The Union County Airport Authority was established according to Section 308.03 of the Ohio Revised Code. The Airport Authority is governed by a six member board of trustees appointed by the Union County Commissioners. The County Commissioners budget funds for airport operations and are responsible for the debt and deficits of the Airport Authority. Due to the imposition of will exerted by the County Commissioners as well as the financial burden for the Airport Authority, the Airport Authority is presented separately as a

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 1 - DESCRIPTION OF THE COUNTY:- (CONTINUED)**

**Union County Airport Authority – (Continued)**

component unit of Union County. The Airport Authority operates on a year ending December 31. The Airport Authority does not issue separate financial statements.

**U-Co Industries, Inc.**

U-Co Industries, Inc. is a legally separate, not-for-profit corporation, served by a board of trustees appointed by the Union County Board of MRDD. The Industries, under a contractual agreement with the Union County Board of MRDD, provides sheltered employment for mentally retarded or handicapped adults in Union County. The Union County Board of MRDD provides the Industries with staff to administer and supervise training programs, facilities, transportation, supplies, equipment and other funds as necessary for operation of the Industries. Based on the significant services and resources provided by the County to the Industries, the Industries is presented separately as a component unit of Union County. U-Co Industries operates on a fiscal year ending June 30. Separately issued financial statements can be obtained from U-Co Industries, Inc., 835 E. Fifth Street, Marysville, Ohio 43040.

As custodian of public funds, the County Treasurer invests all public monies held on deposit in the County treasury. In the case of the separate agencies and districts listed below, the County serves as fiscal agent but the organizations are not considered part of Union County. Accordingly, the activity of the following organizations is presented as agency funds.

Union County General Health District  
Union County Soil and Water Conservation District  
The Union County Council for Families  
Central Ohio Youth Center  
Marysville/Union County Joint Recreation District

The County is associated with certain organizations which are defined as jointly governed organizations or joint ventures and group purchasing pools. These organizations are presented in Note 24, Note 25 and Note 26 to the basic financial statements. These organizations are:

Central Ohio Youth Center  
North Central Ohio Solid Waste Management District  
LUC Regional Planning Commission  
Marysville/Union County Joint Recreation District  
Tri-County Corrections Board (Joint Venture)  
Health Partners, Ltd. (Joint Venture)  
Marysville Ohio Surgery Center (Joint Venture)  
Marysville Ohio Medical Properties, Inc. (Joint Venture)  
County Risk Sharing Authority  
County Commissioners Association of Ohio Service Corporation  
County Employee Benefit Consortium of Ohio  
Marysville – Union County Port Authority  
West Central Ohio Network

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to accounting principles generally accepted in the United States of America (GAAP) for local governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. The County, except for Union County Memorial Hospital, also applies Financial Accounting Standards Board Statements and Interpretations issued on or before November 30, 1989, to its governmental activities, business-type activities and proprietary activities provided they do not conflict with or contradict GASB pronouncements.

Union County Memorial Hospital applies the provisions of Governmental Accounting Standards Board Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting", as amended. The Hospital has elected to apply the provisions of all relevant pronouncements of the Financial Accounting Standards Board (FASB), including those issued after November 30, 1989, that do not conflict with or contradict GASB pronouncements.

**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 expense and program revenues for each program or function of the County's governmental activities and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting 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.

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:- (CONTINUED)**

**A. Basis of Presentation – (Continued)**

**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 proprietary 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 (primary government) uses funds to report on its financial position and the results of its operations. The Airport Authority and U-Co Industries (component units) use funds as well. There are three categories of funds: governmental, proprietary, and fiduciary.

**Governmental Funds**

Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may 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.

**Board of Mental Retardation and Developmental Disabilities Fund (MR/DD)** – This fund accounts for the operation of a school and the costs of administering a workshop for the mentally retarded and developmentally disabled. Revenue sources are a County-wide property tax levy and state and federal grants.

**Motor Vehicle & Gas Tax Fund (M&G)** – This fund accounts for revenues derived from the sale of motor vehicle licenses, gasoline taxes, interest, and a portion of the restricted sales tax. Expenditures are restricted by state law and sales tax ballot language to county road and bridge repair/improvement programs.

Other governmental funds of the County are used to account for (a) the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs; (b) financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds; and (c) for grants and other resources whose use is restricted to a particular purpose.

**Proprietary Funds**

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

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:- (CONTINUED)

B. Fund Accounting – (Continued)

Enterprise Funds – 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:

Memorial Hospital of Union County – Although not a legally separate entity, funds are not co-mingled with the County's treasury but consolidated for annual reporting.

The other Enterprise Funds of the County are to account for the Water, Sewer and Building Development functions of the County.

Fiduciary Fund Types

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. The County does not have any trust funds. The County's agency funds are purely custodial in nature (assets equal liabilities) and thus do not involve measurement of results of operations. Refer to page 190 of this document for detail of the activities reported in the agency funds.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resource 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 statements and the fund financial statements for governmental funds.

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



**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:- (CONTINUED)

C. Measurement Focus – (Continued)

Agency funds, which are listed beginning on page 190 of this document, are used to account for assets held by the county on behalf of an agency for which the county is the fiscal agent. These statements are excluded from the government fund statements as well as the government wide financial statements.

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; proprietary funds 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 unearned revenue, and in the presentation of expenses versus expenditures.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On 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 of 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, interest, and rent.

Unearned Revenues

Unearned revenues arise when assets are recognized before the recognition criteria have been satisfied. Property taxes for which there was an enforceable legal claim at December 31, 2008, but were levied to finance 2009 operations, have been recorded as unearned revenue. Grants and entitlements received before the eligibility requirements were met have also been recorded as unearned revenue. On governmental fund financial statements, receivables that were not collected within the available period are recorded as unearned revenue.

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:- (CONTINUED)

D. Basis of Accounting – (Continued)

Expenses/Expenditures

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

E. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. 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 certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, legally are required to be budgeted and appropriated.

Budgetary information for the Drug Law Enforcement special revenue fund, the Memorial Hospital of Union County enterprise fund and U-Co Industries and Airport (component units) are not reported because they are not included in the entity for which the “appropriated budget” is adopted and they do not maintain separate budgetary records.

Tax Budget

A budget of estimated revenues and expenditures is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1, to December 31 of the following year. The budget includes proposed expenditures and the means of financing for all funds. The expressed purpose of this budget document is to reflect the need for existing or increased tax rates.

Estimated Resources

The County Budget Commission reviews estimated revenues and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Commission certifies its actions to the County by September 1. As part of this certification, the County receives the official certificate of estimated resources, which states the estimated beginning of year fund balance and projected revenue of each fund. Prior to December 31, the County must revise its budget so the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include the actual unencumbered fund balances from the preceding year. The certificate may be amended further during the year if the County Auditor determines, and the Budget Commission agrees, that an estimate needs either to be increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the original and final amended official certificate of estimated resources issued during 2008.

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:- (CONTINUED)

E. Budgetary Process – (Continued)

Appropriations

A temporary appropriations resolution to control expenditures may be passed on or about January 1 of each year for the period January 1, to March 31. An annual appropriations resolution must be passed by April 1 of each year for the period January 1, to December 31. The appropriations resolution may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified.

The allocation of appropriations among departments and objects within a fund may be modified during the year only by a resolution of the County Commissioners. Several supplemental appropriations resolutions were legally enacted by the County Commissioners during the year. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts 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.

Budgeted Level of Expenditures

Administrative control is maintained through the establishment of detailed line-item budgets. The legal level of budgetary control is at the object level within each department. Expenditures plus encumbrances may not legally exceed appropriations at the level of appropriation. Appropriations are made to fund, department and object level (i.e., General Fund - Commissioners - salaries, supplies, equipment, contract repairs, travel expenses, maintenance and other expenses). Advances-in and advances-out are not required to be budgeted since they represent a short-term cash flow resource and are intended to be repaid.

Lapsing of Appropriations

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and is not reappropriated.

F. Cash and Investments

To improve cash management, most cash received by the County is pooled in a central bank account. Monies for all funds, including proprietary funds, are maintained in this account or temporarily used to purchase short-term investments. Individual fund integrity is maintained through the County's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

During 2008 the County's investments included the State Treasury Asset Reserve of Ohio (STAR Ohio), federal agency securities, repurchase agreements, and certificates of deposit. Except for nonparticipating investment contracts and repurchase agreements, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposits and repurchase agreements are reported at cost.

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:- (CONTINUED)

F. Cash and Investments –(Continued)

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

Cash and cash equivalents that are held separately within departments of the County and by Memorial Hospital, or held separately for the County by fiscal agents and not held with the County Treasurer are recorded as "Cash In Segregated Accounts" or "Cash with Fiscal and Escrow Agents", respectively (including restricted amounts).

Cash and cash equivalents of the Airport Authority (component unit) are held by the County Treasurer and are included in the County's cash management pool. They are recorded as "Equity in Pooled Cash and Cash Equivalents".

Cash and cash equivalents of U-Co Industries (component unit) are held by the component unit and are recorded as "Cash and Cash Equivalents in Segregated Accounts".

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents. Interest is distributed by the County Treasurer to the General Fund; the Motor Vehicle Gasoline Tax, Treasurer Prepaid Interest, Dispute Resolution, other enterprise funds, other special revenue funds and the Airport Authority component unit. Interest revenue earned by these funds and the Airport Authority during 2008 amounted to \$1,558,241 and \$2,709 respectively. Interest was received directly by the Union County Memorial Hospital enterprise fund and U-Co Industries (component unit) in the amount of \$523,986 and \$67,577 respectively.

G. Prepaids

Prepayments for governmental funds represent cash disbursements which have occurred and are therefore not current expendable resources. These items are reported as fund assets on the balance sheet using the allocation method, which amortizes their cost over the periods benefiting from the advance payment. At period end, because prepayments are not available to finance future governmental fund expenditures, the fund balance is reserved by an amount equal to the carrying value of the asset.

H. Restricted Assets

Restricted assets consist of invested funds designated by the Union County Memorial Hospital's Board of Trustees for insurance related activities, and the replacement, improvement, and expansion of the hospital's facilities as well as for invested funds restricted by Trustees in connection with the hospital's general obligation and bonds. Restricted assets also include donor restricted assets whose use is limited to the activities designated by the donor. Restricted assets also included cash in segregated accounts that is restricted by bond agreements.

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:- (CONTINUED)

I. Inventories of Supplies

Inventories of materials and supplies of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental funds when purchased and as expenses in the proprietary funds and governmental activities when used. Reported supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available expendable financial resources even though it is a component of net current assets.

Inventory for U-Co Industries (component unit) is recorded as stated above for proprietary funds.

J. Unamortized Bond Issuance Costs

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

K. 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 of the government-wide statement of net assets but are not reported on the fund financial statements. Capital assets used by the proprietary funds are reported in both the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital asset values were initially determined at December 31, 1990, assigning original acquisition costs when such information was available. In cases where information supporting original costs was not available, estimated historical costs were developed. Donated capital assets are capitalized at fair market value on the date donated. The County maintains a capitalization threshold of \$2,000, and Memorial Hospital \$1,500. The County's infrastructure consists of roads and bridges. Improvements are capitalized while 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.

All capital assets are depreciated except for land, construction in progress, and the infrastructure reported on the modified approach. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:- (CONTINUED)**

**K. Capital Assets – (Continued)**

<u>DESCRIPTION</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	20 years	20-24 years
Buildings	6-40 years	6-50 years
Sewer Lines	N/A	50 years
Equipment	5-10 years	5-10 years
Furniture/Fixtures	10 years	10 years
Vehicles	5-8 years	5-8 years
Property under Capital Lease	N/A	5-15 years

The County's infrastructure consists of roads and bridges. County roads and bridges (infrastructure reported in the Governmental-type activities column of the statement of net assets) are presented using the modified approach and therefore these assets are not depreciated. In addition, expenditures made by the County to preserve existing roads or bridges are expensed rather than capitalized. Only expenditures for additions or improvements are capitalized. Additional disclosures about the condition assessment and maintenance cost regarding the County's roads and bridges appear in the Required Supplementary Information.

**L. Interfund Receivables and Payables**

On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as "Interfund Receivables/Payables". Interfund services provided and used are not eliminated in the process of consolidation. Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net assets.

**M. 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 that 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 for all County departments including Union County Memorial Hospital, are accrued as a liability using the vesting method. An accrual for sick leave is made to the extent it includes those employees who are currently eligible to receive termination benefits, as well as those employees expected to become eligible 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 termination policy. The County records a liability for accumulated unused sick leave for employees who are at least forty-five years of age and having ten or more years of service with the County.

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:- (CONTINUED)**

**N. 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 proprietary funds are reported on the proprietary fund 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, bonds, mortgage loans, and 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.

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

**P. Fund Balance Reserves**

The County reserves those portions of fund balance which are legally segregated for specific future use or which do not represent available expendable financial resources and, therefore, are not available for appropriation or expenditure. Undesignated fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, inventories, loans receivable, and debt service.

**Q. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services, license fees, special assessments, and tap in fees from the Sewer and Building Development departments.

Union County Memorial Hospital serves patients who generally reside in the local area. These services primarily are paid by third-party payors including Medicare, Medicaid, and commercial insurance carriers. Charges to patients are recorded as operating revenue at established billing rates as services are rendered. Allowances are currently provided for uncollectible accounts and for contractual adjustments, representing the difference between established billing rates and reimbursement rates paid by third-party payors. Estimates for contractual adjustments are recorded in the period in which services are provided and are based on preliminary estimates with the final adjustment made in the period in which settlement is made. The hospital maintains a policy whereby patients in need of medical services are treated without regard to their ability to pay for such services (charity care). Because the hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue.

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:- (CONTINUED)

Q. Operating Revenues and Expenses – (Continued)

Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

R. Interfund Transactions

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

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 proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

S. Use of Estimates

The preparation of 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 – CHANGES IN ACCOUNTING PRINCIPLES

In 2008, the County has implemented Governmental Accounting Standards Board (GASB) Statement No. 49, “Accounting and Financial Reporting for Pollution Remediation Obligations”, GASB Statement No. 51, “Accounting and Financial Reporting for Intangible Assets”, and GASB Statement No. 52, “Land and Other Real Estate Held as Investments by Endowments”.

GASB Statement No. 49 establishes accounting and financial reporting requirements for pollution remediation obligations by requiring more timely and complete reporting of the obligations and by requiring all governments to account for pollution remediation obligations in the same manner. The implementation of this statement did not result in any changes to the financial statements.

GASB Statement No. 51 establishes accounting and financial reporting requirements for intangible assets to reduce inconsistencies thereby enhancing the comparability of the accounting and financial reporting of such assets among state and local governments. The implementation of this statement did not result in any changes to the financial statements.

GASB Statement No. 52 establishes consistent standards for reporting land and other real estate held as investments. It requires endowments to report land and other real estate investments at fair value, to report the changes in fair value as investment income, and to disclose the methods and significant assumptions used to determine fair value. The implementation of this statement did not result in any changes to the financial statements.



**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 4 – ACCOUNTABILITY AND COMPLIANCE:**

A. The following fund had a deficit fund balance at December 31, 2008:

<u>Fund Type/Fund</u>	<u>Deficit Fund Balance</u>
<u>Special Revenue Fund</u>	
Public Assistance	(107,751)

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

B. The following fund had expenditures in excess of appropriations for the year ended December 31, 2008:

<u>General Fund</u>	
Other Expenditures	(109,486)

**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 are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are as follows:

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. 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 at the end of the year on the Budget basis to the GAAP basis are as follows:

Net Change in Fund Balance			
General, Board of Mental Retardation and Motor Vehicle & Gas Tax			
	General	Bd. of MR/DD	Motor Vehicle & Gas
Budget Basis	\$ (448,689)	\$ 56,134	\$ (547,000)
Net adjustment for revenue accruals	(651,016)	(281,297)	420,500
Net adjustment for expense accruals	(76,050)	126,657	(4,847)
Net adjustment for Other Financing (Use) Accruals	50,000	0	0
Encumbrances (budget basis)	44,552	9	116,719
GAAP Basis	<u>\$ (929,103)</u>	<u>\$ (98,497)</u>	<u>\$ (14,628)</u>

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 6 - DEPOSITS AND INVESTMENTS:**

**Primary Government**

The County (which acts as fiscal agent for the Airport Component Unit) maintains a cash and investment pool used by all funds. Each fund's portion of this pool is displayed on the financial statements as "Equity in Pooled Cash and Cash Equivalents".

Statutes require the classification of monies held by the county into two categories:

- Active deposits are those monies required to be kept in a "cash" or "near-cash" status for current demands upon the County Treasury. Such monies must be maintained either as cash in the County Inactive monies are those monies identified as not required for use within the current five year period of designation of depositories.
- Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts. Inactive monies may be deposited or invested in the following securities:
  1. United States treasury notes, bills, bonds or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
  2. Bonds, notes, debentures or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
  3. Written repurchase agreements in the securities listed above, provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
  4. Bond 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 deposits or savings accounts, including, but not limited to, passbook accounts, in any eligible institution mentioned in section 135.32 of the Revised Code;
  6. No-load money market mutual funds consisting exclusively of obligations described in 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;

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 6 - DEPOSITS AND INVESTMENTS:- (CONTINUED)**

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 either securities described in division (1) or (2) or cash or both securities and cash, equal value for equal value;
9. High grade commercial paper in an amount not to exceed five percent of the County's total average portfolio; and,
10. Bankers acceptances for a period not exceed 270 days and high grade commercial paper, the sum of which may not exceed ten percent of the County's total average portfolio.

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.

**A. Cash on Hand.**

At year-end, the County had \$4,113 in undeposited cash on hand, which is included on the financial statements of the County as part of "Equity in Pooled Cash and Cash Equivalents."

**B. DEPOSITS**

**1. Primary Government**

At year-end, the carrying amount of the County's (including the Airport Authority) deposits was \$53,021,704 and the bank balance was \$53,766,323. Each of these balances includes non-negotiable certificates of deposit and the amount of deposits representing custodial funds described in Note 1. Any differences between the account bank balances and investments and the cash and investments recorded in the financial statements are due to normal reconciling items. It is the policy of Union County to deposit only in eligible institutions mentioned in section 135.32 of the Revised Code. These are banks or national banks

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 6 - DEPOSITS AND INVESTMENTS:- (CONTINUED)**

**B. DEPOSITS** - (Continued)

located within the state and subject to inspection by the superintendent of financial institutions. Also, any domestic association or savings bank authorized to accept deposits is eligible to become a public depository.

*Custodial Risk* is the risk that, in the event of a bank failure, the County's deposits might be recovered. The County's bank deposits at December 31, 2008 totaled \$53,766,323 and were subject to the following categories of custodial risk:

<b>Union County</b>	<b>Amount</b>
Uncollateralized-----	\$0
Collateralized with securities held by the pledging institution's trust department, but not in the County's name-----	37,202,843
Total amount subject to custodial risk-----	<u>37,202,843</u>
Collateralized with securities held by the pledging institution's trust department, and in the County's name-----	14,838,023
FDIC insured-----	<u>1,725,457</u>
Total bank balances-----	<u><u>\$53,766,323</u></u>

**2. Component Unit**

At fiscal year-end, the carrying amount of the UCO Industries component unit's deposits and investments was \$1,715,313. This amount includes non-negotiable certificates of deposit. Any differences between the account bank balances and cash and investments recorded in the financial statements are due to normal reconciling items.

*Custodial Risk* is the risk that, in the event of a bank failure, UCO Industries' deposits might be recovered. The County's bank deposits at June 30, 2008 totaled \$1,715,313 and were subject to the following categories of custodial risk:

<b>UCO Industries, Inc.</b>	<b>Amount</b>
Uncollateralized-----	\$0
Collateralized with securities held by the pledging institution's trust department, but not in the County's name-----	1,465,313
Total amount subject to custodial risk-----	<u>1,465,313</u>
Collateralized with securities held by the pledging institution's trust department, and in the County's name-----	0
FDIC insured-----	<u>250,000</u>
Total bank balances-----	<u><u>\$1,715,313</u></u>

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 6 - DEPOSITS AND INVESTMENTS:- (CONTINUED)**

**C. Investments – Primary Government**

The County's Investment Policy as approved by the Investment Advisory Board authorizes investment by the County in investments permitted by the Ohio Revised Code. Eligible investments include U.S. Treasury Bills, Notes and Bonds backed by the full faith and credit of the U.S. Government, obligations of Federal Agencies including but not limited to Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, or Federal Home Loan Mortgage Corporation, time certificates of deposit or savings or passbook accounts including but not limited to passbook accounts in any eligible institution defined in the ORC, State Treasurer's Asset Reserve Fund (STAR Ohio), and obligations of political subdivisions of the state of Ohio provided the subdivisions are wholly or partly within the same county as the investing authority. Ohio Statute prohibits the use of reverse repurchase agreements. County investment policy restricts investments to maturities of not more than five years.

As of December 31, 2008, the fair value of the County's investments were as follows:

Primary Government	Fair Value	Weighted Average (years)	Percentage of total investment
Federal Agency Securities			
FHLMC-----	994,880	1.50	30.61%
Investment in minority interests-----	450,164	-	13.85%
Investment in STAR Ohio -----	1,804,978	-	55.54%
Total Investments	<u>\$ 3,250,022</u>	<u>1.50</u>	<u>100.00%</u>

*Interest Rate Risk.* The ORC and the County's Statement of Investment Policy limits the purchase of securities to a stated maturity of no more than five years from the date of purchase unless the security is matched to a specific obligation or debt of the County. Further, the Investment Policy allows securities to be redeemed or sold prior to maturity to enhance the yield of the portfolio, to restructure the portfolio for diversification purposes, or to liquefy the portfolio.

*Credit Risk.* State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The County has no investment policy that would further limit its investment choices. The County's investment in the state investment pool was rated AAAm by Standard and Poor's and A1 by Moody's Investor Services. The County's investments and their associated ratings as of December 31, 2008 are shown below.

Investment	Moody's Rating
Federal Home Loan Mortgage Corporation    FHLMC	Aaa

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 6 - DEPOSITS AND INVESTMENTS:- (CONTINUED)**

*Custodial Credit Risks.* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The County's policy is that all investments shall be collateralized pursuant to ORC chapter 135. This can be either County specific or pooled collateral which is not in the name of Union County.

*Concentration of Credit Risks.* This is defined by the Government Accounting Standards Board as five percent or more in the securities of a single issuer. The County places no limit on the amount the County may invest in any one issuer. Investments in Federal Securities, minority interests and STAR Ohio represent 30.61%, 13.85% and 55.54% respectively of the total investments.

**D. Reconciliation of Cash and Investment to the Statement of Net Assets – Primary Government and Airport**

<u>Cash and Investments Per Footnote</u>	<u>Amount</u>	<u>Cash and Investments per the Statement of Net Assets</u>	<u>Amount</u>
Carrying Amount of Deposits	\$ 53,021,704	Governmental Activities	\$ 23,682,394
Investments	3,250,022	Business-Type Activities	25,253,732
Cash on Hand	4,113	Component Unit - Airport	579,856
		Agency Funds	6,759,857
<b>Total</b>	<b>\$ 56,275,839</b>		<b>\$ 56,275,839</b>

**NOTE 7 - PROPERTY TAXES:**

Property taxes include amounts levied against all real, public utility and tangible personal property located in the County. Taxes collected on real property (other than public utility property) in 2008 represent the collection of 2007 taxes. Real property taxes were levied in 2008 after October 1, 2008, on the assessed values as of January 1, 2008, the lien date. These taxes will be collected in and are intended to finance 2008 operations. Assessed values for real property are established by State statute at thirty-five percent of the appraised market value. All property is required to be revalued every six years. The last reappraisal was completed in 2007. Real property taxes are payable annually or semiannually. The first payment is due December 31, with the remainder payable by June 20, unless extended.

Public utility real and tangible personal property taxes in 2008 were levied after October 1, 2008, on the assessed values as of December 31, 2007, the lien date. These taxes will be collected in and are intended to finance 2008 operations. Public utility real property is assessed at thirty-five percent of true value; tangible personal property is currently assessed at varying percentages of true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

Tangible personal property tax revenue received in 2008 (other than public utility property) represents the collection of 2008 taxes. Tangible personal property taxes received in 2008 were levied after October 1, 2008, on the true value as of December 31, 2007. Tangible personal property is currently being phased out through 2008 with a rate of 6.25% for 2008.

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 7 - PROPERTY TAXES:- CONTINUED**

There are no taxes assessed on new equipment beginning in 2007. 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 portions of taxes collected. The collection and distribution of taxes for the County and for all subdivisions within the County is accounted for through agency funds.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property, and public utility property taxes which were measurable as of December 31, 2008, and for which there was an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31 and are not intended to finance 2008 operations. On the full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue. On the modified accrual basis, the revenue is unearned.

The full tax rate for all County operations for the year ended December 31, 2008, was \$10.85 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2008 property tax receipts were based are as follows:

Real Property	<u>Assessed Value</u>
Agriculture	\$146,185,430
Residential	823,382,887
Commercial/Industrial/Mineral	249,268,670
 Tangible Personal Property	 58,786,230
Public Utility	
Real	208,160
Personal	<u>50,714,020</u>
 Total Assessed Value	 <u><u>\$1,328,545,397</u></u>

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

The County Commissioners by resolution imposed a one 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 the amount of the taxes to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of each month. A warrant payable to the County is to be made within five days of the certification.

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 8 - PERMISSIVE SALES AND USE TAX: - (Continued)**

In 2008, a supplemental sales tax increase of one quarter of one percent (.25%) was passed by ballot issue, effective July 1, 2008. Of the sales tax increase, 50% is allocated to the improvement and construction of county roads and bridges; and 50% for direct senior services including meals on wheels, home health care and transportation.

Proceeds of the tax are credited to the General Fund, the Motor Vehicle/Gas Tax Fund, and the Senior Services Fund. On the governmental fund financial statements, only amounts that are measurable and available at year-end are accrued as revenue. Sales and Use tax revenue for 2008 amounted to \$8,769,759 for the General Fund, \$333,806 for the Motor Vehicle/Gas Tax Fund, and \$333,806 for the Senior Services Fund. The 2008 voter approved Sales and Use tax restricted use revenue for 2008 was \$667,612. On the statement of activities the full amount of the receivable is recognized as revenue.

**NOTE 9 - RECEIVABLES:**

Receivables at December 31, 2008, consisted of taxes, accounts (e.g., billings for user charged services, including unbilled utility services), accrued interest, intergovernmental receivables arising from grants, entitlements, and shared revenues, and loans receivable. All receivables are considered fully collectible except for patient accounts receivable at Memorial Hospital of Union County. These receivables are presented net of an allowance for uncollectible accounts. Delinquent property taxes may be certified and collected as a special assessment, subject to foreclosure for nonpayment.

	<u>Memorial Hosp</u>
Gross Patient Accounts Receivable	\$18,804,592
Less Allowance for:	
Uncollectible Accounts	(3,200,497)
Contractual Adjustments	<u>(7,152,379)</u>
Net Total Patient Accounts Receivable	8,451,716
Physician Advances Receivable	1,475,570
Other Receivables	<u>55,306</u>
Total Accounts Receivable	<u><u>\$9,982,592</u></u>

A summary of the changes in loans receivable during 2008 follows:

	<u>Interest Rate</u>	<u>Outstanding 12/31/2007</u>	<u>Repayments</u>	<u>Outstanding 12/31/2008</u>
General Fund:				
Union County Airport Authority	3.80%	<u>106,930</u>	<u>(25,256)</u>	<u>81,674</u>
Total General Fund		<u><u>\$106,930</u></u>	<u><u>(\$25,256)</u></u>	<u><u>\$81,674</u></u>

Fund balance of the general fund has been reserved for loans receivable which amounted to \$81,674.



**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 9 - RECEIVABLES:** (Continued)

A summary of the principal items of intergovernmental receivables follows:

Governmental Activities	Amount
<b>Major Funds:</b>	
General Fund:	
Local Government Revenue Assistance, grants and subsidies	\$767,517
General Fund Total	<u>767,517</u>
Board of MR/DD:	
Local revenue and grants	413,678
Board of MR/DD Total	<u>413,678</u>
Motor Vehicle & Gas:	
Local revenue, taxes and subsidies	2,143,456
Motor Vehicle & Gas Fund Total	<u>2,143,456</u>
<b>Nonmajor Governmental Funds:</b>	
Federal CHIP	18,000
Economic Development/Convention & Tourism	128,752
Public Assistance	40,968
Law Enforcement Grants/VOCA/VAWA	22,545
Youth Services/Juvenile Grants	19,748
911 Emergency Rollback Revenue/Cost Recovery	71,952
LEPC Grants	11,615
ADAMH/Mental Health	367,369
Children's Services/Child Support	322,634
Coordination Transportation	259
Other	786,730
Total Nonmajor Governmental Funds	<u>1,790,572</u>
Total Governmental Activities	<u><u>\$ 5,115,223</u></u>

Receivables have been disaggregated on the face of the financial statements.

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 10 – CAPITAL ASSETS:**

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

	Balance 12/31/2007	Additions	Reductions	Balance 12/31/2008
<b><u>Governmental Activities:</u></b>				
Nondepreciable Capital Assets:				
Land	\$934,813	\$0	\$0	\$934,813
Construction in Progress	172,175	-	(172,175)	0
Infrastructure	46,409,069	4,367,079	-	50,776,148
Nondepreciable Capital Assets	<u>47,516,057</u>	<u>4,367,079</u>	<u>(172,175)</u>	<u>51,710,961</u>
Depreciable Capital Assets:				
Improvements	1,156,257	300,961	-	1,457,218
Buildings	26,193,433	2,684,500	(1,979)	28,875,954
Equipment	4,274,779	342,058	(120,605)	4,496,232
Furniture/Fixtures	852,814	51,659	-	904,473
Vehicles	5,166,820	432,809	(72,981)	5,526,648
Depreciable Capital Assets	<u>37,644,103</u>	<u>3,811,987</u>	<u>(195,565)</u>	<u>41,260,525</u>
Less Accumulated Depreciation:				
Improvements	(215,806)	(53,894)	-	(269,700)
Buildings	(12,265,212)	(714,594)	1,979	(12,977,827)
Equipment	(2,750,894)	(391,198)	102	(3,141,990)
Furniture/Fixtures	(513,882)	(57,336)	-	(571,218)
Vehicles	(3,969,873)	(394,800)	23,925	(4,340,748)
Total Accumulated Depreciation	<u>(19,715,667)</u>	<u>(1,611,822)</u>	<u>26,006</u>	<u>(21,301,483)</u>
Total Depreciable Capital Assets-net	17,928,436	2,200,165	(169,559)	19,959,042
Total Governmental Activities				
Capital Assets, Net	<u>\$65,444,493</u>	<u>\$6,567,244</u>	<u>(341,734)</u>	<u>\$71,670,003</u>

Depreciation was charged to governmental activities as follows:

General Government:	
Legislative and Executive	\$589,590
Judicial	238,331
Public Safety	243,491
Public Works	249,039
Health	229,154
Human Services	<u>62,217</u>
Total Governmental Activity	
* Depreciation Expense	<u>\$1,611,822</u>

**UNION COUNTY, OHIO**  
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**NOTE 10 – CAPITAL ASSETS: - (CONTINUED)**

	Balance 12/31/2007	Additions	Reductions	Balance 12/31/2008
<b><u>Business Type Activities</u></b>				
Nondepreciable Capital Assets:				
Land	\$1,974,735	\$0	\$0	\$1,974,735
Construction in Progress	112,522	1,589,070	(818,778)	882,814
Nondepreciable Capital Assets	<u>2,087,257</u>	<u>1,589,070</u>	<u>(818,778)</u>	<u>2,857,549</u>
Depreciable Capital Assets:				
Improvements	2,642,890	10,040	(371,119)	2,281,811
Buildings	42,405,267	57,635	(69,602)	42,393,300
Equipment	20,579,238	1,083,804	366,355	22,029,397
Property under Capital Leases	4,215,436	-	(18,823)	4,196,613
Furniture/Fixtures	36,156	-	-	36,156
Vehicles	164,587	-	-	164,587
Water & Sewer Lines	175,607	-	-	175,607
Depreciable Capital Assets	<u>70,219,181</u>	<u>1,151,479</u>	<u>(93,189)</u>	<u>71,277,471</u>
Less Accumulated Depreciation:				
Improvements	(1,045,396)	(73,046)	371,119	(747,323)
Buildings	(15,756,007)	(1,438,087)	394,913	(16,799,181)
Equipment	(15,343,047)	(1,234,053)	126,413	(16,450,687)
Property under Capital Leases	(3,692,684)	(60,743)	18,823	(3,734,604)
Furniture/Fixtures	(17,156)	(3,000)	-	(20,156)
Vehicles	(116,443)	(11,690)	-	(128,133)
Water & Sewer Lines	(119,085)	(3,512)	-	(122,597)
Total Accumulated Depreciation	<u>(36,089,818)</u>	<u>(2,824,131)</u>	<u>911,268</u>	<u>(38,002,681)</u>
Total Depreciable Capital Assets-net	34,129,363	(1,672,652)	818,079	33,274,790
Total Business-Type Activities				
Capital Assets, Net	<u>\$36,216,620</u>	<u>(\$83,582)</u>	<u>(\$699)</u>	<u>\$36,132,339</u>

Depreciation was charged to business-type activities as follows:

<b>Business Type Activities:</b>	
Memorial Hospital	\$2,800,478
Sewer	12,159
Building Development	<u>11,494</u>
Total Business-Type Activity	
* Depreciation Expense	<u>\$2,824,131</u>

**NOTE 11 - RISK MANAGEMENT:**

The County is exposed to various risks of loss related to torts, theft or damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2008, the County contracted with the County Risk Sharing Authority (CORSAs) for property, general liability, commercial fleet, liability employee's benefit, data processing equipment, 911 equipment, County Engineer contractor equipment, valuable paper's additional, theft/disappearance/destruction for inside and outside, crime coverage, forgery and alteration of

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 11 - RISK MANAGEMENT: -(CONTINUED)**

checks, and umbrella insurance. Settlements have not exceeded coverage for each of the past three years.

**Property**

- Blanket; all risks of direct physical loss or damage to property (\$100,000,000) Annual Aggregate pool limit for flood and earthquake)

**Liability**

- |                                    |                             |
|------------------------------------|-----------------------------|
| • Automobile                       | \$1,000,000 each occurrence |
| • Uninsured/Underinsured Motorists | \$1,000,000 each occurrence |
| • General                          | \$1,000,000 each occurrence |
| • Stop Gap                         | \$1,000,000 each occurrence |
| • Law Enforcement                  | \$1,000,000 each occurrence |
| • Errors and Omissions             | \$1,000,000 each occurrence |

**Crime**

- |  |                             |
|--|-----------------------------|
| • Employee Dishonesty/Faithful Performance | \$1,000,000 each occurrence |
| • Money and Securities (inside)            | \$1,000,000 each occurrence |
| • Money and Securities (outside)           | \$1,000,000 each occurrence |
| • Money Orders and Counterfeit currency    | \$1,000,000 each occurrence |
| • Depositor's Forgery                      | \$1,000,000 each occurrence |

**Boiler and Machinery** \$100,000,000 each accident

Deductible: \$2,500 each on every loss and/or claim and or occurrence.

The Mental Health and Recovery Board has property and liability insurance with Philadelphia Insurance Company for eight complexes. Building and personal property coverage ranges from \$2,000 to \$810,000 with \$250 deductibles. Each complex has a \$1,000,000 general liability policy.

The Board of Mental Retardation and Developmental Disabilities has a professional liability insurance policy with coverage of \$1,000,000 per occurrence, and \$3,000,000 in the aggregate.

The Union County Airport Authority has a property insurance policy with CORSA and a liability insurance policy through Old Republic Insurance. The airport premises has a \$5,000,000 limit. Airport hangars have a \$1,000,000 limit.

For 2008, the County participated in the County Commissioners Association of Ohio Service Corporation, a worker's compensation group rating plan (the Plan), an insurance purchasing pool (see Note 26). The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The workers' compensation experience of the participating counties is calculated as one experience and a common premium rate is applied to all counties in the Plan. Each county pays its workers' compensation premium to the State based on the rate for the Plan rather than the County's individual rate. In order to allocate the savings derived by the formation of the Plan, and to maximize the

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
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**NOTE 11 - RISK MANAGEMENT:- (CONTINUED)**

number of participants in the Plan, the Plan's executive committee annually calculates the total savings which accrued to the Plan through its formation. This savings is then compared to the overall savings percentage of the Plan. The Plan's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. Participation in the Plan is limited to counties that can meet the Plan's selection criteria. The firm of Comp Management, Inc., provides administrative, cost control, and actuarial services to the Plan. Each year, the County pays an enrollment fee to the Plan to cover the costs of administering the program.

The County may withdraw from the Plan if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the County is not relieved of the obligation to pay any amounts owed to the Plan prior to withdrawal, and any County leaving the Plan allows the representative of the Plan to access loss experience for three years following the last year of participation.

The Union County Memorial Hospital is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; medical malpractice; and employee health, dental, and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Union County Memorial Hospital self-insures for employee medical coverage up to \$50,000 per individual with stop loss policy for claims in excess of \$100,000 per employee or total claims in excess of \$3,789,000. Claims charged to operations when incurred were approximately \$3,787,000 and \$3,544,000 for the years ended December 31, 2008 and 2007 respectively. The Hospital also self-insures for worker's compensation. The Hospital has a \$500,000 per claim stop loss policy with a private insurance carrier for worker's compensation.

The Hospital is insured against medical malpractice claims under a claims-made-based policy. The policy covers claims resulting from accidents that occurred during the policy terms, regardless of when the claims are reported to the insurance carrier. Under the terms of the policy, The Hospital bears the risk of the ultimate costs of the individual claim exceeding \$1,000,000 or aggregate claims exceeding \$3,000,000 for claims asserted in the policy year. In addition, the Hospital has an umbrella policy with an additional \$5,000,000 in coverage.

The liability for unpaid claims costs is determined by actuarial estimates of the amounts needed to pay prior- and current-year claims. The \$409,510 claims liability is reported as part of the wages payable in the Memorial Hospital enterprise fund at December 31, 2008, and is based on the requirements of Governmental Accounting Standards Board Statement No. 30, which requires that a liability for claims be reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Hospital's claims liability amount in 2008 and the prior two years are as follows:

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 11 - RISK MANAGEMENT:- (CONTINUED)**

	Beginning Balance	Current Year Claims and Changes in Estimate	Claims Payment	Ending Balance
2008	\$395,460	\$3,801,050	\$3,787,000	\$409,510
2007	368,160	4,341,044	4,313,745	395,460
2006	495,439	4,185,181	4,312,460	368,160

**NOTE 12 - CONTRACTUAL COMMITMENTS:**

The County had the following outstanding contractual commitments as of December 31, 2008:

<b>Contractor</b>	<b>Contract Amount</b>	<b>Outstanding Balance</b>
Applied Electric	\$295,350	\$29,792
Concept Buildings	125,850	2,400
Levan's Excavating	149,411	4,900
Miles-McClellan	1,498,830	160,661
Netgain	198,432	6,877
Thomas & Marker	324,200	1,509
Woolpert Inc.	10,000	8,000
	<u>\$2,602,073</u>	<u>\$214,139</u>

**NOTE 13 - PENSION PLANS:**

**A. Ohio Public Employees Retirement System**

The County participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate 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.

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

NOTE 13 - PENSION PLANS: (CONTINUED)

A. Ohio Public Employees Retirement System (continued)

OPERS provides retirement, disability, survivor, and death benefits and annual cost of living adjustments to members of the Traditional Pension and Combined Plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a 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 or by calling (614)-222-5601 or (800)-222-7377.

For the year ended December 31, 2008, members of all three plans, except those in law enforcement participating in the traditional plan, were required to contribute 10 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 2008 was 14 percent except for those plan members in law enforcement or public safety. For those classifications, the County's pension contributions were 17.40 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The County's contributions to OPERS for the years ended December 31, 2008, 2007, and 2006 were \$6,760,483, \$6,448,458 and \$6,092,164 respectively; 80.67% has been contributed for 2008 and 100 percent for 2007 and 2006. The unpaid contribution for 2008 was \$545,379 and is recorded as a liability within the respective funds.

B. State Teachers Retirement System

Certified teachers employed by the school for Developmental Disabilities and the Central Ohio Youth Center participate in 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 for STRS. 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. The DBP offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service or 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.

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
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NOTE 13 - PENSION PLANS: (CONTINUED)

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 dependants of those 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 year ended December 31, 2008, plan members were required to contribute 10.0 percent of their annual covered salary. The County is required to contribute 14 percent. 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 contributions to STRS for the years ended December 31, 2008, 2007 and 2006 were \$114,755, \$106,765 and \$95,075 respectively, equal to the required contributions for each year.

NOTE 14 - POSTEMPLOYMENT BENEFITS:

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System of Ohio (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 (OPEB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Government 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 2008 employer contribution rate was 14 percent of covered payroll for employees not engaged in law enforcement; 7 percent was the portion that was used to fund health care. The employer contribution rate for law enforcement and public safety employees for 2008 was 17.40 percent; 7 percent was used to fund health care.

Benefits are advance-funded using the entry age actuarial cost method. Significant actuarial assumptions based on the OPERS's latest actuarial review performed as of December 31, 2007, include a rate of return on investment of 6.5 percent, an annual increase in active employees 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 .50 percent and 6.3 percent based on additional pay increases. Health care premiums were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 0.50% to 4% for the next 7 years. After that time, health care costs were assumed to increase at 4%.

All investments are carried at market value. For actuarial 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% corridor.



**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 14 - POSTEMPLOYMENT BENEFITS:- (CONTINUED)**

The number of active contributing participants in the traditional and combined plans was 363,503. The number of active contributing participants for both plans used in the December 31, 2007 actual valuation was 364,076. The actual contribution and the actuarial required amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2007, (the latest information available) were \$12.8 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$29.8 billion and \$17.0 billion, respectively.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs. In addition, OPERS has created a separate investment pool for health care assets. Also, member and employer contribution rates increased January 1, 2007, and again on January 1, 2008, allowing 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 the System based on authority granted by State statute and is on a pay-as-you-go basis.

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of their health care cost in the form of a monthly premium. By Ohio 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 2008, the Board allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. For the County, this amount was \$3,644.

STRS pays health care benefits from the Health Care Stabilization Fund. The balance in the Fund at June 30, 2008 was \$3.65 billion. For the fiscal year ended June 30, 2008, net health care cost paid by STRS exceeded \$540 million and there were 126,506 eligible benefit recipients.

**NOTE 15 - OTHER EMPLOYEE BENEFITS:**

**A. Compensated Absences**

County employees earn vacation and sick leave at varying rates depending on length of service, standard work week, and department policy. All accumulated, unused vacation time is paid upon separation from the County. County employees who have ten or more years of service are paid upon eligible retirement (under OPERS and STRS guidelines) for one-fourth of the value of their accumulated, unused sick leave up to a maximum of thirty days.

**B. Employee Health Insurance**

The County provides employee co-pay medical/surgical benefits through Anthem, a preferred provider organization (PPO) selected by the County Employees Benefits Consortium of Ohio (CEBCO). CEBCO's rates are tiered for single, two party, and family households. The County's portion is paid from the fund from which the employee's salaries are paid. Under the fully insured program, there is no deductible for PPO network providers, and a \$300/600 per year single/family deductible for non-network providers.

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
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**NOTE 15 - OTHER EMPLOYEE BENEFITS: (CONTINUED)**

Union County Memorial Hospital provides medical, surgical, dental, and vision benefits through a self insurance program. Under the program, Hospital employees share in the cost of their insurance coverage. Their portion of the cost is determined by the plan selected, single or family, and the co-pay associated with that plan. Claims under the plan are administered by the Hospital's third-party administrator.

**NOTE 16 - SHORT-TERM NOTES:**

The Main Street Renovation Bond Anticipation Note was reissued in the amount of \$3,000,000 for renovations associated with the County's purchase of a building for a records depository and additional office space. The note obligation was included in a refinancing of other long-term county debt on June 1, 2009. Additional information is provided in Note 28 to the basic financial statements.

	Outstanding 12/31/2007	Additions	Reductions	Outstanding 12/31/2008
Main Street Note - 3.5%	\$3,500,000	\$0	(\$3,500,000)	\$0
	<u>\$3,500,000</u>	<u>\$0</u>	<u>(\$3,500,000)</u>	<u>\$0</u>

**NOTE 17 - LONG-TERM OBLIGATIONS:**

The changes in the County's long-term obligations during 2008 consisted of the following:

	Outstanding 12/31/2007	Additions	Reductions	Outstanding 12/31/2008	Due Within One Year
<b><u>Governmental Activities</u></b>					
General Obligation Bonds:					
1997 Airport - 4.20% - 5.40%	340,000	0	(25,000)	315,000	30,000
1998 Building Renovation - 3.60% - 4.85% (Refunding Bonds)	2,035,000	0	(270,000)	1,765,000	275,000
2007 Airport - 4.5%	400,000	0	(35,000)	365,000	35,000
Total General Obligation Bonds	<u>2,775,000</u>	<u>0</u>	<u>(330,000)</u>	<u>2,445,000</u>	<u>340,000</u>
Sales Tax Revenue Bonds:					
1998 Sheriff Facility - 3.90% - 4.90%	1,880,000	0	(135,000)	1,745,000	140,000
2002 London Avenue Building - 2.20% - 5.00%	2,810,000	0	(135,000)	2,675,000	140,000
Total Sales Tax Revenue Bonds	<u>4,690,000</u>	<u>0</u>	<u>(270,000)</u>	<u>4,420,000</u>	<u>280,000</u>
Other Long-Term Obligations:					
Main Street Bond Anticipation Note - 3.5%	0	3,000,000	-	3,000,000	3,000,000
1993 Mortgage Loan - 7.50%	64,383	0	(19,047)	45,336	20,375
Compensated Absences	1,081,503	1,283,804	(1,081,503)	1,283,804	1,283,804
Total Other Long-Term Obligations	<u>1,145,886</u>	<u>4,283,804</u>	<u>(1,100,550)</u>	<u>4,329,140</u>	<u>4,304,179</u>
Total Governmental Activities	<u>\$8,610,886</u>	<u>\$4,283,804</u>	<u>\$ (1,700,550)</u>	<u>\$11,194,140</u>	<u>\$4,924,179</u>

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
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**NOTE 17 - LONG-TERM OBLIGATIONS:- (CONTINUED)**

	<u>Outstanding</u> <u>12/31/2007</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding</u> <u>12/31/2008</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
<b><u>Business-Type Activities</u></b>					
1999 Memorial Hospital – 2.50% to 5.55% General Obligations Bonds	810,000	0	(395,000)	415,000	415,000
2003 Memorial Hospital – 2.50% to 5.55% General Obligations Bonds	855,000	0	(25,000)	830,000	25,000
2005 Memorial Hospital – 2.50% to 5.55%	9,495,000	0	(200,000)	9,295,000	215,000
2007 Memorial Hospital Refunding General Obligations Bond	9,675,000	0	(485,000)	9,190,000	175,000
Note Payable (Hospital)	633,184	0	(36,628)	596,556	38,714
Note Payable (Hospital) - 2006	2,911,055	0	(50,758)	2,860,297	53,700
Compensated Absences - Hospital	2,269,855	27,262	-	2,297,117	1,539,068
Compensated Absences - Other	71,919	27,913	-	99,832	99,832
Capital Leases - Hospital	54,679	0	(21,296)	33,383	22,060
	<u>\$26,775,692</u>	<u>\$55,175</u>	<u>(\$1,213,682)</u>	<u>\$25,617,185</u>	<u>\$2,583,374</u>

All general obligation bonds are supported by the full faith and credit of Union County. General obligation airport bonds and building renovation bonds are presented as a liability in the governmental type activities and are payable from unvoted property tax revenues to the extent that other resources are not available to meet annual principal and interest expenditures. General obligation hospital bonds are presented as a liability in the business-type activities and are payable from unvoted property tax revenues to the extent that operating resources of the Hospital are not available to meet annual principal and interest expenditures.

**1998 Building Renovation Bonds**

The Building Renovation Refunding Bonds, with an original issue of \$4,110,000, were issued to advance refund the County's 1992 general obligation bonds as well as to provide the County additional funds for improvements. The refunding Bonds defeased in-substance \$1,955,000 in general obligation bonds. At December 31, 2008, \$570,000 of this debt was still outstanding.

The General Obligation Bonds include serial and term bonds. The term bonds have annual mandatory sinking fund redemption requirements and there are optional redemption provisions for the serial bonds. The term bonds mature on December 1, 2018, in the amount of \$670,000, at a redemption price equal to 100% of the principal plus accrued interest to the redemption date. The serial bonds, maturing on or after December 1, 2013, are subject to early redemption, at the sole option of the County, either in whole on any date, or in part: on any interest date, on or after December 1, 2008, in multiples of \$5,000, at the following redemption prices, plus accrued interest:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
December 1, 2008 through November 30, 2009	101 percent
December 1, 2009 and thereafter	100 percent

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
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**NOTE 17 - LONG-TERM OBLIGATIONS:- (CONTINUED)**

**1998 Sheriff Facility Bonds**

The Sheriff Facility Bonds include serial and term bonds. The term bonds have annual mandatory sinking fund redemption requirements and there are optional redemption provisions for the serial bonds. The term bonds mature on December 1, 2018, in the amount of \$1,145,000, at a redemption price equal to 100% of the principal plus accrued interest to the redemption date. The serial bonds, maturing on or after December 1, 2012, are subject to early redemption, at the sole option of the County, either in whole on any date, or in part on any interest date, on or after December 1, 2008, in multiples of \$5,000, at the following redemption prices, plus accrued interest:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
December 1, 2008 through November 30, 2009	101 percent
December 1, 2009 and thereafter	100 percent

**1999 Memorial Hospital Bonds**

The Union County Memorial Hospital Refunding Bonds, with an original issue of \$11,000,000, were issued to advance refund the Hospital's 1990 general obligation bonds as well as to provide for the construction of a long-term care facility and construction of emergency room improvements. The bonds are presented as a liability in the enterprise fund and are payable from un-voted property tax revenues to the extent that operating resources of the Hospital are not available to meet annual principal and interest expenditures. The refunding bonds defeased in-substance \$865,000 in general obligation bonds. At December 31, 2008, \$415,000 of this debt was still outstanding.

The Memorial Hospital general obligation bonds include serial and term bonds. The term bonds have annual mandatory sinking fund redemption requirements and there are optional redemption provisions for the serial bonds. The term bonds mature on December 1, 2014 (\$1,850,000), 2019 (\$2,420,000), and 2024 (\$3,135,000) at a redemption price equal to 100% of the principal plus accrued interest to the redemption date. The serial bonds maturing on or after December 1, 2009, are subject to early redemption, at the sole option of the County. In 2005, \$8,195,000 was refunded by the 2005 bonds.

<u>Redemption Dates</u>	<u>Redemption Prices</u>
December 1, 2009 through November 30, 2010	101 percent
December 1, 2010 and thereafter	100 percent

**2002 London Avenue Building Bonds**

The London Avenue Building sales tax receipt bonds require principal payments from December 1, 2005 through December 1, 2012. The bonds maturing after December 1, 2012 are subject to redemption at the option of the County, either in whole or in part, in such order as the County shall determine, on any date on or after December 1, 2012, at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption.

<u>Redemption Dates</u>	<u>Redemption Prices</u>
December 1, 2012 and thereafter	100 percent

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

NOTE 17 - LONG-TERM OBLIGATIONS:- (CONTINUED)

2003 Memorial Hospital Bonds

The Memorial Hospital bonds require principal payments from December 1, 2004 through December 1, 2033. The bonds maturing after December 1, 2013 are subject to redemption at the option of the County, either in whole or in part, in such order as the County shall determine, on any date on or after December 1, 2013, at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption.

2005 Memorial Hospital Refunding Bonds

The Union County Memorial Hospital Refunding Bonds, with an original issue of \$9,850,000, were issued to advance refund the Hospital's 1996 and 1999 general obligation bonds. The bonds are presented as a liability in the enterprise fund and are payable from un-voted property tax revenues to the extent that operating resources of the Hospital are not available to meet annual principal and interest expenditures. The refunding bonds defeased in-substance \$1,655,000 of the 1996 general obligation bonds and \$8,195,000 of the 1999 general obligations bonds. The aggregate reduction in debt service between the refunding and refunded debt is \$143,317 for the 1996 bonds and \$577,260 for the 1999 bonds. The present value of the combined annual savings created by this refunding amounts to \$361,839.

Redemption Dates – 1996 Refunding  
December 1, 2007 and thereafter

Redemption Prices  
101 percent

Redemption Dates – 1999 Refunding  
December 1, 2009 and thereafter

Redemption Prices  
101 percent

2007 Memorial Hospital Refunding Bonds

The Union County Memorial Hospital Refunding Bonds, with an original issue of \$9,750,000, were issued to advance refund the Hospital's 2003 general obligation bonds and pay off the Hospital's 2006 tax general obligation notes. The refunding bonds defeased in-substance \$4,360,000 of the 2003 general obligation bonds and paid off \$3,635,000 in tax general obligation notes.

Compensated Absences The compensated absences liability will be paid from the fund from which the employees' salaries are paid. The funds primarily responsible for payment of compensated absences are the general fund (governmental activities) and Memorial Hospital fund (business-type activities).

Capital Lease Obligations will be paid from the fund that maintains custody of the related assets.

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 17 - LONG-TERM OBLIGATIONS:- (CONTINUED)**

**Mental Health Recovery Board Mortgage**

The Mental Health and Recovery Board of Union County (ADAMH) entered into a mortgage loan agreement for the acquisition of housing for homeless and at risk of being homeless persons. The twenty-year mortgage loan is presented as a liability and is payable from un-voted property tax revenues to the extent that other resources, in the form of grants and rent charges, are not available to meet principal and interest expenditures. Principal and interest payments are reflected as principal retirement and interest expenditure in the ADAMH special revenue 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 one percent of the total assessed valuation of the County. The code further provides that the total voted and un-voted net debt of the County less the same exempt debt should not exceed a sum equal to three percent of the first \$100,000,000 of the assessed valuation, plus one and one-half percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus two and one-half percent of such valuation in excess of \$300,000,000.

The effects of the debt limitations described above at December 31, 2008 are an overall debt limit of \$31,713,635 and an un-voted debt limit of \$13,285,454.

**Principal**

Year	General Obligation Bonds	Sales Tax Revenue Bonds	Mortgage Loan	Memorial Hospital Debt	Total
2009	340,000	280,000	20,375	922,416	1,562,791
2010	355,000	295,000	21,794	938,241	1,610,035
2011	375,000	310,000	3,167	879,441	1,567,608
2012	180,000	320,000	0	3,533,035	4,033,035
2013	190,000	335,000	0	872,830	1,397,830
2014-2018	1,005,000	1,935,000	0	4,552,026	7,492,026
2019-2023	0	945,000	0	4,644,846	5,589,846
2024-2028	0	0	0	3,935,000	3,935,000
2029-2033	0	0	0	2,909,020	2,909,020
	<u>\$2,445,000</u>	<u>\$4,420,000</u>	<u>\$45,336</u>	<u>\$23,186,855</u>	<u>\$30,097,191</u>

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

NOTE 17 - LONG-TERM OBLIGATIONS:- (CONTINUED)

<u>Interest</u>					
Year	General Obligation Bonds	Sales Tax Revenue Bonds	Mortgage Loan	Memorial Hospital Debt	Total
2009	118,345	210,990	2,436	939,052	1,270,823
2010	102,820	198,950	1,017	921,524	1,224,311
2011	86,300	185,910	25	865,473	1,137,708
2012	68,545	171,805	0	683,132	923,482
2013	59,770	157,085	0	717,422	934,277
2014-2018	147,498	528,055	0	3,041,353	3,716,906
2019-2023	0	120,780	0	2,001,542	2,122,322
2024-2028	0	0	0	1,069,478	1,069,478
2029-2033	0	0	0	379,318	379,318
	<u>\$583,278</u>	<u>\$1,573,575</u>	<u>\$3,478</u>	<u>\$10,618,294</u>	<u>\$12,778,625</u>

NOTE 18 - CAPITAL LEASES - LESSEE DISCLOSURE:

The County has entered into capitalized leases for land, building, equipment, and furniture and fixtures. Each lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards Board No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. For governmental funds, new capital leases are reflected in the accounts "capital outlay" and "inception of capital lease" in the funds which will be making the lease payments. Capital lease payments are reflected as debt service expenditures in the financial statements for the governmental funds and as a reduction of the liability in the enterprise funds. The Memorial Hospital fund capital assets consisting of land, buildings, equipment, furniture and fixtures have been capitalized in the fund in the amount of \$4,196,613.

These amounts represent the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded in the enterprise funds. Principal payments in 2008 totaled \$21,296 in the Memorial Hospital fund.

	<u>Memorial Hospital</u>
Property under Capital Lease	\$4,196,613
Less Accumulated Depreciation	<u>( 3,734,604)</u>
Total	<u>\$462,009</u>

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 18 - CAPITAL LEASES - LESSEE DISCLOSURE:- (CONTINUED)**

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2008.

<u>YEAR</u>	<u>Memorial Hospital</u>
2009	22,879
2010	11,439
2011	-
Total	<u>34,318</u>
Less: amount representing interest	<u>(935)</u>
Present value of net minimum lease payments	<u><u>\$ 33,383</u></u>

**NOTE 19 - CONDUIT DEBT OBLIGATIONS:**

During 1999, the County served as the issuer of \$2,000,000 in Pleasant Valley Joint Fire District serial and term bonds. The proceeds were used by the Pleasant Valley Joint Fire District to fund the construction of a fire house. These bonds do not constitute a general obligation, debt or bonded indebtedness of the County. Neither is the full faith and credit to taxing power of the County pledged to make repayment. As of December 31, 2008, \$1,375,000 of conduit debt remained outstanding.

**NOTE 20 – INTERFUND TRANSFERS:**

During 2008, the following transfers were made and are reported on the Fund Financial Statements:

	<u>General</u>	<u>Board of MR/DD</u>	<u>Motor Vehicle &amp; Gas Tax</u>	<u>Other Governmental</u>	<u>Other Enterprise</u>	<u>Total Governmental</u>
Transfers In	\$0	\$900	\$37,290	\$1,258,871	\$0	\$1,297,061
Transfers Out	(922,431)	0	(121,121)	(250,363)	(3,146)	(1,297,061)
Net In (Out)	<u>(\$922,431)</u>	<u>\$900</u>	<u>(\$83,831)</u>	<u>\$1,008,508</u>	<u>(\$3,146)</u>	<u>\$0</u>



**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2008

NOTE 20 – INTERFUND TRANSFERS: - (Continued)

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 restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. All transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

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

NOTE 21 - FEDERAL FOOD STAMP PROGRAM:

The County's Department of Jobs and Family Services distributes federal food stamps through the department as well as through contracting issuance centers to entitled recipients within Union County. The receipt and issuance of these stamps have the characteristics of federal "grants", however, the Department of Jobs and Family Services merely acts in an intermediary capacity.

In 2006, the Ohio Department of Jobs and Family Services implemented the "Direction Card". The Direction Card is used by beneficiaries to access their food stamp benefits. This is a "debit" type card that uses the software application known as the Electronic Payment Processing Information and Control System (EPPIC).

NOTE 22 - NET PATIENT SERVICE REVENUE:

Union County Memorial Hospital provides to certain patients covered by various third party payor arrangements that provide for payments to the Hospital at amounts different than its established rates. Gross patient service revenue and the allowances to reconcile to net patient service revenue for the year ended December 31, 2008, are as follows:

Gross patient service revenue	\$129,838,584
Less third party allowances:-	
Contractual Allowances	(55,840,957)
Provision for bad debt	(4,519,450)
Charity Care	<u>(2,067,900)</u>
Total allowances	<u>(62,428,307)</u>
Net patient service revenue	<u><u>\$67,410,277</u></u>

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTES 23 - RELATED PARTY TRANSACTIONS:**

During 2008, Union County provided facilities, certain equipment, transportation and salaries for administration, implementation and supervision of programs to U-Co Industries, Inc. U-Co Industries, Inc., a discretely presented component unit of Union County reported \$565,991 for such contributions. U-Co Industries, Inc. recorded non-operating revenues at cost or fair market value as applicable, to the extent the contribution is related to the vocational purpose of the workshop.

During 2008, the County provided the Union County YMCA with use of a County-owned gymnasium free of charge. The estimated value of rent is less than \$1,000 annually.

During 2008, the County provided rent-free office space to Children, Inc. Children, Inc. constructed a building on County-owned land, adjacent to the Union County MRDD Board. The value of annual rent is estimated at \$85,000.

During 2008, the County provided the Union County Council for Families and Children First with use of office space at the London Avenue facility free of charge. The estimated value of rent is less than \$4,860 annually.

**NOTE 24- JOINTLY GOVERNED ORGANIZATIONS AND JOINT VENTURES:**

**A. Central Ohio Youth Center**

The Central Ohio Youth Center is a jointly governed organization involving Union, Champaign, Delaware, and Madison Counties. The Center provides facilities for the training, treatment and rehabilitation of delinquent, dependent, abused or neglected children and was established under Section 2151.34 of the Ohio Revised Code. The operation of the Center is controlled by a joint board of trustees whose membership consists of two appointees of the Union County Commissioners, two appointees of the Delaware County Commissioners and one appointee from Champaign and Madison Counties. Each county's ability to influence the operations of the Center is limited to their representation on the board of trustees. Appropriations are adopted by the joint board of trustees who exercise control over the operation, maintenance and construction of the Center. Union County serves as the fiscal agent. Each county is charged for their share of the operating costs of the Center based on the number of individuals from their County in attendance. In 2008, Union County contributed \$455,754 for the Center's operations which represents 25.13 percent of total contributions. Additional information may be obtained by writing to the Central Ohio Youth Center, 18100 St. Rt. 4, Marysville, Ohio 43040

**B. North Central Ohio Solid Waste Management District**

Union County participates in a jointly governed solid waste management district, along with Allen, Champaign, Hardin, Madison and Shelby Counties. The District was established following the requirements of House Bill 592. The board of directors consists of County Commissioners from each County. Each county's ability to influence the operations of the District is limited to their representation on the board of directors. The original

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 24- JOINTLY GOVERNED ORGANIZATIONS AND JOINT VENTURES:- CONTINUED**

**B. North Central Ohio Solid Waste Management District (Continued)**

funding for the District was contributed by each county based on its population compared to the total population of all participating counties. For Union County, this represented 10 percent of total contributions. It is the intent of the District to be totally self-supporting and not require any funding from the participating counties. In 2008, no contribution was required of Union County. Allen County, being the largest of the six counties, is the fiscal agent of the District. Additional information may be obtained by writing to the North Central Ohio Solid Waste Management District, Suite 301, 212 N. Elizabeth St., Lima, Ohio 45801.

**C. LUC Regional Planning Commission**

Union County participates in the LUC Regional Planning Commission which is a statutorily created political subdivision of the State. The Commission is jointly governed among Logan, Union and Champaign Counties, and the cities of Bellefontaine, Marysville, and Urbana. Each member's control over the operation of the Commission is limited to its representation on the board. The Commission makes studies, maps, plans, recommendations and reports concerning the physical, environmental, social, economic and governmental characteristics, functions and services of the entities involved. In 2008, Union County contributed \$18,680. Additional information may be obtained by writing to the LUC Regional Planning Commission, P.O. Box 141, East Liberty, Ohio 43319.

**D. Marysville/Union County Joint Recreation District**

The Marysville/Union County Joint Recreation District is a jointly governed organization involving Union County, the City of Marysville and Paris Township. The District was established for the purpose of acquiring, developing, operating and maintaining a sports complex and bicycle/walking trail in Union County. The District's board of trustees consists of seven members, three appointed by the County Commissioners, three appointed by the Mayor of Marysville, and one appointed by the Paris Township Trustees. Each entity's ability to influence the operations of the District is limited to their representation on the board of trustees. In 2008, Union County contributed \$41,786 to the District's operations. Additional information may be obtained by writing to the Marysville/Union County Joint Recreation District, 125 E. 6<sup>th</sup> Street, Marysville, Ohio 43040.

**E. Tri-County Corrections Board**

The Tri-County Corrections Board is a joint venture for the establishment of a central jail facility for the use of Champaign, Madison, and Union Counties. The operation of the jail is controlled by a joint board whose membership consists of the sheriff, one judge, and one commissioner from each of the participating counties. Each county's ability to influence the operations of the jail is limited to their representation on the board. Champaign County has been appointed the fiscal agent for the joint venture. In 2008, Union County contributed \$1,386,696. Additional information may be obtained by writing to the Tri-County Corrections Board, 1512 U.S. Rt. 68, Urbana, Ohio 43078.

**F. Marysville-Union County Port Authority**

The Marysville-Union County Port Authority is a joint agreement between the City of Marysville, Ohio and Union County to promote transportation, economic development, housing, recreation, education, governmental operation, culture, research and the creation and preservation of jobs and employment opportunities. The City of Marysville Mayor (with the advice and consent of Council of the City) and the Union County Board of Commissioners appoint three members each, with a joint appointment from the City and County. Union County executed the agreement on August 18, 2008.

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 24- JOINTLY GOVERNED ORGANIZATIONS AND JOINT VENTURES:- CONTINUED**

**G. West Central Ohio Network**

The West Central Ohio Network (West Con) is a jointly governed organization among Darke, Miami, Auglaize, Mercer, Logan, Shelby, Preble, Hardin and Union counties. West Con was created to serve as the administrator and fiscal agent of Supported Living funds for the Board of Mental Retardation and Developmental Disabilities (MR/DD Boards) of each of the participating counties. The degree of control exercised by any participating government is limited to its representation on the Board of Directors (the Board) of West Con. The Board consists of one delegate, who is the Superintendent, from each of the participating MR/DD Boards. During 2008, the county contributed \$678,208 to West Con. Financial information can be obtained from West Con, Executive Director, 315 East Court Street, Sidney, Ohio 45365.

**NOTE 25- INVESTMENTS IN JOINT VENTURES:**

**A. Health Partners, Ltd.**

During 1996, the Hospital and two other area health care entities formed Health Partners, Ltd. of which the Hospital has a 33 1/3% ownership interest. This corporation was formed to provide management services to the clinic of a major area corporation. In 1996, the Hospital contributed \$100,000 to Health Partners through UCHA. During 2008 and 2007, the Hospital received distributions from Health Partners totaling \$58,820 and \$107,000 respectively. Additional information may be obtained by writing to Health Partners, Ltd., 19900 St. Rt. 739, Marysville, Ohio 43040.

**B. Marysville Ohio Surgery Center, LLC.**

During 2003, the Hospital and other area health providers formed Marysville Ohio Surgery Center, LLC, of which the Hospital has a 23.81 percent ownership interest. The organization was formed to promote health care and provide outpatient surgical services in the area serviced. During 2003, the Hospital contributed \$159,000 through UCHA. The Hospital received \$52,104 and \$209,551 distributions in 2008 and 2007 respectively.

**C. Marysville Ohio Medical Properties, LLC.**

During 2004, the Hospital and other area health providers formed Marysville Ohio Medical Properties, LLC, of which the Hospital has a 25.97 percent ownership interest. The organization was formed as the property owner for the Marysville Ohio Surgery Center facility. During 2003, the Hospital contributed \$130,000 through UCHA. During 2008 and 2007, the Hospital received \$32,468 and \$37,188 respectively.

**NOTE 26- INSURANCE PURCHASING POOL:**

**A. The County Risk Sharing Authority, Inc.**

The County Risk Sharing Authority, Inc., (CORSAs) 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 programs. 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.

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

NOTE 26- INSURANCE PURCHASING POOL:- CONTINUED

B. The County Commissioners Association of Ohio Service Corporation.

The County is participating in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The County Commissioners Association of Ohio Service Corporation (CCAOSC) was established through the County Commissioners Association of Ohio (CCAO) as a group purchasing pool. A group executive committee is responsible for calculating annual rate contributions and rebates, approving the selection of a third party administrator, reviewing and approving proposed third party fees, fees for risk management services and general management fees, determining ongoing eligibility of each participant, and performing any other acts and functions which may be delegated to it by the participating employers. The group executive committee consists of seven members. Two members are the president and treasurer of CCAOSC; the remaining five members are representatives of the participants. These five members are elected for the ensuing year by the participants at a meeting held in the month of December each year. No participant can have more than one member of the group executive committee in any year, and each elected member shall be a County Commissioner.

C. County Employee Benefits Consortium of Ohio.

The County participates with the County Employee Benefits Consortium of Ohio, Inc. (CEBCO), an Ohio not-for-profit corporation with membership open to Ohio political subdivisions to collectively pool resources to purchase employee benefits. The County pays, on a monthly basis, the annual actuarially determined funding rate. Components of the funding rate include the claims fund contribution, incurred but not reported claims, a claim contingency reserve fund, as well as the fixed costs of the consortium.

The business and affairs of the consortium are managed by a board of not less than nine or more than fifteen directors that exercise all powers of the consortium. Two thirds of the directors are County Commissioners of member Counties and one third are employees of the member Counties. Each member of the consortium is entitled to one vote. At all times, one director is required to be a member of the board of directors of the CCAO and another is required to be a board member of the County Risk Sharing Authority, Inc. (CORSA)

NOTE 27 - CONTINGENT LIABILITIES:

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the County Commissioners believe such disallowances, if any, will be immaterial. Several other claims and lawsuits are pending against the County. In the opinion of the County Prosecuting Attorney, any potential liability would not have a material effect on the financial statements. Union County Memorial Hospital is involved in various lawsuits and claims that arise in the normal course of business. In the opinion of management, these claims, individually and in aggregate, are not expected to result in a material adverse effect on the Hospital's financial position or results. Reimbursement for Medicare or Medicaid patients is subject to audit and final settlements by the respective intermediaries. Although these audits may result in some changes in these amounts, they are not expected to have a material effect on the financial statements.

**UNION COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**NOTE 28 – INTERFUND LOANS RECEIVABLE/PAYABLE**

Interfund loans receivable/payable consisted of the following at December 31, 2008, as reported on the fund statements:

<u>Fund</u>	<u>Fund</u>	<u>Amount</u>
General	Coordination Transportation	\$50,000
VOCA Grant	VAWA Grant	2,000
		<u>\$52,000</u>

**NOTE 29 – SUBSEQUENT EVENT**

On June 1, 2009, the Union County Commissioners completed the refunding of \$1,765,000 and \$1,745,000 1998 Sales Tax Receipt Bonds, and the 2008 \$3,000,000 Main Street Bond Anticipation Note. The refunding resulted in a reduction in sales tax receipt debt, and an increase in debt secured by general fund real estate inside millage receipts.

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# UNION COUNTY, OHIO

## *Required Supplementary Information*

*Condition Assessment of the County's Infrastructure  
Reported Under the Modified Approach  
December 31, 2008  
(unaudited)*

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The County reports its roads and bridges infrastructure assets using the modified approach. The following disclosures pertain to the condition assessment and budgeted versus actual expenditure in 2008 for the preservation of these assets.

The Union County Engineer has implemented a ten year program for road repairs and improvements. The plan changes based upon condition inspections, repair and improvement needs, and budget constraints. Factors considered when evaluating a roadway include time since last surface maintenance, current pavement condition, current and future traffic volume, traffic type, pavement width, geometrics, etc. A general overall pavement condition rating is assigned to sections of roadways as a result of annual visual observations. A numerical rating ranging from 0 to 9 is assigned, with 0 being the lowest ranking and 9 being the highest. The practice of the Union County Engineer is to maintain at least 75 % of the mileage of the county highway system at an appraisal rating of 5 or more. The most recent assessment found that 97 percent of the County roads have a numerical rating of 5 or higher.

Each bridge is evaluated annually based on state law and in accordance with Ohio Department of Transportation (ODOT) requirements. Each bridge is given an ODOT sufficiency rating based upon bridge inspection rating factors. The practice of the Union County Engineer is to maintain a bridge system in the County where at least 85 % of the structures have a bridge appraisal rating of 5 or more. The most recent inspections found that 94 percent of the County bridges have a numerical rating of 5 or higher.

The general overall ratings for roads and ODOT sufficiency ratings for centerline miles and bridges are as follows:

<u>Condition</u>	<u>Rating</u>
Failed	0
"Imminent" Failure	1
Critical	2
Serious	3
Poor	4
Fair	5
Satisfactory	6
Good	7
Very Good	8
Excellent	9



# UNION COUNTY, OHIO

## *Required Supplementary Information*

*Condition Assessment of the County's Infrastructure  
Reported Under the Modified Approach  
December 31, 2008  
(unaudited)*

The following summarizes the overall ratings as of December 31, 2008.

	<b>2006</b>		<b>2007</b>		<b>2008</b>	
	<b>Centerline Miles</b>	<b>%</b>	<b>Centerline Miles</b>	<b>%</b>	<b>Centerline Miles</b>	<b>%</b>
Condition Assessment of Fair or Better	438	93%	442	94%	457	97%
Condition Assessment of Less than Fair	31	7%	27	6%	12	3%

	<b>2006</b>		<b>2007</b>		<b>2008</b>	
	<b>Bridges</b>	<b>%</b>	<b>Bridges</b>	<b>%</b>	<b>Bridges</b>	<b>%</b>
Condition Assessment of Fair or Better	310	97%	311	97%	302	94%
Condition Assessment of Less than Fair	11	3%	9	3%	18	6%

The Following is a comparison of the County Budgeted and Actual Expenditures for roads and bridges.

<b>Year</b>	<b>Budgeted Expenditures</b>	<b>Actual Expenditures</b>	<b>Difference</b>
2008	\$ 8,366,634	\$ 8,022,284	\$ 344,350
2007	\$ 7,654,249	\$ 6,888,337	\$ 765,912
2006	\$ 7,463,784	\$ 7,379,103	\$ 84,681
2005	\$ 5,516,054	\$ 4,875,274	\$ 640,780
2004	\$ 5,344,700	\$ 4,908,794	\$ 435,906

# UNION COUNTY, OHIO

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

	Original	Final	Actual	Variance With Final Budget Over (Under)
<b><u>Revenues:</u></b>				
Property Taxes	\$4,800,680	\$3,797,474	\$4,036,127	238,653
Sales Taxes	7,292,195	7,692,195	8,769,759	1,077,564
Charges for Services	2,112,550	2,112,550	2,304,346	191,796
Licenses and Permits	2,750	2,750	2,867	117
Fines and Forfeitures	125,000	125,000	131,661	6,661
Rental Income	388,500	388,500	443,773	55,273
Intergovernmental	1,182,000	2,185,206	2,265,728	80,522
Investment Income	1,505,330	1,505,330	1,443,463	(61,867)
Other	547,150	547,150	658,838	111,688
<i>Total Revenues</i>	<i>17,956,155</i>	<i>18,356,155</i>	<i>20,056,562</i>	<i>1,700,407</i>
<b><u>Expenditures:</u></b>				
General Government - Legislative & Executive Commissioners				
Personal Services	271,264	282,264	280,381	1,883
Supplies	5,000	8,270	7,995	275
Contractual Services	565,500	589,135	287,727	301,408
Fringe Benefits	0	2,609	1,809	800
Other	70,000	78,500	56,194	22,306
Environmental Engineer				
Personal Services	72,000	72,000	66,628	5,372
Other				
Auditor				
Personal Services	273,132	273,252	273,244	8
Supplies	20,000	19,931	13,919	6,012
Contractual Services	36,400	44,824	43,627	1,197
Other	6,450	8,426	7,734	692
Fringe Benefits	3,195	2,115	1,420	695
Treasurer				
Personal Services	134,076	134,076	132,593	1,483
Supplies	28,400	29,315	27,723	1,592
Contractual Services	6,300	6,750	6,543	207
Other	2,275	2,125	1,708	417
Prosecutor				
Personal Services	392,937	387,937	367,335	20,602
Supplies	11,000	13,892	13,842	50
Contractual Services	34,000	36,108	34,288	1,820
Other	143,527	143,527	122,906	20,621
Fringe Benefits	1,000	1,000	0	1,000
Risk Management				
Personal Services	96,653	96,653	96,469	184
Supplies	11,000	13,130	12,452	678
Contractual Services	22,000	20,000	12,440	7,560
Capital Outlay	26,000	26,000	22,018	3,982
Other	108,460	112,675	101,251	11,424
Data Processing				
Personal Services	122,000	122,000	119,764	2,236
Supplies	3,000	3,000	1,105	1,895
Contractual Services	148,500	148,569	136,375	12,194
Other	1,200	1,200	106	1,094
Fringe Benefits	0	0	0	0

*Continued*

# UNION COUNTY, OHIO

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

	Original	Final	Actual	Variance With Final Budget Over (Under)
Board of Elections				
Personal Services	264,138	337,884	337,536	348
Supplies	25,000	51,709	50,050	1,659
Contractual Services	58,985	68,849	62,787	6,062
Capital Outlay	45,632	28,746	27,055	1,691
Other	24,000	10,522	8,510	2,012
Fringe Benefits	0	0	0	0
Recorder				
Personal Services	187,547	187,547	187,044	503
Supplies	10,500	10,500	8,073	2,427
Contractual Services	11,500	11,500	9,268	2,232
Other	3,000	3,000	2,142	858
Maintenance & Operations				
Personal Services	548,233	548,233	546,276	1,957
Supplies	153,000	153,000	136,975	16,025
Contractual Services	1,600,336	1,519,836	1,396,096	123,740
Other	4,500	4,500	706	3,794
Board of Revisions				
Other	300	300	0	300
Capital Improvements				
Contract Service	185,000	185,000	0	185,000
Assessing Property Taxes				
Personal Services	60,000	59,880	56,123	3,757
Insurance & Bonds				
Contractual Services	226,552	226,552	210,701	15,851
Other	10,000	10,000	5,424	4,576
Bureau of Inspection				
Contractual Services	80,000	85,000	78,613	6,387
County Planning Commission				
Other	19,000	19,000	18,681	319
Fringe Benefits				
Group Liability Insurance	1,035,840	1,275,040	1,261,483	13,557
Public Employees Retirement	1,160,000	1,160,000	1,069,542	90,458
Medicare	109,700	109,700	87,260	22,440
Workers Compensation	144,152	144,152	115,185	28,967
Retirement Buyout	30,000	30,000	0	30,000
Equipment				
Capital Outlay	534,892	790,380	617,681	172,699
Total General Government- Legislative and Executive	9,147,076	9,710,113	8,542,807	1,167,306

*Continued*

# UNION COUNTY, OHIO

## Schedule of Revenues, Expenditures, and Changes in Fund Balance

### Budget (Non-GAAP Basis) and Actual

#### General Fund (continued)

FOR THE YEAR ENDED DECEMBER 31, 2008

	Original	Final	Actual	Variance With Final Budget Over (Under)
General Government - Judicial				
Common Pleas Court				
Personal Services	309,515	309,515	293,227	16,288
Supplies	24,000	25,225	23,400	1,825
Contractual Services	49,700	45,806	32,152	13,654
Capital Outlay	0	5,185	5,185	0
Other	149,400	153,686	140,449	13,237
Juvenile Court				
Personal Services	412,986	413,486	402,044	11,442
Contractual Services	32,200	32,200	27,515	4,685
Other	5,800	4,800	3,470	1,330
Probate Court				
Personal Services	137,180	137,180	131,967	5,213
Supplies	23,000	23,000	22,847	153
Contractual Services	16,800	16,800	8,497	8,303
Other	1,700	1,700	1,340	360
Clerk of Courts				
Personal Services	311,065	311,065	281,460	29,605
Supplies	60,000	64,000	61,152	2,848
Contractual Services	32,350	48,387	40,886	7,501
Other	2,600	3,579	2,509	1,070
Public Defender				
Contractual Services	422,000	422,000	412,000	10,000
Other	1,000	4,096	3,636	460
Law Library				
Personal Services	43,900	43,900	0	43,900
Other	2,500	2,500	0	2,500
District Court of Appeals				
Personal Services	1,000	1,000	0	1,000
Other	14,400	14,400	11,901	2,499
Jury Commission				
Personal Services	840	840	840	0
Supplies	1,000	1,059	463	596
County Court				
Personal Services	83,877	125,810	120,881	4,929
Contractual Services	9,000	9,000	2,840	6,160
Juvenile Probation				
Personal Services	109,969	109,969	107,807	2,162
Other	6,000	6,500	6,430	70
JV Day Reporting				
Personal Services	0	13,000	8,960	4,040
Supplies	0	5,000	795	4,205
Contractual Services	0	18,000	13,345	4,655
Other	0	13,200	0	13,200
 Total General Government - Judicial	 2,263,782	 2,385,888	 2,167,998	 217,890

Continued

# UNION COUNTY, OHIO

## Schedule of Revenues, Expenditures, and Changes in Fund Balance

### Budget (Non-GAAP Basis) and Actual

#### General Fund (continued)

FOR THE YEAR ENDED DECEMBER 31, 2008

	Original	Final	Actual	Variance With Final Budget Over (Under)
Public Safety				
Coroner				
Personal Services	53,112	53,112	38,112	15,000
Supplies	3,000	3,000	1,245	1,755
Contractual Services	48,000	48,000	28,391	19,609
Capital Outlay	3,000	3,000	2,426	574
Other	7,624	7,624	1,487	6,137
Sheriff				
Personal Services	441,037	439,537	406,125	33,412
Supplies	17,129	23,322	23,142	180
Contractual Services	116,031	137,017	111,512	25,505
Other	37,591	40,772	38,342	2,430
Fringe Benefits	3,000	3,000		3,000
Sheriff-Law Enforcement				
Personal Services	1,600,000	1,430,000	1,427,296	2,704
Supplies	195,446	219,023	211,594	7,429
Contractual Services	109,012	112,248	101,477	10,771
Other	28,266	28,266	16,832	11,434
Fringe Benefits				
Sheriff-Communication				
Personal Services	247,500	247,500	244,052	3,448
Supplies	700	700	286	414
Contractual Services	3,052	3,215	2,205	1,010
Other	1,580	1,580	905	675
Fringe Benefits				
Sheriff-Jail				
Personal Services	336,500	333,700	318,923	14,777
Supplies	19,950	14,975	6,098	8,877
Contractual Services	1,422,152	1,424,952	1,398,263	26,689
Other	4,275	4,275	1,983	2,292
Sheriff-Investigations				
Personal Services	457,000	412,000	410,656	1,344
Supplies	22,985	13,991	6,787	7,204
Contractual Services	20,623	20,623	13,352	7,271
Other	20,550	20,407	10,454	9,953
Fringe Benefits				
Sheriff-Community Service				
Personal Services	324,600	324,600	308,786	15,814
Supplies	7,259	5,479	1,061	4,418
Contractual Services	5,060	6,860	6,254	606
Other	3,375	3,383	3,119	264
Pursuit / Sheriff				
Other	15,000	15,000	5,650	9,350
Detention Home				
Contractual Services	456,619	456,619	455,754	865
Total Public Safety	6,031,028	5,857,780	5,602,569	255,211
Public Works				
Engineer				
Personal Services	119,500	119,500	119,421	79
Contractual Services	9,000	9,000	7,728	1,272
Total Public Works	128,500	128,500	127,149	1,351

Continued

# UNION COUNTY, OHIO

## Schedule of Revenues, Expenditures, and Changes in Fund Balance

### Budget (Non-GAAP Basis) and Actual

#### General Fund (continued)

FOR THE YEAR ENDED DECEMBER 31, 2008

	Original	Final	Actual	Variance With Final Budget Over (Under)
Health				
Agriculture				
Contractual Services	1,200	1,200	1,200	0
Other	500	500	0	500
Humane Society				
Contractual Services	74,656	74,656	74,656	0
Other Health				
Crippled Children - Contractual Services	30,000	124,395	107,279	17,116
Senior Outreach - Contractual Services	62,500	62,500	0	62,500
Senior Services - Contractual Services	265,500	265,500	265,500	0
Health Fair/Wellness - Contractual Services	9,300	9,300	4,375	4,925
Vital Stats - Contractual Services	1,000	1,000	906	94
Total Health	444,656	539,051	453,916	85,135
Human Services				
Veterans Services				
Personal Services	144,718	149,718	139,301	10,417
Supplies	13,000	13,000	9,120	3,880
Contractual Services	109,500	98,695	76,201	22,494
Other	233,783	248,542	206,391	42,151
Capital Outlay	29,500	22,526	21,966	560
Children's Services				
Children's Trust - Other	8,500	8,500	0	8,500
Children / Families First - Other	20,000	20,000	20,000	0
Juvenile Rehab / Treatment - Other	290,000	239,000	224,000	15,000
Other Services				
Victims of Crimes	20,000	20,000	20,000	0
ABLE	44,160	44,160	44,160	0
Transportation	50,000	50,000	50,000	0
Cultural Arts	5,000	5,000	0	5,000
Public Assistance				
Other	1,120,000	1,120,000	953,676	166,324
Total Human Services	2,088,161	2,039,141	1,764,815	274,326
Economic Development				
Contractual Services-CIC	117,369	117,369	113,968	3,401
Contractual Services- Director				
Contractual Services-Airport	80,604	80,604	80,604	0
Total Economic Development	197,973	197,973	194,572	3,401
Other				
Agriculture				
Other	277,777	286,110	286,110	0
Conservation & Recreation				
Soil & Water Grant	166,860	166,860	166,860	0
Richwood Fair	20,000	20,000	20,000	0
Union County Fair	20,000	20,000	20,000	0
County Park and Recreation	45,000	45,000	41,786	3,214

Continued

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
Other (continued)				
Historical Society				
Other	25,000	25,000	25,000	0
Miscellaneous				
Other	5,500	6,538	119,238	(112,700)
	<u>560,137</u>	<u>569,508</u>	<u>678,994</u>	<u>(109,486)</u>
Total Other				
	<u>560,137</u>	<u>569,508</u>	<u>678,994</u>	<u>(109,486)</u>
Total Expenditures	<u>20,861,313</u>	<u>21,427,954</u>	<u>19,532,820</u>	<u>1,895,134</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,905,158)</u>	<u>(3,071,799)</u>	<u>523,742</u>	<u>3,595,541</u>
Other Financing Sources (Uses)				
Operating Advance - Out	0	0	(103,945)	(103,945)
Operating Advance - In	0	0	53,945	53,945
Operating Transfers - Out	(1,528,786)	(1,254,674)	(922,431)	332,243
Sales of Capital Assets				
	<u>(1,528,786)</u>	<u>(1,254,674)</u>	<u>(972,431)</u>	<u>282,243</u>
Total Other Financing Sources (Uses)				
	<u>(1,528,786)</u>	<u>(1,254,674)</u>	<u>(972,431)</u>	<u>282,243</u>
Net Change in Fund Balance	<u>(4,433,944)</u>	<u>(4,326,473)</u>	<u>(448,689)</u>	<u>3,877,784</u>
Fund Balance Beginning of Year	5,472,170	5,472,170	5,472,170	0
Prior encumbrances Appropriated	528,448	528,448	528,448	0
Fund Balance End of Year	<u>\$ 1,566,674</u>	<u>\$ 1,674,145</u>	<u>\$ 5,551,929</u>	<u>\$ 3,877,784</u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Taxes	\$5,190,742	\$5,190,742	\$5,765,298	\$574,556
Intergovernmental	2,752,542	2,752,542	2,733,134	(19,408)
Other	124,300	124,300	192,314	68,014
<b>Total Revenues</b>	<u>8,067,584</u>	<u>8,067,584</u>	<u>8,690,746</u>	<u>623,162</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Government:				
Human Services				
Personal Services	3,338,518	3,338,518	3,251,504	87,014
Contractual Services	3,859,000	4,701,502	4,164,700	536,802
Materials/Supplies	53,259	53,259	49,945	3,314
Capital Outlay	67,700	69,679	48,284	21,395
Other	3,054,065	2,365,134	524,533	1,840,601
Fringe Benefits	622,006	622,006	596,546	25,460
Total human services	<u>10,994,548</u>	<u>11,150,098</u>	<u>8,635,512</u>	<u>2,514,586</u>
<b>Total Expenditures</b>	<u>10,994,548</u>	<u>11,150,098</u>	<u>8,635,512</u>	<u>2,514,586</u>
Excess of Revenues (Under) Expenditures	(2,926,964)	(3,082,514)	55,234	3,137,748
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers - In	0	900	900	0
Transfers - Out	(83,000)	(83,000)	0	83,000
Total Other Financing Sources (Uses)	<u>(83,000)</u>	<u>(82,100)</u>	<u>900</u>	<u>83,000</u>
Excess of Revenues and Other Financing Sources (Under) Expenditures and Other Financing Uses	(3,009,964)	(3,164,614)	56,134	3,220,748
<b>Fund Balance, January 1</b>	9,067,488	9,067,488	9,067,488	0
Prior year encumbrances appropriated	151,777	151,777	151,777	0
<b>Fund Balance, December 31</b>	<u>\$6,209,301</u>	<u>\$6,054,651</u>	<u>\$9,275,399</u>	<u>\$3,220,748</u>



# UNION COUNTY, OHIO

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

	Original	Final	Actual	Variance With Final Budget Over (Under)
<b><u>REVENUES:</u></b>				
Taxes	\$0	\$316,000	\$247,302	(\$68,698)
Charges for Services	630,000	630,000	765,208	135,208
Licenses and Permits	4,000	4,000	2,660	(1,340)
Intergovernmental	4,220,000	4,220,000	4,408,954	188,954
Interest	68,200	68,200	37,464	(30,736)
Other	97,500	97,500	107,778	10,278
<b>Total Revenues</b>	<b>5,019,700</b>	<b>5,335,700</b>	<b>5,569,366</b>	<b>233,666</b>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Government:				
<i>Legislative and Executive</i>				
Personal Services	436,000	436,000	340,648	95,352
Contractual Services	200,000	282,587	202,708	79,879
Materials/Supplies	32,000	32,000	14,773	17,227
Capital Outlay	15,000	15,000	12,937	2,063
Other	37,000	40,509	82,487	(41,978)
Fringe Benefits	109,000	106,000	39,075	66,925
<i>Total legislative and executive</i>	<b>829,000</b>	<b>912,096</b>	<b>692,628</b>	<b>219,468</b>
Public Works				
Personal Services	1,219,000	1,219,000	1,171,680	47,320
Contractual Services	574,000	670,315	591,186	79,129
Materials/Supplies	1,178,000	1,385,155	1,357,656	27,499
Capital Outlay	230,000	213,723	213,335	388
Principal	125,000	3,879	0	3,879
Other	1,456,000	1,786,000	1,616,257	169,743
Fringe Benefits	378,000	406,185	389,793	16,392
<i>Total public works</i>	<b>5,160,000</b>	<b>5,684,257</b>	<b>5,339,907</b>	<b>344,350</b>
<b>Total Expenditures</b>	<b>5,989,000</b>	<b>6,596,353</b>	<b>6,032,535</b>	<b>563,818</b>
Excess of Revenues Over Expenditures	(969,300)	(1,260,653)	(463,169)	797,484
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers - In	0	0	37,290	37,290
Transfers - Out	0	(121,121)	(121,121)	0
Total Other Financing Sources (Uses)	0	(121,121)	(83,831)	37,290
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(969,300)	(1,381,774)	(547,000)	834,774
<b>Fund Balance, January 1</b>	<b>1,256,466</b>	<b>1,256,466</b>	<b>1,256,466</b>	<b>0</b>
Prior year encumbrances appropriated	208,714	208,714	208,714	0
<b>Fund Balance, December 31</b>	<b>\$495,880</b>	<b>\$83,406</b>	<b>\$918,180</b>	<b>\$834,774</b>

# UNION COUNTY, OHIO

## *Nonmajor Governmental Funds – Fund Descriptions*

### *Nonmajor Special Revenue Funds*

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

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

Computerized Legal Research Fund: To account for filing fees collected by the Courts used for legal research computerization.

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

Treasurer Prepaid Interest Fund: To account for interest earned from real estate tax prepayments to be used for the tax repayment program.

Federal Chip Fund: To account for grant revenues and distribution for this home repair program.

Probate Court Conduct of Business Fund: To account for the fees assessed on marriage licenses pursuant to Section 2101.19(A) of the Ohio Revised Code. This fund is used by the Probate court to pay for costs incurred by the court.

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

Probate / Juvenile Special Projects Fund: To account for fees collected by the Probate and Juvenile Courts used for special projects.

Clerk of Courts Computerization Fund: To account for fees collected by the Clerk of Courts used for computerization of the Court System

Probate and Juvenile Court Computer Fund: To account for fees collected by the Probate and Juvenile Courts used for computerization.

Probate and Juvenile Court Computer Research Fund: To account for fees collected by the Probate and Juvenile Courts used for legal research computerization.

Juvenile Court Indigent Offenders Fund: To account for state monies used for the treatment and rehabilitation of indigent offenders.

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

## UNION COUNTY, OHIO

### *Nonmajor Special Revenue Funds* (continued)

Economic Development Fund: To account for Joint revenues between the County and the City of Marysville to maintain a director of Economic Development.

Convention and Tourist Bureau Fund: To account for monies collected and distributed related to the "County Lodging Tax".

Driving Under Influence Fund (DUI): To account for fines collected through the courts from offenders operating motor vehicles under the influence of alcohol or drugs. These monies are used for enforcement and education programs.

Sheriff CCW Rotary Fund: To account for the collection and distribution of fees associated with the issuance of concealed handgun licenses.

Sheriff Policing Rotary Fund: To account for contract fees collected for services which include patrols, dispatching, and the shooting range.

DARE Community Education Fund: To account for grants, fundraising and expenditure activity for various education projects including DARE and Safety Town.

Youth Services Subsidy Fund: To account for state grant monies received from the Ohio Department of Youth Services and used for placement of children, diversion program-juvenile delinquency prevention, and other related activities.

9-1-1 Emergency Fund: To account for the 9-1-1 emergency phone system for the County, funded by a county-wide property tax.

Local Emergency Planning Fund: To account for state monies and local revenues used to operate the County emergency program and increase community awareness of emergency plans.

Juvenile Tobacco: To account for revenues and expenditures with the Juvenile Court smoking cessation program.

Law Enforcement Memorial Fund: To account for contribution and grant money received for the construction of a Union County Law Enforcement Memorial.

Juvenile Special Projects: To account for court costs collected and expenditure activity for various court projects as determined necessary by the court.

Road and Bridge Fund: To account for revenues derived from court fines. Monies are used for a law enforcement officer's salary, scales, fleet insurance, and traffic control signs.

Ditch Rotary Fund: To pay for equipment, materials, and labor related to the general maintenance of water courses within the county.

## UNION COUNTY, OHIO

### *Nonmajor Special Revenue Funds*

(continued)

Ditch Maintenance Fund: To account for special assessment revenues which are used to provide irrigation ditches and maintain existing ditches.

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

Alcohol, Drug and Mental Health (ADAMH): To account for a county-wide property tax levy and federal and state grants used to fund the costs of various services related to alcohol and drug dependencies and mental health consultation and support.

Preschool Grant Fund: To account for grant expenses associated with preschool for the mentally retarded.

Community Support Services Fund: To account for grant revenue of ODMH and HUD funds and all related expenses. This fund also contains activity related to the Wings Enrichment Center and housing rentals for the disabled

Public Assistance Fund: To account for various federal and state grants as well as transfers from the General fund used to provide public assistance to general relief recipients and for certain public social services.

Coordination Transportation: To provide transportation services to seniors or disadvantaged citizens.

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

Children Services Fund: To account for various monies received from federal, state, and local grants used for children's support programs, including: emergency care, medical costs, counseling, foster care, parental counseling and training and education costs.

Adult Basic Literacy Education Grant Fund (ABLE): To account for state and federal grants and local revenues used to pay for adult basic literacy education.

Senior Services: To account for revenues and expenditures related to Union County Senior Services.

Workplace Investment Act (WIA) Fund: To account for revenues and expenditures associated with the Workforce Investment Act of 1998. This was included in the Public Assistance fund prior to 2004.

Collaborative Family Risk Fund: To account for revenues and expenditures associated with FFT and MST programs.

Law Enforcement Grants – A combination of competitive grants, based on availability and need, that may or may not be received in a given year.

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

Common Pleas Special Projects  
Forfeitures  
VAWA Grant

Dispute Resolution  
VOCA Grant

## UNION COUNTY, OHIO

### *Nonmajor Debt Service Funds*

The debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Bond Retirement Fund: To account for the retirement of debt.

Sales Tax Debt Fund: To account for activity related to debt issued specifically for construction of a new sheriff's facility and Renovation of the London Avenue property. The County's General Fund transfers permissive sales tax to support repayment of this debt.

### *Nonmajor Capital Projects Funds*

Capital Projects funds are established to account for financial resources used for the construction of major capital facilities (other than those financed by proprietary funds).

Capital Improvements Fund: To account for various capital improvements to County facilities and other assets.

Federal Grant Fund and Recapture CDBG: To account for federal grant monies received for payments to individuals/companies for community development block grant reinvestment projects.

Ditch Construction Fund: To account for special assessments and/or note proceeds used for activities related to the construction of ditches.

MRDD Capital Fund: To account for various capital improvements at the MRDD school and workshop.

Sheriff's Facility Construction: To account for various capital improvements to Sheriff Facilities and other assets.

Ag Center: To account for building renovation costs.

London Avenue Government Building: To account for funds used to purchase and refurbish an office building.

Main Street Building: To account for funds used to purchase and renovate a building for archives and office space.

Capital Projects Issue II: To account for funds received for Issue II certified projects.

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# Union County, Ohio

Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2008

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Equivalents..	\$ 5,266,673	\$ 196,115	\$ 1,515,126	\$ 6,977,914
Cash and Cash Equivalents:				
In Segregated Accounts.....	141,074	-	497,461	638,535
Material and Supplies Inventory.....	3,789	-	-	3,789
Accounts Receivable.....	68,600	-	-	68,600
Interfund Receivable.....	2,000	-	-	2,000
Intergovernmental Receivable.....	1,579,813	-	210,759	1,790,572
Interest Receivable.....	1,360	-	1,010	2,370
Sales Taxes Receivable.....	255,138	-	-	255,138
Property Taxes Receivable.....	1,655,901	-	-	1,655,901
<b>Total Assets</b>	<b>\$ 8,974,348</b>	<b>\$ 196,115</b>	<b>\$ 2,224,356</b>	<b>\$ 11,394,819</b>
<b>Liabilities</b>				
Accounts Payable.....	\$ 444,320	\$ -	\$ 317,740	\$ 762,060
Wages Payable.....	173,968	-	-	173,968
Intergovernmental Payable.....	67,964	-	-	67,964
Unearned Revenue.....	2,888,145	-	210,759	3,098,904
Interfund Payable.....	52,000	-	-	52,000
<b>Total Liabilities</b>	<b>3,626,397</b>	<b>-</b>	<b>528,499</b>	<b>4,154,896</b>
<b>Fund Balances</b>				
Reserved for Encumbrances.....	87,773	-	-	87,773
Reserved for Debt Service.....	-	196,115	-	196,115
Reserved for Inventory.....	3,789	-	-	3,789
Unreserved, undesignated.....	5,256,389	-	1,695,857	6,952,246
<b>Total Fund Balances</b>	<b>5,347,951</b>	<b>196,115</b>	<b>1,695,857</b>	<b>7,239,923</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 8,974,348</b>	<b>\$ 196,115</b>	<b>\$ 2,224,356</b>	<b>\$ 11,394,819</b>

# Union County, Ohio

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

### Nonmajor Governmental Funds

For The Year Ended December 31, 2008

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Property Taxes.....	\$ 1,208,217	\$ -	\$ -	\$ 1,208,217
Sales Taxes.....	333,806	-	-	333,806
Charges For Services.....	2,806,473	-	-	2,806,473
Licenses and Permits.....	122,734	-	-	122,734
Fines and Forfeitures.....	63,836	-	-	63,836
Intergovernmental.....	10,992,154	-	2,690,077	13,682,231
Special Assessments.....	97,984	-	-	97,984
Interest.....	18,893	-	61,795	80,688
Other - Rent.....	2,379	-	-	2,379
Other.....	584,504	97,875	-	682,379
<b>Total Revenues.....</b>	<b>16,230,980</b>	<b>97,875</b>	<b>2,751,872</b>	<b>19,080,727</b>
<b>Expenditures:</b>				
Current:				
General Government:				
Legislative and Executive.....	3,072,806	-	37,700	3,110,506
Judicial.....	275,989	-	-	275,989
Public Safety.....	1,406,403	-	-	1,406,403
Public Works.....	186,811	-	2,682,377	2,869,188
Health.....	3,365,955	-	-	3,365,955
Human Services.....	6,601,196	-	4,000	6,605,196
Economic Development.....	94,334	-	-	94,334
Other.....	-	-	8,622	8,622
Capital Outlay.....	-	-	3,109,724	3,109,724
Debt Service:				
Principal Retirement.....	-	600,000	-	600,000
Interest and Fiscal Charges.....	-	463,157	22,195	485,352
<b>Total Expenditures.....</b>	<b>15,003,494</b>	<b>1,063,157</b>	<b>5,864,618</b>	<b>21,931,269</b>
<b>Excess of Revenues Over   (Under) Expenditures.....</b>	<b>1,227,486</b>	<b>(965,282)</b>	<b>(3,112,746)</b>	<b>(2,850,542)</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds of notes.....	-	-	3,000,000	3,000,000
Transfers In.....	144,004	1,044,867	70,000	1,258,871
Transfers Out.....	(180,363)	(70,000)	-	(250,363)
<b>Total Other Financing Sources (Uses)....</b>	<b>(36,359)</b>	<b>974,867</b>	<b>3,070,000</b>	<b>4,008,508</b>
<b>Net Change in Fund Balances.....</b>	<b>1,191,127</b>	<b>9,585</b>	<b>(42,746)</b>	<b>1,157,966</b>
<b>Fund Balances Beginning of Year</b>	<b>4,170,737</b>	<b>186,530</b>	<b>1,738,603</b>	<b>6,095,870</b>
Increase (Decrease) in Reserve for Inventory	(13,913)			(13,913)
<b>Fund Balances End of Year.....</b>	<b>\$ 5,347,951</b>	<b>\$ 196,115</b>	<b>\$ 1,695,857</b>	<b>\$ 7,239,923</b>



# Union County, Ohio

*Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2008*

	Real Estate Assessment	Computer Legal Research Service	Delinquent Real Estate Tax Collection	Treasurer Prepaid Interest	Federal Chip
<b><u>ASSETS:</u></b>					
Equity In Pooled Cash and					
Cash Equivalents	\$ 1,096,459	\$ 30,243	\$ 251,336	\$ 73,004	\$ 31,447
Cash In Segregated Accounts	-	-	-	-	-
Materials & Supplies Inventory	-	-	-	-	-
Accounts Receivable	-	-	-	-	-
Interfund Receivable	-	-	-	-	-
Intergovernmental Receivable	-	-	-	-	18,000
Interest Receivable	40	-	-	1,020	40
Sales Taxes Receivable	-	-	-	-	-
Property Taxes Receivable	-	-	-	-	-
Special Assessments Receivable	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,096,499</b>	<b>\$ 30,243</b>	<b>\$ 251,336</b>	<b>\$ 74,024</b>	<b>\$ 49,487</b>
<b><u>LIABILITIES:</u></b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Wages & Benefits Payable	11,063	-	2,320	406	-
Interfund Payable	-	-	-	-	-
Intergovernmental Payable	3,889	-	1,421	129	-
Unearned Revenue	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>14,952</b>	<b>-</b>	<b>3,741</b>	<b>535</b>	<b>-</b>
<b><u>FUND BALANCES:</u></b>					
Reserved For Encumbrances	12,818	-	-	-	-
Reserved For Inventory	-	-	-	-	-
Unreserved:					
Undesignated:	1,068,729	30,243	247,595	73,489	49,487
<b>TOTAL FUND BALANCES</b>	<b>1,081,547</b>	<b>30,243</b>	<b>247,595</b>	<b>73,489</b>	<b>49,487</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,096,499</b>	<b>\$ 30,243</b>	<b>\$ 251,336</b>	<b>\$ 74,024</b>	<b>\$ 49,487</b>

<u>Probate Court Conduct Business</u>	<u>Indigent Guardianship</u>	<u>Probate Juvenile Special Project</u>	<u>Common Pleas Special Projects</u>	<u>Clerk Of Courts Computer.</u>	<u>Probate/Juv Court Computer.</u>	<u>Probate/Juv Court Computer Research</u>
\$ 2,548	\$ 1,866	\$ 10,830	\$ 79,784	\$ 39,172	\$ 19,209	\$ 9,559
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	7,750	-	-	-
-	-	-	130	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 2,548</u>	<u>\$ 1,866</u>	<u>\$ 10,830</u>	<u>\$ 87,664</u>	<u>\$ 39,172</u>	<u>\$ 19,209</u>	<u>\$ 9,559</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	61,026	-	-	-
-	-	-	-	-	-	-
<u>2,548</u>	<u>1,866</u>	<u>10,830</u>	<u>26,638</u>	<u>39,172</u>	<u>19,209</u>	<u>9,559</u>
<u>2,548</u>	<u>1,866</u>	<u>10,830</u>	<u>87,664</u>	<u>39,172</u>	<u>19,209</u>	<u>9,559</u>
<u>\$ 2,548</u>	<u>\$ 1,866</u>	<u>\$ 10,830</u>	<u>\$ 87,664</u>	<u>\$ 39,172</u>	<u>\$ 19,209</u>	<u>\$ 9,559</u>

CONTINUED

# Union County, Ohio

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

	Juvenile Court Indigent Offenders	Certificate Title Admin	Dispute Resolution	Economic Development	Convention/ Tourist Bureau
<b><u>ASSETS:</u></b>					
Equity In Pooled Cash and Cash Equivalents	\$ 1,138	\$ 70,468	\$ 105,875	\$ 48,340	\$ 182,807
Cash In Segregated Accounts	-	-	-	-	-
Materials & Supplies Inventory	-	-	-	-	-
Accounts Receivable	-	-	-	-	-
Interfund Receivable	-	-	-	-	-
Intergovernmental Receivable	-	-	-	79,046	49,705
Interest Receivable	-	-	130	-	-
Sales Taxes Receivable	-	-	-	-	-
Property Taxes Receivable	-	-	-	-	-
Special Assessments Receivable	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,138</b>	<b>\$ 70,468</b>	<b>\$ 106,005</b>	<b>\$ 127,386</b>	<b>\$ 232,512</b>
<b><u>LIABILITIES:</u></b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Wages & Benefits Payable	-	5,812	-	3,344	-
Interfund Payable	-	-	-	-	-
Intergovernmental Payable	-	2,679	-	1,278	-
Unearned Revenue	-	-	-	-	49,705
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>8,491</b>	<b>-</b>	<b>4,622</b>	<b>49,705</b>
<b><u>FUND BALANCES:</u></b>					
Reserved For Encumbrances	-	100	3,235	-	-
Reserved For Inventory	-	-	-	-	-
Unreserved:					
Undesignated:	1,138	61,877	102,770	122,764	182,807
<b>TOTAL FUND BALANCES</b>	<b>1,138</b>	<b>61,977</b>	<b>106,005</b>	<b>122,764</b>	<b>182,807</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,138</b>	<b>\$ 70,468</b>	<b>\$ 106,005</b>	<b>\$ 127,386</b>	<b>\$ 232,512</b>

<u>DUI</u>	<u>Forfeitures</u>	<u>Sheriff CCW Rotary</u>	<u>Law Enforcement Grants</u>	<u>Sheriff Policing Rotary</u>	<u>D.A.R.E Community Education</u>	<u>Youth Services Subsidy Grant</u>
\$ 12,883	\$ 5,799	\$ 18,179	\$ 52,202	\$ 99,689	\$ 49,787	\$ 59,514
141,074	-	-	-	-	-	-
-	-	-	-	-	-	-
100	-	-	-	280	-	-
-	-	-	-	-	-	-
-	-	-	8,593	-	-	19,712
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 154,057</u>	<u>\$ 5,799</u>	<u>\$ 18,179</u>	<u>\$ 60,795</u>	<u>\$ 99,969</u>	<u>\$ 49,787</u>	<u>\$ 79,226</u>
\$ -	\$ -	\$ 1,080	\$ -	\$ 500	\$ -	\$ -
1,328	-	-	449	219	-	4,277
-	-	-	-	-	-	-
31	-	-	-	65	-	1,456
-	-	-	6,840	1,706	-	19,712
<u>1,359</u>	<u>-</u>	<u>1,080</u>	<u>7,289</u>	<u>2,490</u>	<u>-</u>	<u>25,445</u>
-	-	-	2,000	-	-	-
-	-	-	-	-	-	-
<u>152,698</u>	<u>5,799</u>	<u>17,099</u>	<u>51,506</u>	<u>97,479</u>	<u>49,787</u>	<u>53,781</u>
<u>152,698</u>	<u>5,799</u>	<u>17,099</u>	<u>53,506</u>	<u>97,479</u>	<u>49,787</u>	<u>53,781</u>
<u>\$ 154,057</u>	<u>\$ 5,799</u>	<u>\$ 18,179</u>	<u>\$ 60,795</u>	<u>\$ 99,969</u>	<u>\$ 49,787</u>	<u>\$ 79,226</u>

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# Union County, Ohio

## Combining Balance Sheet Nonmajor Special Revenue Funds (continued) December 31, 2008

	911 Emergency	Local Emergency Planning	Juvenile Tobacco	Law Enforcement Memorial	Juvenile Special Projects
<b>ASSETS:</b>					
Equity In Pooled Cash and Cash Equivalents	\$ 974,314	\$ 65,129	\$ 455	\$ 470	\$ 32,228
Cash In Segregated Accounts	-	-	-	-	-
Materials & Supplies Inventory	-	-	-	-	-
Accounts Receivable	-	-	-	-	-
Interfund Receivable	-	-	-	-	-
Intergovernmental Receivable	71,952	11,615	-	-	36
Interest Receivable	-	-	-	-	-
Sales Taxes Receivable	-	-	-	-	-
Property Taxes Receivable	995,447	-	-	-	-
Special Assessments Receivable	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 2,041,713</b>	<b>\$ 76,744</b>	<b>\$ 455</b>	<b>\$ 470</b>	<b>\$ 32,264</b>
<b>LIABILITIES:</b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Wages & Benefits Payable	16,668	205	-	-	1,447
Interfund Payable	-	-	-	-	-
Intergovernmental Payable	6,657	89	-	-	641
Unearned Revenue	1,056,735	11,615	-	-	36
<b>TOTAL LIABILITIES</b>	<b>1,080,060</b>	<b>11,909</b>	<b>-</b>	<b>-</b>	<b>2,124</b>
<b>FUND BALANCES:</b>					
Reserved For Encumbrances	-	-	-	-	-
Reserved For Inventory	-	-	-	-	-
Unreserved:					
Undesignated:	961,653	64,835	455	470	30,140
<b>TOTAL FUND BALANCES</b>	<b>961,653</b>	<b>64,835</b>	<b>455</b>	<b>470</b>	<b>30,140</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,041,713</b>	<b>\$ 76,744</b>	<b>\$ 455</b>	<b>\$ 470</b>	<b>\$ 32,264</b>

<u>VOCA Grant</u>	<u>VAWA Grant</u>	<u>Road &amp; Bridge</u>	<u>Ditch Rotary</u>	<u>Ditch Maintenance</u>
\$ 28,519	\$ 6,887	\$ 64,251	\$ 44,496	\$ 255,315
-	-	-	-	-
921	-	-	-	-
-	-	2,900	-	-
2,000	-	-	-	-
6,071	7,881	1,919	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 37,511</u>	<u>\$ 14,768</u>	<u>\$ 69,070</u>	<u>\$ 44,496</u>	<u>\$ 255,315</u>
\$ -	\$ -	\$ -	\$ -	\$ -
2,817	1,328	1,530	-	-
-	2,000	-	-	-
1,463	433	589	-	-
3,036	7,881	-	-	-
<u>7,316</u>	<u>11,642</u>	<u>2,119</u>	<u>-</u>	<u>-</u>
245	-	-	-	-
921	-	-	-	-
<u>29,029</u>	<u>3,126</u>	<u>66,951</u>	<u>44,496</u>	<u>255,315</u>
<u>30,195</u>	<u>3,126</u>	<u>66,951</u>	<u>44,496</u>	<u>255,315</u>
<u>\$ 37,511</u>	<u>\$ 14,768</u>	<u>\$ 69,070</u>	<u>\$ 44,496</u>	<u>\$ 255,315</u>

CONTINUED

# Union County, Ohio

## Combining Balance Sheet Nonmajor Special Revenue Funds (continued) December 31, 2008

	<u>Dog/Kennel</u>	<u>ADAMH</u>	<u>Preschool Grant</u>	<u>Community Support Services</u>
<b><u>ASSETS:</u></b>				
Equity In Pooled Cash and Cash Equivalents	\$ 127,868	\$ 412,759	\$ 20,556	\$ 44,566
Cash In Segregated Accounts	-	-	-	-
Materials & Supplies Inventory	-	2,647	-	-
Accounts Receivable	120	-	-	-
Interfund Receivable	-	-	-	-
Intergovernmental Receivable	-	367,369	-	146,939
Interest Receivable	-	-	-	-
Sales Taxes Receivable	-	-	-	-
Property Taxes Receivable	-	660,454	-	-
Special Assessments Receivable	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 127,988</u>	<u>\$ 1,443,229</u>	<u>\$ 20,556</u>	<u>\$ 191,505</u>
 <b><u>LIABILITIES:</u></b>				
Accounts Payable	\$ 870	\$ 23,080	\$ -	\$ 710
Accrued Wages & Benefits Payable	1,867	11,346	-	-
Interfund Payable	-	-	-	-
Intergovernmental Payable	772	4,107	-	-
Unearned Revenue	-	763,092	-	73,489
<b>TOTAL LIABILITIES</b>	<u>3,509</u>	<u>801,625</u>	<u>-</u>	<u>74,199</u>
 <b><u>FUND BALANCES:</u></b>				
Reserved For Encumbrances	77	-	-	-
Reserved For Inventory	-	2,647	-	-
Unreserved:				
Undesignated:	124,402	638,957	20,556	117,306
<b>TOTAL FUND BALANCES</b>	<u>124,479</u>	<u>641,604</u>	<u>20,556</u>	<u>117,306</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 127,988</u>	<u>\$ 1,443,229</u>	<u>\$ 20,556</u>	<u>\$ 191,505</u>

<u>Public Assistance</u>	<u>Coordination Transportation</u>	<u>Child Support Enforcement Agency</u>	<u>Children Services</u>	<u>Adult Basic Literacy Grant</u>
\$ 105,015	\$ 48,092	\$ 117,148	\$ 152,549	\$ 31,765
-	-	-	-	-
-	55	-	-	-
5,670	44,240	15,290	-	-
-	-	-	-	-
40,969	259	10,118	312,516	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 151,654</u>	<u>\$ 92,646</u>	<u>\$ 142,556</u>	<u>\$ 465,065</u>	<u>\$ 31,765</u>
\$ 118,700	\$ -	\$ 1,370	\$ 177,940	\$ -
71,017	16,323	16,426	-	-
-	50,000	-	-	-
28,719	5,365	6,499	-	-
40,969	259	10,118	263,327	-
<u>259,405</u>	<u>71,947</u>	<u>34,413</u>	<u>441,267</u>	<u>-</u>
-	-	-	-	8,012
-	55	-	-	-
<u>(107,751)</u>	<u>20,644</u>	<u>108,143</u>	<u>23,798</u>	<u>23,753</u>
<u>(107,751)</u>	<u>20,699</u>	<u>108,143</u>	<u>23,798</u>	<u>31,765</u>
<u>\$ 151,654</u>	<u>\$ 92,646</u>	<u>\$ 142,556</u>	<u>\$ 465,065</u>	<u>\$ 31,765</u>

CONTINUED



# Union County, Ohio

Combining Balance Sheet  
Nonmajor Special Revenue Funds (continued)  
December 31, 2008

	Senior Services	WIA	Collaborative Family Risk	TOTAL
<b><u>ASSETS:</u></b>				
Equity In Pooled Cash and				
Cash Equivalents	\$ 220,248	\$ 37,685	\$ 124,220	\$ 5,266,673
Cash In Segregated Accounts	-	-	-	141,074
Materials & Supplies Inventory	166	-	-	3,789
Accounts Receivable	-	-	-	68,600
Interfund Receivable	-	-	-	2,000
Intergovernmental Receivable	228,273	84,190	106,900	1,579,813
Interest Receivable	-	-	-	1,360
Sales Taxes Receivable	255,138	-	-	255,138
Property Taxes Receivable	-	-	-	1,655,901
Special Assessments Receivable	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 703,825</b>	<b>\$ 121,875</b>	<b>\$ 231,120</b>	<b>\$ 8,974,348</b>
<b><u>LIABILITIES:</u></b>				
Accounts Payable	\$ 11,370	\$ 6,800	\$ 101,900	\$ 444,320
Accrued Wages & Benefits Payable	3,776	-	-	173,968
Interfund Payable	-	-	-	52,000
Intergovernmental Payable	1,682	-	-	67,964
Unearned Revenue	395,605	77,120	106,900	2,888,145
<b>TOTAL LIABILITIES</b>	<b>412,433</b>	<b>83,920</b>	<b>208,800</b>	<b>3,626,397</b>
<b><u>FUND BALANCES:</u></b>				
Reserved For Encumbrances	260	-	-	87,773
Reserved For Inventory	166	-	-	3,789
Unreserved:				
Undesignated:	290,966	37,955	22,320	5,256,389
<b>TOTAL FUND BALANCES</b>	<b>291,392</b>	<b>37,955</b>	<b>22,320</b>	<b>5,347,951</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 703,825</b>	<b>\$ 121,875</b>	<b>\$ 231,120</b>	<b>\$ 8,974,348</b>

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# Union County, Ohio

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

	Real Estate Assessment	Computer Legal Research Service	Delinquent Real Estate Tax Collection	Treasurer Prepaid Interest
<b>REVENUES:</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Charges For Services	805,256	2,603	212,646	-
Licenses & Permits	45	-	-	-
Fines & Forfeitures	300	-	-	-
Intergovernmental	-	-	-	-
Special Assessments	-	-	-	-
Interest	40	689	-	14,138
Other Revenue - Rent	-	-	-	-
Other	4,009	-	423	13
Total Revenues	809,650	3,292	213,069	14,151
<b>EXPENDITURES:</b>				
Current:				
General Government:				
Legislative & Executive	509,105	-	138,826	10,173
Judicial	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health	-	-	-	-
Human Services	-	-	-	-
Economic Development	-	-	-	-
Debt Service	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	509,105	-	138,826	10,173
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	300,545	3,292	74,243	3,978
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	300,545	3,292	74,243	3,978
<b>Fund Balances, January 1</b>	781,002	26,951	173,352	69,511
<b>Incr. (Decr.) In Inventory Reserve</b>	-	-	-	-
<b>Fund Balances (Deficits), December 31, 2008</b>	<u>\$ 1,081,547</u>	<u>\$ 30,243</u>	<u>\$ 247,595</u>	<u>\$ 73,489</u>

<u>Federal Chip</u>	<u>Probate Court Conduct Business</u>	<u>Indigent Guardianship</u>	<u>Probate Juvenile Special Project</u>	<u>Common Pleas Special Projects</u>	<u>Clerk Of Courts Computer.</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	311	4,610	2,544	121,045	13,940
-	-	-	-	-	-
-	-	-	-	-	-
158,828	-	-	-	-	-
-	-	-	-	-	-
1,264	-	-	-	-	-
-	-	-	-	2,379	-
-	-	-	-	-	-
<u>160,092</u>	<u>311</u>	<u>4,610</u>	<u>2,544</u>	<u>123,424</u>	<u>13,940</u>
302,835	-	-	-	85,277	-
-	-	4,469	-	-	9,644
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>302,835</u>	<u>-</u>	<u>4,469</u>	<u>-</u>	<u>85,277</u>	<u>9,644</u>
(142,743)	311	141	2,544	38,147	4,296
40,531	-	-	-	-	-
<u>(40,531)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
(142,743)	311	141	2,544	38,147	4,296
192,230	2,237	1,725	8,286	49,517	34,876
-	-	-	-	-	-
<u>\$ 49,487</u>	<u>\$ 2,548</u>	<u>\$ 1,866</u>	<u>\$ 10,830</u>	<u>\$ 87,664</u>	<u>\$ 39,172</u>

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# Union County, Ohio

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

	Probate/Juv Court Computer.	Probate/Juv Court Computer Research	Juvenile Court Indigent Offenders	Certificate Title Admin
<b>REVENUES:</b>				
Property Taxes	\$ 9,936	\$ -	\$ -	\$ -
Sales Taxes	-	-	-	-
Charges For Services	-	2,045	-	165,255
Licenses & Permits	-	-	-	-
Fines & Forfeitures	-	-	75	-
Intergovernmental	-	-	-	-
Special Assessments	-	-	-	-
Interest	-	-	-	-
Other Revenue - Rent	-	-	-	-
Other	-	-	-	248
Total Revenues	9,936	2,045	75	165,503
<b>EXPENDITURES:</b>				
Current:				
General Government:				
Legislative & Executive	-	-	-	-
Judicial	6,229	-	-	224,396
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health	-	-	-	-
Human Services	-	-	-	-
Economic Development	-	-	-	-
Debt Service				
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	6,229	-	-	224,396
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	3,707	2,045	75	(58,893)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	-	-	-	3,400
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	3,400
<b>NET CHANGE IN FUND BALANCES</b>	3,707	2,045	75	(55,493)
<b>Fund Balances, January 1</b>	15,502	7,514	1,063	117,470
<b>Incr. (Decr.) In Inventory Reserve</b>	-	-	-	-
<b>Fund Balances (Deficits), December 31, 2008</b>	\$ 19,209	\$ 9,559	\$ 1,138	\$ 61,977

Dispute Resolution	Economic Development	Convention/ Tourist Bureau	DUI	Forfeitures	Sheriff CCW Rotary	Law Enforcement Grants	Sheriff Policing Rotary
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
46,079	21,876	-	1,200	-	9,568	-	73,004
-	-	-	-	-	16,240	-	-
-	-	-	918	-	-	-	-
-	155,790	110,896	-	-	-	86,216	25,890
-	-	-	-	-	-	-	-
2,762	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	131	-	141,077	-	-	-	11,888
48,841	177,797	110,896	143,195	-	25,808	86,216	110,782
-	-	-	-	-	-	-	-
31,251	-	-	-	-	-	-	-
-	-	-	3,053	-	24,472	70,766	74,603
-	-	-	-	-	-	-	-
-	-	90,000	-	-	-	-	-
-	94,334	-	-	-	-	-	-
-	-	-	-	-	-	-	-
31,251	94,334	90,000	3,053	-	24,472	70,766	74,603
17,590	83,463	20,896	140,142	-	1,336	15,450	36,179
-	-	-	-	-	-	38,056	-
-	-	-	-	-	-	-	(13,180)
-	-	-	-	-	-	38,056	(13,180)
17,590	83,463	20,896	140,142	-	1,336	53,506	22,999
88,415	39,301	161,911	12,556	5,799	15,763	-	74,480
-	-	-	-	-	-	-	-
\$ 106,005	\$ 122,764	\$ 182,807	\$ 152,698	\$ 5,799	\$ 17,099	\$ 53,506	\$ 97,479

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# Union County, Ohio

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

	D.A.R.E Community Education	Youth Services Subsidy Grant	911 Emergency	Local Emergency Planning	Juvenile Tobacco
<b>REVENUES:</b>					
Property Taxes	\$ -	\$ -	\$ 798,006	\$ -	\$ -
Sales Taxes	-	-	-	-	-
Charges For Services	-	-	-	-	-
Licenses & Permits	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-
Intergovernmental	47,827	303,715	312,626	59,918	-
Special Assessments	-	-	-	-	-
Interest	-	-	-	-	-
Other Revenue - Rent	-	-	-	-	-
Other	50,169	198	800	9	-
Total Revenues	97,996	303,913	1,111,432	59,927	-
<b>EXPENDITURES:</b>					
Current:					
General Government:					
Legislative & Executive	-	-	-	-	-
Judicial	-	-	-	-	-
Public Safety	75,637	257,469	695,702	13,729	-
Public Works	-	-	-	-	-
Health	-	-	-	-	-
Human Services	-	-	-	-	-
Economic Development	-	-	-	-	-
Debt Service	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Total Expenditures	75,637	257,469	695,702	13,729	-
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	22,359	46,444	415,730	46,198	-
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers In	-	-	-	-	-
Transfers Out	(24,732)	-	-	(41,020)	-
Total Other Financing Sources (Uses)	(24,732)	-	-	(41,020)	-
<b>NET CHANGE IN FUND BALANCES</b>	(2,373)	46,444	415,730	5,178	-
<b>Fund Balances, January 1</b>	52,160	7,337	545,923	59,657	455
<b>Incr. (Decr.) In Inventory Reserve</b>	-	-	-	-	-
<b>Fund Balances (Deficits), December 31, 2008</b>	\$ 49,787	\$ 53,781	\$ 961,653	\$ 64,835	\$ 455

<u>Law Enforcement Memorial</u>	<u>Juvenile Special Projects</u>	<u>VOCA Grant</u>	<u>VAWA Grant</u>	<u>Road &amp; Bridge</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	11,432	-	-	-
-	-	-	-	-
-	-	-	-	55,618
-	67,159	112,871	29,680	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	63	3,559	34	43
-	78,654	116,430	29,714	55,661
-	-	-	-	-
-	-	-	-	-
68	47,317	118,400	25,187	-
-	-	-	-	56,598
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
68	47,317	118,400	25,187	56,598
(68)	31,337	(1,970)	4,527	(937)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(68)	31,337	(1,970)	4,527	(937)
538	(1,197)	37,115	(1,401)	67,888
-	-	(4,950)	-	-
\$ 470	\$ 30,140	\$ 30,195	\$ 3,126	\$ 66,951

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# Union County, Ohio

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

	Ditch Rotary	Ditch Maintenance	Dog/Kennel	ADAMH	Preschool Grant
<b>REVENUES:</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ 400,275	\$ -
Sales Taxes	-	-	-	-	-
Charges For Services	-	-	-	-	-
Licenses & Permits	-	-	106,449	-	-
Fines & Forfeitures	-	-	6,925	-	-
Intergovernmental	-	-	-	2,485,654	25,328
Special Assessments	-	97,984	-	-	-
Interest	-	-	-	-	-
Other Revenue - Rent	-	-	-	-	-
Other	31,920	-	2,960	94,173	-
Total Revenues	31,920	97,984	116,334	2,980,102	25,328
<b>EXPENDITURES:</b>					
Current:					
General Government:					
Legislative & Executive	-	-	-	-	-
Judicial	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	24,659	105,554	-	-	-
Health	-	-	85,975	2,847,764	23,714
Human Services	-	-	-	-	-
Economic Development	-	-	-	-	-
Debt Service	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Total Expenditures	24,659	105,554	85,975	2,847,764	23,714
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	7,261	(7,570)	30,359	132,338	1,614
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers In	2,017	-	-	30,000	-
Transfers Out	-	-	-	(60,000)	(900)
Total Other Financing Sources (Uses)	2,017	-	-	(30,000)	(900)
<b>NET CHANGE IN FUND BALANCES</b>	9,278	(7,570)	30,359	102,338	714
<b>Fund Balances, January 1</b>	35,218	262,885	94,120	537,733	19,842
<b>Incr. (Decr.) In Inventory Reserve</b>	-	-	-	1,533	-
<b>Fund Balances (Deficits), December 31, 2008</b>	\$ 44,496	\$ 255,315	\$ 124,479	\$ 641,604	\$ 20,556

Community Support Services	Public Assistance	Coordination Transportation	Child Support Enforcement Agency	Children Services
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
61,037	769,676	312,786	169,560	-
-	-	-	-	-
-	-	-	-	-
342,912	3,317,571	141,027	661,818	1,637,284
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	130,086	544	19,700	69,776
403,949	4,217,333	454,357	851,078	1,707,060
-	2,026,590	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
408,502	-	-	-	-
-	2,316,087	507,030	808,099	1,835,629
-	-	-	-	-
-	-	-	-	-
408,502	4,342,677	507,030	808,099	1,835,629
(4,553)	(125,344)	(52,673)	42,979	(128,569)
30,000	-	-	-	-
-	-	-	-	-
30,000	-	-	-	-
25,447	(125,344)	(52,673)	42,979	(128,569)
91,859	21,770	78,699	65,164	152,367
-	(4,177)	(5,327)	-	-
\$ 117,306	\$ (107,751)	\$ 20,699	\$ 108,143	\$ 23,798

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# Union County, Ohio

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

	Adult Basic Literacy Grant	Senior Services	WIA	Collaborative Family Risk	TOTAL
<b>REVENUES:</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,208,217
Sales Taxes	-	333,806	-	-	333,806
Charges For Services	-	-	-	-	2,806,473
Licenses & Permits	-	-	-	-	122,734
Fines & Forfeitures	-	-	-	-	63,836
Intergovernmental	72,675	333,859	278,610	224,000	10,992,154
Special Assessments	-	-	-	-	97,984
Interest	-	-	-	-	18,893
Other Revenue - Rent	-	-	-	-	2,379
Other	3,202	19,479	-	-	584,504
Total Revenues	75,877	687,144	278,610	224,000	16,230,980
<b>EXPENDITURES:</b>					
Current:					
General Government:					
Legislative & Executive	-	-	-	-	3,072,806
Judicial	-	-	-	-	275,989
Public Safety	-	-	-	-	1,406,403
Public Works	-	-	-	-	186,811
Health	-	-	-	-	3,365,955
Human Services	65,725	418,547	234,179	325,900	6,601,196
Economic Development	-	-	-	-	94,334
Debt Service	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Total Expenditures	65,725	418,547	234,179	325,900	15,003,494
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	10,152	268,597	44,431	(101,900)	1,227,486
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers In	-	-	-	-	144,004
Transfers Out	-	-	-	-	(180,363)
Total Other Financing Sources (Uses)	-	-	-	-	(36,359)
<b>NET CHANGE IN FUND BALANCES</b>	10,152	268,597	44,431	(101,900)	1,191,127
<b>Fund Balances, January 1</b>	21,613	23,787	(6,476)	124,220	4,170,737
<b>Incr. (Decr.) In Inventory Reserve</b>	-	(992)	-	-	(13,913)
<b>Fund Balances (Deficits), December 31, 2008</b>	\$ 31,765	\$ 291,392	\$ 37,955	\$ 22,320	\$ 5,347,951

# UNION COUNTY, OHIO

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

	Original	Final	Actual	Variance With Final Budget Over (Under)
<b>REVENUES:</b>				
Charges for Services	\$600,000	\$600,000	\$805,256	\$205,256
Licenses and Permits	50	50	45	(5)
Fines and Forfeitures	300	300	300	0
Other	2,500	2,500	4,009	1,509
<b>Total Revenues</b>	<u>602,850</u>	<u>602,850</u>	<u>809,610</u>	<u>206,760</u>
<b>EXPENDITURES:</b>				
Current:				
General Government:				
<i>Legislative and Executive</i>				
Personal Services	250,000	250,000	227,344	22,656
Contractual Services	420,000	420,000	128,757	291,243
Materials/Supplies	11,000	11,000	9,559	1,441
Other	81,510	81,510	68,753	12,757
Fringe Benefits	112,400	112,400	87,169	25,231
<i>Total legislative and executive</i>	<u>874,910</u>	<u>874,910</u>	<u>521,582</u>	<u>353,328</u>
<b>Total Expenditures</b>	874,910	874,910	521,582	353,328
Excess of Revenues Over (Under) Expenditures	(272,060)	(272,060)	288,028	560,088
<b>Fund Balance, January 1</b>	747,962	747,962	747,962	0
Prior year encumbrances appropriated	47,651	47,651	47,651	0
<b>Fund Balance, December 31</b>	<u><u>\$523,553</u></u>	<u><u>\$523,553</u></u>	<u><u>\$1,083,641</u></u>	<u><u>\$560,088</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$2,500	\$2,500	\$2,804	\$304
Interest Revenue	350	350	790	\$440
<b>Total Revenues</b>	<u>2,850</u>	<u>2,850</u>	<u>3,594</u>	<u>\$744</u>
<b><u>EXPENDITURES:</u></b>				
<b>Total Expenditures</b>	0	0	0	0
Excess of Revenues Over Expenditures	2,850	2,850	3,594	744
<b>Fund Balance, January 1</b>	26,649	26,649	26,649	0
Prior year encumbrances appropriated	0	0	0	0
<b>Fund Balance, December 31</b>	<u>\$29,499</u>	<u>\$29,499</u>	<u>\$30,243</u>	<u>\$744</u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$125,000	\$125,000	\$212,646	\$87,646
Other	<u>0</u>	<u>0</u>	<u>423</u>	<u>423</u>
<b>Total Revenues</b>	125,000	125,000	213,069	88,069
<b><u>EXPENDITURES:</u></b>				
Current:				
General Government:				
<i>Legislative and Executive</i>				
Personal Services	73,497	129,630	113,912	15,718
Contractual Services	575	14,107	444	13,663
Materials/Supplies	1,200	725	725	0
Capital Outlay	1,000	1,000	312	688
Other	1,700	1,700	1,062	638
Fringe Benefits	16,992	24,917	23,551	1,366
<i>Total legislative and executive</i>	<u>94,964</u>	<u>172,079</u>	<u>140,006</u>	<u>32,073</u>
<b>Total Expenditures</b>	94,964	172,079	140,006	32,073
Excess of Revenues Over (Under) Expenditures	30,036	(47,079)	73,063	120,142
<b>Fund Balance, January 1</b>	178,274	178,274	178,274	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$208,310</u></u>	<u><u>\$131,195</u></u>	<u><u>\$251,337</u></u>	<u><u>\$120,142</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Interest	\$25,000	\$25,000	\$16,244	\$(8,756)
Other	<u>0</u>	<u>0</u>	<u>13</u>	<u>13</u>
<b>Total Revenues</b>	<u>25,000</u>	<u>25,000</u>	<u>16,257</u>	<u>(8,743)</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Government:				
<i>Legislative and Executive</i>				
Personal Services	7,992	7,992	7,746	246
Materials/Supplies	1,500	1,500	905	595
Fringe Benefits	<u>1,525</u>	<u>1,525</u>	<u>1,307</u>	<u>218</u>
<i>Total legislative and executive</i>	<u>11,017</u>	<u>11,017</u>	<u>9,958</u>	<u>1,059</u>
<b>Total Expenditures</b>	<u>11,017</u>	<u>11,017</u>	<u>9,958</u>	<u>1,059</u>
Excess of Revenues Over Expenditures	13,983	13,983	6,299	(7,684)
<b>Fund Balance, January 1</b>	66,705	66,705	66,705	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$80,688</u></u>	<u><u>\$80,688</u></u>	<u><u>\$73,004</u></u>	<u><u>\$(7,684)</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Intergovernmental	\$227,523	\$273,847	\$140,828	(\$133,019)
Interest	0	0	1,490	1,490
<b>Total Revenues</b>	<u>227,523</u>	<u>273,847</u>	<u>142,318</u>	<u>(\$131,529)</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Government:				
<i>Legislative and Executive</i>				
Contractual Services	349,000	385,920	302,835	83,085
<i>Total legislative and executive</i>	<u>349,000</u>	<u>385,920</u>	<u>302,835</u>	<u>83,085</u>
<b>Total Expenditures</b>	349,000	385,920	302,835	83,085
Excess of Revenues Over Expenditures	(121,477)	(112,073)	(160,517)	(48,444)
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers - In	37,320	37,320	40,531	3,211
Transfers - Out	0	(38,270)	(40,531)	(2,261)
Total Other Sources (Uses)	<u>37,320</u>	<u>(950)</u>	<u>0</u>	<u>950</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other (uses)	(84,157)	(113,023)	(160,517)	(47,494)
<b>Fund Balance, January 1</b>	150,072	150,072	150,072	0
Prior year encumbrances appropriated	41,893	41,893	41,893	0
<b>Fund Balance, December 31</b>	<u><u>\$107,808</u></u>	<u><u>\$78,942</u></u>	<u><u>\$31,448</u></u>	<u><u>(\$47,494)</u></u>



# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$280	\$280	\$311	\$31
<b>Total Revenues</b>	<u>280</u>	<u>280</u>	<u>311</u>	<u>31</u>
<b><u>EXPENDITURES:</u></b>				
<b>Total Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	280	280	311	31
<b>Fund Balance, January 1</b>	2,237	2,237	2,237	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$2,517</u></u>	<u><u>\$2,517</u></u>	<u><u>\$2,548</u></u>	<u><u>\$31</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$4,700	\$4,700	\$4,610	(90)
<b>Total Revenues</b>	<u>4,700</u>	<u>4,700</u>	<u>4,610</u>	<u>(90)</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Government:				
<i>Judicial</i>				
Contractual Services	4,150	4,650	4,469	181
<i>Total judicial</i>	<u>4,150</u>	<u>4,650</u>	<u>4,469</u>	<u>181</u>
<b>Total Expenditures</b>	<u>4,150</u>	<u>4,650</u>	<u>4,469</u>	<u>181</u>
Excess of Revenues (Under) Expenditures	550	50	141	91
<b>Fund Balance, January 1</b>	1,725	1,725	1,725	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$2,275</u></u>	<u><u>\$1,775</u></u>	<u><u>\$1,866</u></u>	<u><u>\$91</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$2,500	\$2,500	\$2,544	\$44
<b>Total Revenues</b>	<u>2,500</u>	<u>2,500</u>	<u>2,544</u>	<u>44</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Government:				
<i>Judicial</i>				
Other	0	0	0	0
<i>Total judicial</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over Expenditures	2,500	2,500	2,544	44
<b>Fund Balance, January 1</b>	8,286	8,286	8,286	0
Prior year encumbrances appropriated	0	0	0	0
<b>Fund Balance, December 31</b>	<u><u>\$10,786</u></u>	<u><u>\$10,786</u></u>	<u><u>\$10,830</u></u>	<u><u>\$44</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$40,000	\$120,000	\$121,045	1,045
Interest	<u>0</u>	<u>0</u>	<u>2,406</u>	<u>2,406</u>
<b>Total Revenues</b>	<u>\$40,000</u>	<u>\$120,000</u>	<u>\$123,451</u>	<u>3,451</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Government:				
Capital Outlay	0	0	0	0
Other	<u>0</u>	<u>160,000</u>	<u>146,303</u>	<u>13,697</u>
<i>Total judicial</i>	<u>0</u>	<u>160,000</u>	<u>146,303</u>	<u>13,697</u>
<b>Total Expenditures</b>	<u>0</u>	<u>160,000</u>	<u>146,303</u>	<u>13,697</u>
Excess of Revenues (Under) Expenditures	40,000	(40,000)	(22,852)	17,148
<b>Fund Balance, January 1</b>	41,610	41,610	41,610	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$81,610</u></u>	<u><u>\$1,610</u></u>	<u><u>\$18,758</u></u>	<u><u>\$17,148</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$13,800	\$13,800	\$14,910	\$1,110
<b>Total Revenues</b>	<u>13,800</u>	<u>13,800</u>	<u>14,910</u>	<u>1,110</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Government:				
<i>Judicial</i>				
Capital Outlay	8,000	17,752	9,644	8,108
<i>Total judicial</i>	<u>8,000</u>	<u>17,752</u>	<u>9,644</u>	<u>8,108</u>
<b>Total Expenditures</b>	<u>8,000</u>	<u>17,752</u>	<u>9,644</u>	<u>8,108</u>
Excess of Revenues Over (Under)				
Expenditures	5,800	(3,952)	5,266	9,218
<b>Fund Balance, January 1</b>	31,530	31,530	31,530	0
Prior year encumbrances appropriated	<u>2,376</u>	<u>2,376</u>	<u>2,376</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$39,706</u></u>	<u><u>\$29,954</u></u>	<u><u>\$39,172</u></u>	<u><u>\$9,218</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$9,800	\$9,800	\$9,936	\$136
<b>Total Revenues</b>	<u>9,800</u>	<u>9,800</u>	<u>9,936</u>	<u>136</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Government:				
<i>Judicial</i>				
Other	10,000	10,000	6,229	3,771
<i>Total judicial</i>	<u>10,000</u>	<u>10,000</u>	<u>6,229</u>	<u>3,771</u>
<b>Total Expenditures</b>	<u>10,000</u>	<u>10,000</u>	<u>6,229</u>	<u>3,771</u>
Excess of Revenues Over (Under)				
Expenditures	(200)	(200)	3,707	3,907
<b>Fund Balance, January 1</b>	15,502	15,502	15,502	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$15,302</u></u>	<u><u>\$15,302</u></u>	<u><u>\$19,209</u></u>	<u><u>\$3,907</u></u>

# UNION COUNTY, OHIO

## Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual Probate & Juvenile Court Computer Research For the Year Ended December 31, 2008

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$2,100	\$2,100	\$2,045	(\$55)
<b>Total Revenues</b>	<u>2,100</u>	<u>2,100</u>	<u>2,045</u>	<u>(55)</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Government:				
<i>Judicial</i>				
Other	2,000	2,000	0	2,000
<i>Total judicial</i>	<u>2,000</u>	<u>2,000</u>	<u>0</u>	<u>2,000</u>
<b>Total Expenditures</b>	2,000	2,000	0	2,000
 Excess of Revenues Over Expenditures	 100	 100	 2,045	 1,945
<b>Fund Balance, January 1</b>	7,514	7,514	7,514	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$7,614</u></u>	<u><u>\$7,614</u></u>	<u><u>\$9,559</u></u>	<u><u>\$1,945</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Fines and Forfeitures	\$0	\$0	\$75	\$75
<b>Total Revenues</b>	<u>0</u>	<u>0</u>	<u>75</u>	<u>75</u>
<b><u>EXPENDITURES:</u></b>				
<b>Total Expenditures</b>	0	0	0	0
 Excess of Revenues Over Expenditures	 0	 0	 75	 75
<b>Fund Balance, January 1</b>	1,063	1,063	1,063	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$1,063</u></u>	<u><u>\$1,063</u></u>	<u><u>\$1,138</u></u>	<u><u>\$75</u></u>



# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$190,000	\$190,000	\$165,304	(\$24,696)
Other	500	500	248	(252)
<b>Total Revenues</b>	<u>190,500</u>	<u>190,500</u>	<u>165,552</u>	<u>(24,948)</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Government:				
<i>Judicial</i>				
Personal Services	162,951	162,951	155,796	7,155
Contractual Services	11,935	9,638	3,199	6,439
Materials/Supplies	9,297	9,297	6,633	2,664
Capital Outlay	2,114	2,114	1,443	671
Other	1,890	1,890	1,622	268
Fringe Benefits	48,324	61,041	58,278	2,763
<i>Total judicial</i>	<u>236,511</u>	<u>246,931</u>	<u>226,971</u>	<u>19,960</u>
<b>Total Expenditures</b>	<u>236,511</u>	<u>246,931</u>	<u>226,971</u>	<u>19,960</u>
Excess of Revenues Over (Under) Expenditures	(46,011)	(56,431)	(61,419)	(4,988)
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers - In	0	0	3,400	3,400
Transfers - Out	0	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>3,400</u>	<u>3,400</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other (uses)	(20,171)	(56,431)	(58,019)	(1,588)
<b>Fund Balance, January 1</b>	112,578	112,578	112,578	0
Prior year encumbrances appropriated	1,824	1,824	1,824	0
<b>Fund Balance, December 31</b>	<u><u>\$94,231</u></u>	<u><u>\$57,971</u></u>	<u><u>\$56,383</u></u>	<u><u>(\$1,588)</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$20,000	\$20,000	\$49,429	\$29,429
Interest	<u>2,500</u>	<u>2,500</u>	<u>2,632</u>	<u>132</u>
<b>Total Revenues</b>	<u>22,500</u>	<u>22,500</u>	<u>52,061</u>	<u>29,561</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
<i>Judicial</i>				
Other	<u>20,000</u>	<u>50,000</u>	<u>34,486</u>	<u>15,514</u>
<i>Total judicial</i>	<u>20,000</u>	<u>50,000</u>	<u>34,486</u>	<u>15,514</u>
 <b>Total Expenditures</b>	 20,000	 50,000	 34,486	 15,514
 Excess of Revenues Over (Under)				
Expenditures	2,500	(27,500)	17,575	45,075
 <b>Fund Balance, January 1</b>	 85,065	 85,065	 85,065	 0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$87,565</u></u>	<u><u>\$57,565</u></u>	<u><u>\$102,640</u></u>	<u><u>\$45,075</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$21,000	\$21,000	\$21,876	\$876
Intergovernmental	109,000	109,000	76,744	(32,256)
Other	0	0	131	131
<b>Total Revenues</b>	<u>130,000</u>	<u>130,000</u>	<u>98,751</u>	<u>(31,249)</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Economic Development				
Personal Services	76,745	76,745	76,744	1
Fringe Benefits	17,486	18,561	18,192	369
<i>Total Economic Development</i>	<u>94,231</u>	<u>95,306</u>	<u>94,936</u>	<u>370</u>
<b>Total Expenditures</b>	<u>94,231</u>	<u>95,306</u>	<u>94,936</u>	<u>370</u>
Excess of Revenues Over Expenditures	35,769	34,694	3,815	(30,879)
<b>Fund Balance, January 1</b>	44,525	44,525	44,525	0
Prior year encumbrances appropriated	0	0	0	0
<b>Fund Balance, December 31</b>	<u><u>\$80,294</u></u>	<u><u>\$79,219</u></u>	<u><u>\$48,340</u></u>	<u><u>(\$30,879)</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Intergovernmental	\$130,000	\$130,000	\$160,601	\$30,601
<b>Total Revenues</b>	<u>130,000</u>	<u>130,000</u>	<u>160,601</u>	<u>30,601</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Economic Development				
Contract Services	90,000	90,000	90,000	0
<i>Total economic development</i>	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>0</u>
<b>Total Expenditures</b>	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>0</u>
Excess of Revenues (Under) Expenditures	40,000	40,000	70,601	30,601
<b>Fund Balance, January 1</b>	112,206	112,206	112,206	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$152,206</u></u>	<u><u>\$152,206</u></u>	<u><u>\$182,807</u></u>	<u><u>\$30,601</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Taxes				
Charges for Services	\$800	\$800	\$1,100	\$300
Fines and Forfeitures	800	800	918	118
Other	0	0	3	3
<b>Total Revenues</b>	<u>1,600</u>	<u>1,600</u>	<u>2,021</u>	<u>421</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Public Safety				
Personal Services	8,000	8,000	1,704	6,296
Contractual Services	1,000	1,000	0	1,000
Materials/Supplies	2,000	2,000	76	1,924
Fringe Benefits	2,503	2,503	344	2,159
<i>Total public safety</i>	<u>13,503</u>	<u>13,503</u>	<u>2,124</u>	<u>11,379</u>
<b>Total Expenditures</b>	<u>13,503</u>	<u>13,503</u>	<u>2,124</u>	<u>11,379</u>
Excess of Revenues Over (Under) Expenditures	(11,903)	(11,903)	(103)	11,800
<b>Fund Balance, January 1</b>	12,986	12,986	12,986	0
Prior year encumbrances appropriated	0	0	0	0
<b>Fund Balance, December 31</b>	<u><u>\$1,083</u></u>	<u><u>\$1,083</u></u>	<u><u>\$12,883</u></u>	<u><u>\$11,800</u></u>

# UNION COUNTY, OHIO

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>REVENUES:</b>				
<b>Total Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>EXPENDITURES:</b>				
Current:				
General Government:				
Public Safety				
Capital Outlay	<u>5,799</u>	<u>5,799</u>	<u>0</u>	<u>5,799</u>
<i>Total public safety</i>	<u>5,799</u>	<u>5,799</u>	<u>0</u>	<u>5,799</u>
 <b>Total Expenditures</b>	 5,799	 5,799	 0	 5,799
 Excess of Revenues (Under) Expenditures	 (5,799)	 (5,799)	 0	 5,799
 <b>Fund Balance, January 1</b>	 5,799	 5,799	 5,799	 0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$5,799</u></u>	<u><u>\$5,799</u></u>

# UNION COUNTY, OHIO

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$2,800	\$8,888	\$9,568	\$680
Licenses and Permits	4,100	15,050	16,240	1,190
<b>Total Revenues</b>	<u>6,900</u>	<u>23,938</u>	<u>25,808</u>	<u>1,870</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Public Safety				
Contractual Services	14,000	12,810	10,163	2,647
Materials/Supplies	3,000	2,600	503	2,097
Other	0	16,590	12,726	3,864
<i>Total public safety</i>	<u>17,000</u>	<u>32,000</u>	<u>23,392</u>	<u>8,608</u>
<b>Total Expenditures</b>	<u>17,000</u>	<u>32,000</u>	<u>23,392</u>	<u>8,608</u>
Excess of Revenues Over (Under) Expenditures	(10,100)	(8,062)	2,416	10,478
<b>Fund Balance, January 1</b>	15,763	15,763	15,763	0
Prior year encumbrances appropriated	0	0	0	0
<b>Fund Balance, December 31</b>	<u><u>\$5,663</u></u>	<u><u>\$7,701</u></u>	<u><u>\$18,179</u></u>	<u><u>\$10,478</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$22,000	\$22,000	\$73,204	\$51,204
Intergovernmental	54,500	54,500	30,431	(24,069)
Other	5,000	5,000	11,608	6,608
<b>Total Revenues</b>	<u>81,500</u>	<u>81,500</u>	<u>115,243</u>	<u>33,743</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Public Safety				
Personal Services	5,000	5,000	3,492	1,508
Contractual Services	57,900	59,484	48,418	11,066
Materials/Supplies	5,500	5,098	557	4,541
Capital Outlay	23,500	24,859	24,178	681
Other	3,000	3,000	2,960	40
Fringe Benefits	1,108	1,510	1,160	350
<i>Total public safety</i>	<u>96,008</u>	<u>98,951</u>	<u>80,765</u>	<u>18,186</u>
<b>Total Expenditures</b>	<u>96,008</u>	<u>98,951</u>	<u>80,765</u>	<u>18,186</u>
Excess of Revenues Over (Under)				
Expenditures	(14,508)	(17,451)	34,478	51,929
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers - In	0	0	0	0
Transfers - Out	(13,180)	(13,180)	(13,180)	0
Total Other Sources (Uses)	<u>(13,180)</u>	<u>(13,180)</u>	<u>(13,180)</u>	<u>0</u>
Excess of Revenues and Other Financing				
Sources Over (Under) Expenditures	(27,688)	(30,631)	21,298	51,929
<b>Fund Balance, January 1</b>	75,375	75,375	75,375	0
Prior year encumbrances appropriated	3,018	3,018	3,018	0
<b>Fund Balance, December 31</b>	<u><u>\$50,705</u></u>	<u><u>\$47,762</u></u>	<u><u>\$99,691</u></u>	<u><u>\$51,929</u></u>



# UNION COUNTY, OHIO

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

	Original	Final	Actual	Variance With Final Budget Over (Under)
<b>REVENUES:</b>				
Intergovernmental	\$8,833	\$28,237	\$47,827	\$19,590
Other	22,000	33,860	50,169	16,309
<b>Total Revenues</b>	<u>30,833</u>	<u>62,097</u>	<u>97,996</u>	<u>35,899</u>
<b>EXPENDITURES:</b>				
Current:				
Public Safety				
Personal Services	0	19,404	19,404	0
Contractual Services	14,800	7,700	5,492	2,208
Materials/Supplies	11,500	15,000	14,152	848
Capital Outlay	15,673	13,173	13,019	154
Other	23,280	32,880	23,570	9,310
<i>Total public safety</i>	<u>65,253</u>	<u>88,157</u>	<u>75,637</u>	<u>12,520</u>
<b>Total Expenditures</b>	<u>65,253</u>	<u>88,157</u>	<u>75,637</u>	<u>12,520</u>
Excess of Revenues Over (Under) Expenditures	(34,420)	(26,060)	22,359	48,419
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers - In	0	0	0	0
Transfers - Out	(16,732)	(24,732)	(24,732)	0
Total Other Sources (Uses)	<u>(16,732)</u>	<u>(24,732)</u>	<u>(24,732)</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(51,152)	(50,792)	(2,373)	0
<b>Fund Balance, January 1</b>	51,199	51,199	51,199	0
Prior year encumbrances appropriated	962	962	962	0
<b>Fund Balance, December 31</b>	<u>\$1,009</u>	<u>\$1,369</u>	<u>\$49,788</u>	<u>\$48,419</u>

# UNION COUNTY, OHIO

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

	Original	Final	Actual	Variance With Final Budget Over (Under)
<b>REVENUES:</b>				
Intergovernmental	\$272,000	\$303,000	\$303,715	\$715
Other	0	0	198	198
<b>Total Revenues</b>	<u>272,000</u>	<u>303,000</u>	<u>303,913</u>	<u>913</u>
<b>EXPENDITURES:</b>				
Current:				
Public Safety				
Personal Services	107,000	107,000	79,700	27,300
Contractual Services	153,978	178,978	159,662	19,316
Capital Outlay		1,700	1,461	239
Other	8,500	8,500	4,919	3,581
Fringe Benefits	17,050	17,050	14,036	3,014
<i>Total public safety</i>	<u>286,528</u>	<u>313,228</u>	<u>259,778</u>	<u>53,450</u>
<b>Total Expenditures</b>	<u>286,528</u>	<u>313,228</u>	<u>259,778</u>	<u>53,450</u>
Excess of Revenues Over (Under) Expenditures	(14,528)	(10,228)	44,135	54,363
<b>Fund Balance, January 1</b>	15,379	15,379	15,379	0
Prior year encumbrances appropriated	0	0	0	0
<b>Fund Balance, December 31</b>	<u>\$851</u>	<u>\$5,151</u>	<u>\$59,514</u>	<u>\$54,363</u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Taxes	\$732,468	\$732,468	\$797,928	\$65,460
Intergovernmental	285,094	285,094	302,040	16,946
Other	1,000	1,000	800	(200)
<b>Total Revenues</b>	<u>1,018,562</u>	<u>1,018,562</u>	<u>1,100,768</u>	<u>82,206</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Public Safety				
Personal Services	452,600	452,600	383,499	69,101
Contractual Services	195,000	195,000	130,461	64,539
Materials/Supplies	6,500	6,500	4,636	1,864
Capital Outlay	225,160	225,160	23,835	201,325
Other	24,000	24,000	7,380	16,620
Fringe Benefits	171,600	171,600	137,029	34,571
<i>Total public safety</i>	<u>1,074,860</u>	<u>1,074,860</u>	<u>686,840</u>	<u>388,020</u>
<b>Total Expenditures</b>	<u>1,074,860</u>	<u>1,074,860</u>	<u>686,840</u>	<u>388,020</u>
Excess of Revenues Over (Under)				
Expenditures	(56,298)	(56,298)	413,928	470,226
<b>Fund Balance, January 1</b>	548,371	548,371	548,371	0
Prior year encumbrances appropriated	12,016	12,016	12,016	0
<b>Fund Balance, December 31</b>	<u><u>\$504,089</u></u>	<u><u>\$504,089</u></u>	<u><u>\$974,315</u></u>	<u><u>\$470,226</u></u>

# UNION COUNTY, OHIO

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

	Original	Final	Actual	Variance With Final Budget Over (Under)
<b>REVENUES:</b>				
Intergovernmental	\$16,200	\$61,232	\$59,918	\$(1,314)
Other	0	0	9	9
<b>Total Revenues</b>	<u>16,200</u>	<u>61,232</u>	<u>59,927</u>	<u>(1,305)</u>
<b>EXPENDITURES:</b>				
Current:				
Public Safety				
Personal Services	4,827	4,846	4,846	0
Contractual Services	1,500	1,500	1,429	71
Materials/Supplies	1,500	1,500	462	1,038
Capital Outlay	25,000	25,000	5,972	19,028
Other	7,000	6,954	212	6,742
Fringe Benefits	839	865	851	14
<i>Total public safety</i>	<u>40,666</u>	<u>40,665</u>	<u>13,772</u>	<u>26,893</u>
<b>Total Expenditures</b>	<u>40,666</u>	<u>40,665</u>	<u>13,772</u>	<u>26,893</u>
Excess of Revenues Over (Under) Expenditures	(24,466)	20,567	46,155	25,588
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers - In	0	0	0	0
Transfers - Out	0	(41,020)	(41,020)	0
Total Other Sources (Uses)	<u>0</u>	<u>(41,020)</u>	<u>(41,020)</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(24,466)	(20,453)	5,135	0
<b>Fund Balance, January 1</b>	59,994	59,994	59,994	0
Prior year encumbrances appropriated	0	0	0	0
<b>Fund Balance, December 31</b>	<u><u>\$35,528</u></u>	<u><u>\$39,541</u></u>	<u><u>\$65,129</u></u>	<u><u>\$25,588</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b><u>EXPENDITURES:</u></b>				
<b>Total Expenditures</b>	0	0	0	0
Excess of Revenues Over (Under) Expenditures	0	0	0	0
<b>Fund Balance, January 1</b>	455	455	455	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$455</u></u>	<u><u>\$455</u></u>	<u><u>\$455</u></u>	<u><u>\$0</u></u>

# UNION COUNTY, OHIO

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>REVENUES:</b>				
Other	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Total Revenues</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXPENDITURES:</b>				
Current:				
General Government:				
Public Safety				
Contractual Services	<u>530</u>	<u>530</u>	<u>68</u>	<u>462</u>
<b>Total public safety</b>	<u>530</u>	<u>530</u>	<u>68</u>	<u>462</u>
<b>Total Expenditures</b>	<u>530</u>	<u>530</u>	<u>68</u>	<u>462</u>
Excess of Revenues (Under) Expenditures	(530)	(530)	(68)	462
<b>Fund Balance, January 1</b>	538	538	538	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$8</u></u>	<u><u>\$8</u></u>	<u><u>\$470</u></u>	<u><u>\$462</u></u>

# UNION COUNTY, OHIO

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

	Original Budget	Final Budget	Actual	Variance: Favorable (Unfavorable)
<b>REVENUES:</b>				
Charges for Services	\$11,000	\$11,000	\$11,432	\$432
Intergovernmental	40,000	40,000	67,159	27,159
Other	0	0	63	63
<b>Total Revenues</b>	<u>51,000</u>	<u>51,000</u>	<u>78,654</u>	<u>27,654</u>
<b>EXPENDITURES:</b>				
Current:				
General Government:				
<i>Public Safety</i>				
Personal Services	34,190	34,190	34,190	0
Other	7,769	7,703	7,575	128
Fringe Benefits	5,232	5,859	5,840	19
<i>Total public safety</i>	<u>47,191</u>	<u>47,752</u>	<u>47,605</u>	<u>147</u>
<b>Total Expenditures</b>	47,191	47,752	47,605	147
Excess of Revenues (Under)				
Expenditures	3,809	3,248	31,049	27,801
<b>OTHER FINANCING SOURCES (USES):</b>				
Advances - In	0	0	3,945	3,945
Advances - Out	0	0	(3,945)	(3,945)
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	3,809	3,248	31,049	0
<b>Fund Balance, January 1</b>	(1,589)	(1,589)	(1,589)	0
Prior year encumbrances appropriated	2,768	2,768	2,768	0
<b>Fund Balance, December 31</b>	<u><u>\$4,988</u></u>	<u><u>\$4,427</u></u>	<u><u>\$32,228</u></u>	<u><u>\$27,801</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Intergovernmental	\$124,882	\$124,882	\$116,565	\$(8,317)
Other	500	500	3,559	3,059
<b>Total Revenues</b>	<u>125,382</u>	<u>125,382</u>	<u>120,124</u>	<u>(5,258)</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Public Safety				
Personal Services	84,931	84,717	81,339	3,378
Contractual Services	4,375	2,590	2,323	267
Materials/Supplies	3,117	3,517	3,448	69
Capital Outlay	2,000	930	925	5
Other	31,871	34,326	11,863	22,463
Fringe Benefits	23,084	23,298	22,153	1,145
<i>Total public safety</i>	<u>149,378</u>	<u>149,378</u>	<u>122,051</u>	<u>27,327</u>
<b>Total Expenditures</b>	<u>149,378</u>	<u>149,378</u>	<u>122,051</u>	<u>27,327</u>
Excess of Revenues (Under) Expenditures	(23,996)	(23,996)	(1,927)	22,069
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Advances - In	0	0	0	0
Advances - Out	0	0	(2,000)	(2,000)
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>(2,000)</u>	<u>(2,000)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other (uses)	(23,996)	(23,996)	(3,927)	20,069
<b>Fund Balance, January 1</b>	30,031	30,031	30,031	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$6,035</u></u>	<u><u>\$6,035</u></u>	<u><u>\$26,104</u></u>	<u><u>\$22,069</u></u>



# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Intergovernmental	\$28,000	\$28,000	\$29,680	\$1,680
Other	0	0	34	34
<b>Total Revenues</b>	<u>28,000</u>	<u>28,000</u>	<u>29,714</u>	<u>1,714</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Public Safety				
Personal Services	23,084	23,084	23,081	3
Contractual Services				0
Materials/Supplies	126	126	9	117
Other	777	777	777	0
Fringe Benefits	4,013	4,032	3,671	361
<i>Total public safety</i>	<u>28,000</u>	<u>28,019</u>	<u>27,538</u>	<u>481</u>
<b>Total Expenditures</b>	<u>28,000</u>	<u>28,019</u>	<u>27,538</u>	<u>481</u>
Excess of Revenues Over (Under) Expenditures	0	(19)	2,176	2,195
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Advances - In	0	0	2,000	2,000
Advances - Out	0	0	0	0
Total Other Sources (Uses)	0	0	2,000	2,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other (uses)	0	(19)	4,176	4,195
<b>Fund Balance, January 1</b>	1,946	1,946	1,946	0
Prior year encumbrances appropriated	765	765	765	0
<b>Fund Balance, December 31</b>	<u><u>\$2,711</u></u>	<u><u>\$2,692</u></u>	<u><u>\$6,887</u></u>	<u><u>\$4,195</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Fines and Forfeitures	\$66,000	\$66,000	\$52,718	(\$13,282)
Other	0	0	43	43
<b>Total Revenues</b>	<u>66,000</u>	<u>66,000</u>	<u>52,761</u>	<u>(13,239)</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Public Works				
Personal Services	41,200	41,200	39,841	1,359
Capital Outlay	35,000	34,523	3,882	30,641
Fringe Benefits	13,100	13,577	12,972	605
<i>Total public works</i>	<u>89,300</u>	<u>89,300</u>	<u>56,695</u>	<u>32,605</u>
<b>Total Expenditures</b>	<u>89,300</u>	<u>89,300</u>	<u>56,695</u>	<u>32,605</u>
Excess of Revenues Over (Under) Expenditures	(23,300)	(23,300)	(3,934)	19,366
<b>Fund Balance, January 1</b>	68,186	68,186	68,186	0
Prior year encumbrances appropriated	0	0	0	0
<b>Fund Balance, December 31</b>	<u><u>\$44,886</u></u>	<u><u>\$44,886</u></u>	<u><u>\$64,252</u></u>	<u><u>\$19,366</u></u>

# UNION COUNTY, OHIO

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b><u>REVENUES:</u></b>				
Other	\$26,211	\$26,211	\$31,920	\$5,709
<b>Total Revenues</b>	<u>26,211</u>	<u>26,211</u>	<u>31,920</u>	<u>5,709</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Government:				
Public Works				
Personal Services	30,000	30,000	9,250	20,750
Materials/Supplies	2,000	4,000	3,047	953
Capital Outlay	10,000	11,000	9,816	1,184
Other	8,000	6,000	2,546	3,454
<b>Total public works</b>	<u>50,000</u>	<u>51,000</u>	<u>24,659</u>	<u>26,341</u>
<b>Total Expenditures</b>	<u>50,000</u>	<u>51,000</u>	<u>24,659</u>	<u>26,341</u>
Excess of Revenues				
(Under) Expenditures	(23,789)	(24,789)	7,261	32,050
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers - In	0	0	2,017	2,017
Transfers - Out	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>2,017</u>	<u>2,017</u>
Excess of Revenues and				
Other Financing Sources Over				
Expenditures and Other Financing Uses	(23,789)	(24,789)	9,278	34,067
<b>Fund Balance, January 1</b>	34,218	34,218	34,218	0
Prior year encumbrances appropriated	1,000	1,000	1,000	0
<b>Fund Balance, December 31</b>	<u><u>\$11,429</u></u>	<u><u>\$10,429</u></u>	<u><u>\$44,496</u></u>	<u><u>\$34,067</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Special Assessments	\$85,030	\$85,271	\$97,984	\$12,713
<b>Total Revenues</b>	<u>85,030</u>	<u>85,271</u>	<u>97,984</u>	<u>12,713</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Public Works				
Contractual Services	347,916	348,157	105,554	242,603
<b>Total public works</b>	<u>347,916</u>	<u>348,157</u>	<u>105,554</u>	<u>242,603</u>
 <b>Total Expenditures</b>	 347,916	 348,157	 105,554	 242,603
 Excess of Revenues Over (Under) Expenditures	 (262,886)	 (262,886)	 (7,570)	 255,316
 <b>Fund Balance, January 1</b>	 262,886	 262,886	 262,886	 0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$255,316</u></u>	<u><u>\$255,316</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Licenses and Permits	\$82,000	\$82,000	\$106,449	\$24,449
Fines and Forfeitures	5,200	5,200	7,110	1,910
Other	1,280	1,280	2,960	1,680
<b>Total Revenues</b>	<u>88,480</u>	<u>88,480</u>	<u>116,519</u>	<u>28,039</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Health				
Personal Services	53,562	56,562	52,537	4,025
Contractual Services	13,730	9,636	8,390	1,246
Materials/Supplies	6,800	9,967	8,280	1,687
Capital Outlay	850	1,505	1,204	301
Other	3,750	3,756	2,794	962
Fringe Benefits	11,791	12,885	12,357	528
<i>Total health</i>	<u>90,483</u>	<u>94,311</u>	<u>85,562</u>	<u>8,749</u>
<b>Total Expenditures</b>	<u>90,483</u>	<u>94,311</u>	<u>85,562</u>	<u>8,749</u>
Excess of Revenues Over (Under) Expenditures	(2,003)	(5,831)	30,957	36,788
<b>Fund Balance, January 1</b>	95,162	95,162	95,162	0
Prior year encumbrances appropriated	<u>1,674</u>	<u>1,674</u>	<u>1,674</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$94,833</u></u>	<u><u>\$91,005</u></u>	<u><u>\$127,793</u></u>	<u><u>\$36,788</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Taxes	\$347,075	\$347,075	\$399,941	\$52,866
Charges for Services	0	0	0	0
Intergovernmental	2,544,278	2,544,278	2,221,257	(323,021)
Other	32,310	32,310	94,173	61,863
<b>Total Revenues</b>	<u>2,923,663</u>	<u>2,923,663</u>	<u>2,715,371</u>	<u>(208,292)</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Health				
Personal Services	245,000	251,400	246,577	4,823
Contractual Services	2,665,000	2,601,700	2,462,464	139,236
Materials/Supplies	71,000	71,500	6,742	64,758
Capital Outlay	8,000	8,000	2,243	5,757
Other	17,000	18,100	14,067	4,033
Principal	19,050	19,050	19,047	3
Interest	3,770	3,770	3,764	6
Fringe Benefits	76,705	77,005	71,672	5,333
<i>Total health</i>	<u>3,105,525</u>	<u>3,050,525</u>	<u>2,826,576</u>	<u>223,949</u>
<b>Total Expenditures</b>	<u>3,105,525</u>	<u>3,050,525</u>	<u>2,826,576</u>	<u>223,949</u>
Excess of Revenues Over (Under) Expenditures	(181,862)	(126,862)	(111,205)	15,657
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers - In	0	0	30,000	30,000
Transfers - Out	(5,000)	(60,000)	(60,000)	0
Total Other Financing Sources (Uses)	<u>(5,000)</u>	<u>(60,000)</u>	<u>(30,000)</u>	<u>30,000</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(186,862)	(186,862)	(141,205)	45,657
<b>Fund Balance, January 1</b>	553,964	553,964	553,964	0
Prior year encumbrances appropriated	0	0	0	0
<b>Fund Balance, December 31</b>	<u>\$367,102</u>	<u>\$367,102</u>	<u>\$412,759</u>	<u>\$45,657</u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Intergovernmental	\$24,860	\$24,860	\$25,328	\$468
<b>Total Revenues</b>	<u>24,860</u>	<u>24,860</u>	<u>25,328</u>	<u>468</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Health				
Contractual Services	24,864	23,964	23,714	250
<i>Total health</i>	<u>24,864</u>	<u>23,964</u>	<u>23,714</u>	<u>250</u>
<b>Total Expenditures</b>	<u>24,864</u>	<u>23,964</u>	<u>23,714</u>	<u>250</u>
Excess of Revenues (Under) Expenditures	(4)	896	1,614	718
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers - Out	0	(900)	(900)	0
Total Other Sources (Uses)	<u>0</u>	<u>(900)</u>	<u>(900)</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other (uses)	(4)	(4)	714	718
<b>Fund Balance, January 1</b>	19,842	19,842	19,842	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$19,838</u></u>	<u><u>\$19,838</u></u>	<u><u>\$20,556</u></u>	<u><u>\$718</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$77,000	\$77,000	\$61,037	(\$15,963)
Intergovernmental	299,000	299,000	302,951	3,951
<b>Total Revenues</b>	<u>376,000</u>	<u>376,000</u>	<u>363,988</u>	<u>(12,012)</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Health				
Contractual Services	420,000	420,000	408,029	11,971
Capital Outlay	8,000	8,000	0	8,000
Other	4,000	4,000	39	3,961
<i>Total health</i>	<u>432,000</u>	<u>432,000</u>	<u>408,068</u>	<u>23,932</u>
<b>Total Expenditures</b>	<u>432,000</u>	<u>432,000</u>	<u>408,068</u>	<u>23,932</u>
Excess of Revenues Over (Under) Expenditures	(56,000)	(56,000)	(44,080)	11,920
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers - In	0	0	30,000	30,000
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>30,000</u>	<u>30,000</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other (uses)	(56,000)	(56,000)	(14,080)	41,920
<b>Fund Balance, January 1</b>	58,646	58,646	58,646	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$2,646</u></u>	<u><u>\$2,646</u></u>	<u><u>\$44,566</u></u>	<u><u>\$41,920</u></u>



# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b>REVENUES:</b>				
Charges for Services	\$924,384	\$924,384	\$769,676	\$(154,708)
Intergovernmental	3,450,000	3,450,000	3,318,424	(131,576)
Other	156,300	156,300	124,416	(31,884)
<b>Total Revenues</b>	<u>4,530,684</u>	<u>4,530,684</u>	<u>4,212,516</u>	<u>(318,168)</u>
<b>EXPENDITURES:</b>				
Current:				
General Government:				
<i>Legislative and Executive</i>				
Personal Services	890,235	940,235	920,595	19,640
Contractual Services	797,108	634,108	592,644	41,464
Materials/Supplies	55,000	38,000	35,093	2,907
Capital Outlay	10,000	9,000	8,717	283
Other	157,000	145,095	129,986	15,109
Fringe Benefits	250,389	290,389	283,389	7,000
<i>Total legislative and executive</i>	<u>2,159,732</u>	<u>2,056,827</u>	<u>1,970,424</u>	<u>86,403</u>
Human Services				
Personal Services	807,607	732,391	682,078	50,313
Contractual Services	1,100,000	1,258,000	1,249,428	8,572
Materials/Supplies	1,000	1,000	0	1,000
Capital Outlay	1,000	1,000	0	1,000
Other	105,000	105,000	100,798	4,202
Fringe Benefits	238,393	258,609	250,384	8,225
<i>Total human services</i>	<u>2,253,000</u>	<u>2,356,000</u>	<u>2,282,688</u>	<u>73,312</u>
<b>Total Expenditures</b>	<u>4,412,732</u>	<u>4,412,827</u>	<u>4,253,112</u>	<u>159,715</u>
Excess of Revenues (Under) Expenditures	117,952	117,857	(40,596)	(158,453)
<b>Fund Balance, January 1</b>	145,422	145,422	145,422	0
Prior year encumbrances appropriated	189	189	189	0
<b>Fund Balance, December 31</b>	<u>\$263,563</u>	<u>\$263,468</u>	<u>\$105,015</u>	<u>\$(158,453)</u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$327,000	\$457,000	\$278,473	\$(178,527)
Intergovernmental	126,353	126,353	141,027	14,674
Other	2,900	2,900	544	(2,356)
<b>Total Revenues</b>	<u>456,253</u>	<u>586,253</u>	<u>420,044</u>	<u>(166,209)</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Human Services				
Personal Services	270,000	295,599	295,142	457
Contractual Services	22,000	22,150	21,449	701
Materials/Supplies	4,000	4,000	2,369	1,631
Capital Outlay	5,000	6,243	6,100	143
Other	51,500	114,500	92,276	22,224
Fringe Benefits	72,500	89,508	86,591	2,917
Total human services	<u>425,000</u>	<u>532,000</u>	<u>503,927</u>	<u>28,073</u>
<b>Total Expenditures</b>	<u>425,000</u>	<u>532,000</u>	<u>503,927</u>	<u>28,073</u>
Excess of Revenues Over (Under)				
Expenditures	31,253	54,253	(83,883)	(138,136)
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Advances - In	0	0	50,000	50,000
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>50,000</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other (uses)	0 31,253	54,253	(33,883)	(88,136)
<b>Fund Balance, January 1</b>	81,975	81,975	81,975	0
Prior year encumbrances appropriated	0	0	0	0
<b>Fund Balance, December 31</b>	<u>\$113,228</u>	<u>\$136,228</u>	<u>\$48,092</u>	<u>(\$88,136)</u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Charges for Services	\$148,300	\$148,300	\$154,270	\$5,970
Intergovernmental	705,059	705,059	661,818	(43,241)
Other	15,000	15,000	19,700	4,700
<b>Total Revenues</b>	<u>868,359</u>	<u>868,359</u>	<u>835,788</u>	<u>(32,571)</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Human Services				
Personal Services	344,842	369,842	366,278	3,564
Contractual Services	375,000	343,000	308,378	34,622
Materials/Supplies	6,000	6,000	3,474	2,526
Other	22,500	14,500	10,918	3,582
Fringe Benefits	116,217	131,217	126,403	4,814
<i>Total human services</i>	<u>864,559</u>	<u>864,559</u>	<u>815,451</u>	<u>49,108</u>
<b>Total Expenditures</b>	<u>864,559</u>	<u>864,559</u>	<u>815,451</u>	<u>49,108</u>
 Excess of Revenues Over Expenditures	 3,800	 3,800	 20,337	 16,537
 <b>Fund Balance, January 1</b>	 96,808	 96,808	 96,808	 0
Prior year encumbrances appropriated	<u>3</u>	<u>3</u>	<u>3</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$100,611</u></u>	<u><u>\$100,611</u></u>	<u><u>\$117,148</u></u>	<u><u>\$16,537</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Intergovernmental	\$1,741,400	\$1,741,400	\$1,588,095	(\$153,305)
Other	58,000	58,000	69,776	11,776
<b>Total Revenues</b>	<u>1,799,400</u>	<u>1,799,400</u>	<u>1,657,871</u>	<u>(141,529)</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Human Services				
Contractual Services	1,598,000	1,599,200	1,587,241	11,959
Materials/Supplies	1,000	0	0	0
Other	81,000	80,800	80,023	777
<i>Total human services</i>	<u>1,680,000</u>	<u>1,680,000</u>	<u>1,667,264</u>	<u>12,736</u>
<b>Total Expenditures</b>	<u>1,680,000</u>	<u>1,680,000</u>	<u>1,667,264</u>	<u>12,736</u>
 Excess of Revenues Over Expenditures	 119,400	 119,400	 (9,393)	 (128,793)
 <b>Fund Balance, January 1</b>	 161,943	 161,943	 161,943	 0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$281,343</u></u>	<u><u>\$281,343</u></u>	<u><u>\$152,550</u></u>	<u><u>(\$128,793)</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Intergovernmental	\$88,373	\$88,373	\$72,675	\$(15,698)
Other	4,800	4,800	3,202	(1,598)
<b>Total Revenues</b>	<u>93,173</u>	<u>93,173</u>	<u>75,877</u>	<u>(17,296)</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Human Services				
Personal Services	68,566	52,566	46,021	6,545
Contractual Services	2,600	18,600	17,223	1,377
Materials/Supplies	2,951	3,088	1,589	1,499
Capital Outlay	2,250	2,476	1,084	1,392
Other	4,475	4,900	2,440	2,460
Fringe Benefits	12,867	12,867	9,496	3,371
Total human services	<u>93,709</u>	<u>94,497</u>	<u>77,853</u>	<u>16,644</u>
<b>Total Expenditures</b>	<u>93,709</u>	<u>94,497</u>	<u>77,853</u>	<u>16,644</u>
Excess of Revenues (Under) Expenditures	(536)	(1,324)	(1,976)	(652)
<b>Fund Balance, January 1</b>	24,753	24,753	24,753	0
Prior year encumbrances appropriated	975	975	975	0
<b>Fund Balance, December 31</b>	<u>\$25,192</u>	<u>\$24,404</u>	<u>\$23,752</u>	<u>(\$652)</u>

# UNION COUNTY, OHIO

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

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
<b><u>REVENUES:</u></b>				
Intergovernmental	\$346,683	\$415,381	\$332,557	\$(82,824)
Sales Tax	0	247,302	247,302	0
Other	30,000	30,000	19,479	(10,521)
<b>Total Revenues</b>	<u>376,683</u>	<u>692,683</u>	<u>599,338</u>	<u>(93,345)</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Government:				
Human Services				
Personal Services	100,000	99,000	89,637	9,363
Contractual Services	130,000	249,170	233,056	16,114
Materials/Supplies	10,000	11,305	10,579	986
Capital Outlay	5,000	7,001	6,770	231
Other	52,470	54,470	52,527	1,943
Fringe Benefits	16,500	18,499	16,077	2,422
Total human services	<u>313,970</u>	<u>439,445</u>	<u>408,646</u>	<u>31,059</u>
<b>Total Expenditures</b>	<u>313,970</u>	<u>439,445</u>	<u>408,646</u>	<u>30,799</u>
Excess of Revenues Over Expenditures	62,713	253,238	190,692	(62,546)
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Advances - In	0	0	50,000	50,000
Advances -Out	0	0	(50,000)	(50,000)
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other (uses)	62,713	253,238	190,692	(62,546)
<b>Fund Balance, January 1</b>	27,865	27,865	27,865	0
Prior year encumbrances appropriated	1,432	1,432	1,432	0
<b>Fund Balance, December 31</b>	<u><u>\$92,010</u></u>	<u><u>\$282,535</u></u>	<u><u>\$219,989</u></u>	<u><u>\$(62,546)</u></u>

# UNION COUNTY, OHIO

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Intergovernmental	\$220,100	\$259,424	\$271,540	\$12,116
Other	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Revenues</b>	220,100	259,424	271,540	12,116
<b><u>EXPENDITURES:</u></b>				
Current:				
Human Services				
Contractual Services	75,000	52,000	51,823	177
Other	<u>145,100</u>	<u>199,500</u>	<u>183,230</u>	<u>16,270</u>
<i>Total human services</i>	220,100	251,500	235,053	16,447
<b>Total Expenditures</b>	220,100	251,500	235,053	16,447
Excess of Revenues (Under) Expenditures	0	7,924	36,487	28,563
Excess of Revenues and Other Financing Sources (Under) Expenditures	0	7,924	36,487	28,563
<b>Fund Balance, January 1</b>	1,197	1,197	1,197	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$1,197</u></u>	<u><u>\$9,121</u></u>	<u><u>\$37,684</u></u>	<u><u>\$28,563</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
-				
<b><u>REVENUES:</u></b>				
Intergovernmental	\$224,000	\$224,000	\$224,000	\$0
<b>Total Revenues</b>	<u>224,000</u>	<u>224,000</u>	<u>224,000</u>	<u>\$0</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Human Services				
Contractual Services	224,000	224,000	\$224,000	0
<i>Total human services</i>	<u>224,000</u>	<u>224,000</u>	<u>224,000</u>	<u>0</u>
<b>Total Expenditures</b>	<u>224,000</u>	<u>224,000</u>	<u>224,000</u>	<u>0</u>
Excess of Revenues Over Expenditures	0	0	0	0
<b>Fund Balance, January 1</b>	124,220	124,220	124,220	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$124,220</u></u>	<u><u>\$124,220</u></u>	<u><u>\$124,220</u></u>	<u><u>\$0</u></u>



# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Intergovernmental	\$118,724	\$118,724	\$84,463	(\$34,261)
<b>Total Revenues</b>	<u>118,724</u>	<u>118,724</u>	<u>84,463</u>	<u>(34,261)</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Public Safety:				
Personal Services	33,966	34,958	25,176	9,782
Contractual Services	22,893	22,893	11,159	11,734
Materials/Supplies	21,260	20,633	3,689	16,944
Capital Outlay	33,313	33,313	17,234	16,079
Other	15,897	15,558	8,450	7,108
Fringe Benefits	<u>6,954</u>	<u>7,267</u>	<u>4,609</u>	<u>2,658</u>
<i>Total public safety</i>	<u>134,283</u>	<u>134,622</u>	<u>70,317</u>	<u>64,305</u>
 <b>Total Expenditures</b>	 134,283	 134,622	 70,317	 64,305
 Excess of Revenues Over (Under) Expenditures	 (15,559)	 (15,898)	 14,146	 30,044
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers - In	32,297	32,297	38,056	5,759
Transfers - Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>32,297</u>	<u>32,297</u>	<u>38,056</u>	<u>5,759</u>
 Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	 16,738	 16,399	 52,202	 35,803
<b>Fund Balance, January 1</b>	0	0	0	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, December 31</b>	<u><u>\$16,738</u></u>	<u><u>\$16,399</u></u>	<u><u>\$52,202</u></u>	<u><u>\$35,803</u></u>

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# UNION COUNTY, OHIO

*Combining Balance Sheet  
Nonmajor Debt Service Funds  
December 31, 2008*

	<b>BOND RETIREMENT FUND</b>	<b>SALES TAX DEBT FUND</b>	<b>TOTAL</b>
<b>ASSETS:</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 2,374	\$ 193,741	\$ 196,115
<b>TOTAL ASSETS</b>	<u>\$ 2,374</u>	<u>\$ 193,741</u>	<u>\$ 196,115</u>
<b>FUND BALANCES:</b>			
Reserved for Debt Service	2,374	193,741	196,115
<b>TOTAL FUND BALANCES</b>	<u>2,374</u>	<u>193,741</u>	<u>196,115</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 2,374</u>	<u>\$ 193,741</u>	<u>\$ 196,115</u>

# UNION COUNTY, OHIO

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

	BOND RETIREMENT FUND	SALES TAX DEBT FUND	TOTAL
<b><u>REVENUES:</u></b>			
Other Resources	\$ 97,875	-	\$ 97,875
<b>Total Revenues</b>	97,875	-	97,875
<b><u>EXPENDITURES:</u></b>			
Debt Service			
Principal Retirement	330,000	270,000	600,000
Interest & fiscal charges	248,368	214,789	463,157
<b>Total Expenditures</b>	578,368	484,789	1,063,157
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	(480,493)	(484,789)	(965,282)
<b><u>OTHER FINANCING SOURCES (USES):</u></b>			
Transfers In	552,867	492,000	1,044,867
Transfers Out	(70,000)	-	(70,000)
<b>Total Other Financing Sources (Uses)</b>	482,867	492,000	974,867
<b>NET CHANGE IN FUND BALANCES</b>	2,374	7,211	9,585
Fund Balance January 1	-	186,530	186,530
Fund Balance (Deficits), December 31	\$ 2,374	\$ 193,741	\$ 196,115

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b>REVENUES:</b>				
Other	\$43,800	\$95,500	\$95,500	\$0
Total Revenues	<u>43,800</u>	<u>95,500</u>	<u>95,500</u>	<u>0</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
Debt Service:				
Principal Retirement	0	3,830,000	3,830,000	0
Interest and Fiscal Charges	<u>0</u>	<u>248,368</u>	<u>248,368</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>4,078,368</u>	<u>4,078,368</u>	<u>0</u>
Excess of Revenues				
(Under) Expenditures	43,800	(3,982,868)	(3,982,868)	0
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	366,152	982,867	982,867	0
Tranfers Out	0	0	0	0
Proceeds of Notes	<u>0</u>	<u>3,002,375</u>	<u>3,002,375</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>366,152</u>	<u>3,985,242</u>	<u>3,985,242</u>	<u>0</u>
Excess of Revenues and				
Other Financing Sources Over				
Expenditures and Other Financing (Uses)	409,952	2,374	2,374	0
Fund Balance, January 1	0	0	0	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, December 31	<u><u>\$409,952</u></u>	<u><u>\$2,374</u></u>	<u><u>\$2,374</u></u>	<u><u>\$0</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Total Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>EXPENDITURES:</u></b>				
<b>Current:</b>				
Debt Service:				
Other	0	0	0	0
Principal Retirement	0	270,000	270,000	0
Interest and Fiscal Charges	<u>0</u>	<u>214,789</u>	<u>214,789</u>	<u>0</u>
Total Expenditures	0	484,789	484,789	0
 Excess of Revenues Over Expenditures	 0	 (484,789)	 (484,789)	 0
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers In	<u>492,195</u>	<u>492,195</u>	<u>492,000</u>	<u>(195)</u>
Total Other Financing Sources (Uses)	492,195	492,195	492,000	(195)
 Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	 492,195	 7,406	 7,211	 (195)
 Fund Balance, January 1	 186,530	 186,530	 186,530	 0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, December 31	<u><u>\$678,725</u></u>	<u><u>\$193,936</u></u>	<u><u>\$193,741</u></u>	<u><u>(\$195)</u></u>

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# UNION COUNTY, OHIO

*Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2008*

	<u>CAPITAL IMPROVEMENTS</u>	<u>FEDERAL GRANT / RECAPTURE CDBG FUND</u>	<u>DITCH EQUIPMENT BUILDING</u>
<b><u>ASSETS:</u></b>			
Equity in Pooled Cash and Cash Equivalents	\$ 1,039,178	\$ 3,440	\$ 3,081
Cash In Segregated Accounts	-	-	-
Intergovernmental Receivable	-	7,000	-
Interest Receivable	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 1,039,178</u>	<u>\$ 10,440</u>	<u>\$ 3,081</u>
<b><u>LIABILITIES:</u></b>			
Accounts payable	\$ -	\$ -	\$ -
Unearned Revenue	-	7,000	-
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>7,000</u>	<u>-</u>
<b><u>FUND BALANCES:</u></b>			
Unreserved, unrestricted	<u>1,039,178</u>	<u>3,440</u>	<u>3,081</u>
<b>TOTAL FUND BALANCES</b>	<u>1,039,178</u>	<u>3,440</u>	<u>3,081</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 1,039,178</u>	<u>\$ 10,440</u>	<u>\$ 3,081</u>
			<b>CONTINUED</b>



# UNION COUNTY, OHIO

## Combining Balance Sheet (continued)

### Nonmajor Capital Projects Funds

December 31, 2008

	MRDD CAPITAL FUND	SHERIFF'S FACILITY CONSTRUCTION	AG CENTER
<b>ASSETS:</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 1,701	\$ 3,807	\$ 325
Cash In Segregated Accounts	-	\$ 227,834	-
Intergovernmental Receivable	-	-	-
Interest Receivable	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,701</b>	<b>\$ 231,641</b>	<b>\$ 325</b>
<b>LIABILITIES:</b>			
Accounts payable	\$ -	\$ -	\$ -
Unearned Revenue	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>			
Unreserved, unrestricted	1,701	231,641	325
<b>TOTAL FUND BALANCES</b>	<b>1,701</b>	<b>231,641</b>	<b>325</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,701</b>	<b>\$ 231,641</b>	<b>\$ 325</b>

**CONTINUED**

<u>LONDON AVE GOV'T BUILDING</u>	<u>MAIN STREET BUILDING</u>	<u>CAPITAL PROJECTS ISSUE II</u>	<u>TOTAL</u>
\$ 61,255	\$ 402,339	\$ -	\$ 1,515,126
\$ 269,627	-	-	497,461
-	-	203,759	210,759
110	900	-	1,010
<u>\$ 330,992</u>	<u>\$ 403,239</u>	<u>\$ 203,759</u>	<u>\$ 2,224,356</u>
\$ -	\$ 317,740	\$ -	\$ 317,740
-	-	203,759	210,759
-	317,740	203,759	528,499
330,992	85,499	-	1,695,857
330,992	85,499	-	1,695,857
<u>\$ 330,992</u>	<u>\$ 403,239</u>	<u>\$ 203,759</u>	<u>\$ 2,224,356</u>

# UNION COUNTY, OHIO

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

	<b>CAPITAL IMPROVEMENTS</b>	<b>FEDERAL GRANT / RECAPTURE CDBG FUND</b>	<b>DITCH EQUIPMENT BUILDING</b>
<b><u>REVENUES:</u></b>			
Intergovernmental	\$ -	\$ 7,700	\$ -
Investment Earnings / Interest	-	-	-
<b>Total Revenues</b>	-	7,700	-
<b><u>EXPENDITURES:</u></b>			
Current:			
General Government	-	-	-
Legislative & Executive	-	-	-
Public Works	-	-	-
Human Services	-	-	-
Other	-	8,622	-
Capital Outlay	-	-	-
Interest & fiscal charges	-	-	-
<b>Total Expenditures</b>	-	8,622	-
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	-	(922)	-
<b><u>OTHER FINANCING SOURCES (USES):</u></b>			
Proceeds of Notes	-	-	-
Transfers In	-	-	-
<b>Total Other Financing Sources (Uses)</b>	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	-	(922)	-
Fund Balance January 1	1,039,178	4,362	3,081
Fund Balance (Deficits), December 31	<u>\$ 1,039,178</u>	<u>\$ 3,440</u>	<u>\$ 3,081</u>

<b>MRDD CAPITAL FUND</b>	<b>SHERIFF'S FACILITY CONSTRUCTION</b>	<b>AG CENTER</b>
\$ -	\$ -	\$ -
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
4,000	-	-
-	-	-
62,445	-	-
-	5,349	-
66,445	5,349	-
(66,445)	(5,349)	-
-	-	-
-	-	-
-	-	-
(66,445)	(5,349)	-
68,146	236,990	325
\$ 1,701	\$ 231,641	\$ 325
		<b>CONTINUED</b>

# UNION COUNTY, OHIO

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

	<b>LONDON AVE GOV'T BUILDING</b>	<b>MAIN STREET BUILDING</b>	<b>CAPITAL PROJECTS ISSUE II</b>	<b>TOTAL</b>
<b><u>REVENUES:</u></b>				
Intergovernmental	-	\$ -	\$ 2,682,377	\$ 2,690,077
Investment Earnings / Interest	2,429	59,366	-	61,795
<b>Total Revenues</b>	<b>2,429</b>	<b>59,366</b>	<b>2,682,377</b>	<b>2,751,872</b>
<b><u>EXPENDITURES:</u></b>				
Current:				
General Government				
Legislative & Executive	37,700	-	-	37,700
Public Works	-	-	2,682,377	2,682,377
Human Services	-	-	-	4,000
Other	-	-	-	8,622
Capital Outlay	-	3,047,279	-	3,109,724
Interest & fiscal charges	16,846	-	-	22,195
<b>Total Expenditures</b>	<b>54,546</b>	<b>3,047,279</b>	<b>2,682,377</b>	<b>5,864,618</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(52,117)</b>	<b>(2,987,913)</b>	<b>-</b>	<b>(3,112,746)</b>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Proceeds of notes	-	3,000,000	-	3,000,000
Transfers In	-	70,000	-	70,000
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>3,070,000</b>	<b>-</b>	<b>3,070,000</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(52,117)</b>	<b>82,087</b>	<b>-</b>	<b>(42,746)</b>
Fund Balance January 1	383,109	3,412	-	1,738,603
Fund Balance (Deficits), December 31	<u>\$ 330,992</u>	<u>\$ 85,499</u>	<u>\$ -</u>	<u>\$ 1,695,857</u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Total Revenues	\$0	\$0	\$0	\$0
<b><u>EXPENDITURES:</u></b>				
Total Expenditures	0	0	0	0
Excess of Revenues Over Expenditures	0	0	0	0
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers - In	0	0	0	0
Transfers - Out	0	0	0	0
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	0	0	0	0
Fund Balance, January 1	1,039,178	1,039,178	1,039,178	0
Prior year encumbrances appropriated	0	0	0	0
Fund Balance, December 31	<u><u>\$1,039,178</u></u>	<u><u>\$1,039,178</u></u>	<u><u>\$1,039,178</u></u>	<u><u>\$0</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b>REVENUES:</b>				
Intergovernmental	\$7,700	\$7,700	\$7,700	\$0
Other	0	0	0	0
Total Revenues	<u>7,700</u>	<u>7,700</u>	<u>7,700</u>	<u>0</u>
<b>EXPENDITURES:</b>				
Current:				
Other	<u>12,908</u>	<u>12,908</u>	<u>12,908</u>	<u>0</u>
Total Expenditures	<u>12,908</u>	<u>12,908</u>	<u>12,908</u>	<u>0</u>
Excess of Revenues				
(Under) Expenditures	(5,208)	(5,208)	(5,208)	0
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers - In	0	0	0	0
Transfers - Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	(5,208)	(5,208)	(5,208)	0
Fund Balance, January 1	3,486	3,486	3,486	0
Prior year encumbrances appropriated	<u>5,163</u>	<u>5,163</u>	<u>5,163</u>	<u>0</u>
Fund Balance, December 31	<u><u>\$3,441</u></u>	<u><u>\$3,441</u></u>	<u><u>\$3,441</u></u>	<u><u>\$0</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Total Revenues	\$0	\$0	\$0	\$0
<b><u>EXPENDITURES:</u></b>				
Current:				
Capital Outlay:				
Contractual Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	0	0	0	0
Excess of Revenues				
Over/(Under) Expenditures	0	0	0	0
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers - In	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	0	0	0	0
Excess of Revenues and				
Other Financing Sources Over (Under)				
Expenditures and Other Financing (Uses)	0	0	0	0
Fund Balance, January 1	3,081	3,081	3,081	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, December 31	<u><u>\$3,081</u></u>	<u><u>\$3,081</u></u>	<u><u>\$3,081</u></u>	<u><u>\$0</u></u>



# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Intergovernmental	\$85,000	\$85,000	\$0	\$(85,000)
Total Revenues	<u>85,000</u>	<u>85,000</u>	<u>0</u>	<u>(85,000)</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Contractual Services	0	4,000	4,000	0
Capital Outlay	<u>85,000</u>	<u>138,668</u>	<u>62,445</u>	<u>76,223</u>
Total Expenditures	<u>85,000</u>	<u>142,668</u>	<u>66,445</u>	<u>76,223</u>
Excess of Revenues				
(Under) Expenditures	0	(57,668)	(66,445)	(8,777)
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers - In				0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues and				
Other Financing Sources (Under)				
Expenditures and Other Financing (Uses)	0	(57,668)	(66,445)	(8,777)
Fund Balance, January 1	10,477	10,477	10,477	0
Prior year encumbrances appropriated	<u>57,668</u>	<u>57,668</u>	<u>57,668</u>	<u>0</u>
Fund Balance, December 31	<u>\$68,145</u>	<u>\$10,477</u>	<u>\$1,700</u>	<u>(\$8,777)</u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Total Revenues	\$0	\$0	\$0	\$0
<b><u>EXPENDITURES:</u></b>				
Total Expenditures	0	0	0	0
Excess of Revenues (Under) Expenditures	0	0	0	0
Fund Balance, January 1	3,807	3,807	3,807	0
Prior year encumbrances appropriated	0	0	0	0
Fund Balance, December 31	<u>\$3,807</u>	<u>\$3,807</u>	<u>\$3,807</u>	<u>\$0</u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Total Revenues	\$0	\$0	\$0	\$0
<b><u>EXPENDITURES:</u></b>				
Current:				
Contractual Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues				
(Under) Expenditures	0	0	0	0
Excess of Revenues and				
Other Financing Sources Over				
Expenditures and Other Financing (Uses)	0	0	0	0
Fund Balance, January 1	325	325	325	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, December 31	<u><u>\$325</u></u>	<u><u>\$325</u></u>	<u><u>\$325</u></u>	<u><u>\$0</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Investment Income	\$0	\$0	\$2,911	\$2,911
Total Revenues	<u>0</u>	<u>0</u>	<u>2,911</u>	<u>2,911</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Contractual Services	40,000	40,000	37,700	2,300
Total Expenditures	<u>40,000</u>	<u>40,000</u>	<u>37,700</u>	<u>2,300</u>
Excess of Revenues				
Over (Under) Expenditures	(40,000)	(40,000)	(34,789)	5,211
 Fund Balance, January 1	 96,043	 96,043	 96,043	 0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, December 31	<u><u>\$56,043</u></u>	<u><u>\$56,043</u></u>	<u><u>\$61,254</u></u>	<u><u>\$5,211</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Total Revenues	\$0	\$0	\$58,466	\$58,466
<b><u>EXPENDITURES:</u></b>				
Contractual Services	3,474,209	3,072,082	3,070,970	1,112
Total Expenditures	3,474,209	3,072,082	3,070,970	1,112
Excess of Revenues Over Expenditures	(3,474,209)	(3,072,082)	(3,012,504)	59,578
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers - In	0	0	0	0
Transfers - Out		(430,000)	(430,000)	0
Total other financing sources (uses)	0	(430,000)	(430,000)	0
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	(3,474,209)	(3,502,082)	(3,442,504)	59,578
Fund Balance, January 1	3,474,209	3,474,209	3,474,209	0
Prior year encumbrances appropriated	29,202	29,202	29,202	0
Fund Balance, December 31	<u>\$29,202</u>	<u>\$1,329</u>	<u>\$60,907</u>	<u>\$59,578</u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b><u>REVENUES:</u></b>				
Intergovernmental	\$851,000	\$2,682,377	\$2,682,377	\$0
Total Revenues	851,000	2,682,377	2,682,377	0
<b><u>EXPENDITURES:</u></b>				
Current:				
Contractual Services	851,000	\$2,682,377	\$2,682,377	0
Total Expenditures	851,000	2,682,377	2,682,377	0
Excess of Revenues				
(Under) Expenditures	0	0	0	0
 Fund Balance, January 1	0	0	0	0
Prior year encumbrances appropriated	0	0	0	0
Fund Balance, December 31	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

## UNION COUNTY, OHIO

### *Nonmajor Proprietary Funds – Fund Descriptions*

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

#### Sanitary Sewer Fund

To account for the operations of the sewer collection system within the County.

#### Water District Fund

To account for the operations of the water distribution system within the County.

#### Building and Development Fund

To account for fees collected from the general public for building and construction permits.

# UNION COUNTY, OHIO

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

	Sanitary Sewer District	Water District	Building and Development	Total
<b><u>ASSETS:</u></b>				
Current Assets				
Equity In Pooled Cash and Cash Equivalent	\$ 1,597,177	\$ -	\$ 44,896	\$ 1,642,073
Receivables				
Accounts	810	-	-	810
Accrued Interest	1,953	-	-	1,953
<i>Total Current Assets</i>	<u>1,599,940</u>	<u>-</u>	<u>44,896</u>	<u>1,644,836</u>
Noncurrent Assets				
Capital Assets:				
Nondepreciable Capital Assets	28,541	-	-	28,541
Depreciable Capital Assets, Net	125,894	-	34,928	160,822
<i>Total Noncurrent Assets</i>	<u>154,435</u>	<u>-</u>	<u>34,928</u>	<u>189,363</u>
<b>TOTAL ASSETS</b>	<u>1,754,375</u>	<u>-</u>	<u>79,824</u>	<u>1,834,199</u>
<b><u>LIABILITIES:</u></b>				
Current Liabilities:				
Wages Payable	3,787	-	14,289	18,076
Accounts Payable	806	-	4,040	4,846
Contracts Payable	19,308	-	-	19,308
Intergovernmental Payable	3,668	-	18,695	22,363
Compensated Absences Payable	62,145	-	37,687	99,832
<i>Total Current Liabilities</i>	<u>89,714</u>	<u>-</u>	<u>74,711</u>	<u>164,425</u>
<b>TOTAL LIABILITIES</b>	<u>89,714</u>	<u>-</u>	<u>74,711</u>	<u>164,425</u>
<b><u>Net Assets:</u></b>				
Invested in Capital Assets	154,435	-	34,928	189,363
Unrestricted	1,510,226	-	(29,815)	1,480,411
<i>Total Net Assets</i>	<u>\$ 1,664,661</u>	<u>\$ -</u>	<u>\$ 5,113</u>	<u>\$ 1,669,774</u>



# UNION COUNTY, OHIO

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

<b>OPERATING REVENUES:</b>	<b>Sanitary Sewer District</b>	<b>Water District</b>	<b>Building and Development</b>	<b>Total</b>
Charges For Services	\$ 222,942	\$ -	\$ 576,612	\$ 799,554
License and Permits	550	-	33,006	33,556
Tap-in Fees	200	-	-	200
Special Assessments	40,666	3,989	-	44,655
Other	9,165	-	828	9,993
<i>Total operating revenue</i>	<u>273,523</u>	<u>3,989</u>	<u>610,446</u>	<u>887,958</u>
<b>OPERATING EXPENSES:</b>				
Personal Services	181,274	-	488,276	669,550
Contract Services	99,740	-	148,397	248,137
Materials and Supplies	10,568	-	7,305	17,873
Depreciation and Amortization	12,159	-	11,494	23,653
Other Operating Expenses	15,564	-	23,945	39,509
<i>Total Operating Expenses</i>	<u>319,305</u>	<u>-</u>	<u>679,417</u>	<u>998,722</u>
<i>OPERATING INCOME (LOSS)</i>	<i>(45,782)</i>	<i>3,989</i>	<i>(68,971)</i>	<i>(110,764)</i>
<b><u>NON-OPERATING REVENUES (EXPENSES):</u></b>				
Interest Income	34,483	7,403	-	41,886
Transfers In/(Out)	414,417	(417,563)	-	(3,146)
Total Non-Operating Revenue (Expenses)	448,900	(410,160)	-	38,740
<i>Change in Net Assets</i>	<i>403,118</i>	<i>(406,171)</i>	<i>(68,971)</i>	<i>(72,024)</i>
<i>Net Assets - Beginning of Year</i>	<u>1,261,543</u>	<u>406,171</u>	<u>74,084</u>	<u>1,741,798</u>
<i>Net Assets - End of Year</i>	<u>\$ 1,664,661</u>	<u>\$ -</u>	<u>\$ 5,113</u>	<u>\$ 1,669,774</u>

# UNION COUNTY, OHIO

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

	Sanitary Sewer District	Water District	Building and Development	Total
<b>Increase (Decrease) in Cash and Cash Equivalents</b>				
<b>Cash flows from operating activities:</b>				
Cash received from sales/service charges.....	\$ 223,692	\$ -	\$ 609,618	\$ 833,310
Cash payments for operating services.....	(117,140)	-	(517,470)	(634,610)
Cash payments for contract services.....	(99,740)	-	(145,717)	(245,457)
Cash payments for supplies and materials.....	(10,568)	-	(5,945)	(16,513)
Other cash (payments)/receipts.....	34,267	3,989	(23,117)	15,139
<i>Net Cash From (Used in) Operating Activities</i>	<b>30,511</b>	<b>3,989</b>	<b>(82,631)</b>	<b>(48,131)</b>
<b>Cash flows from non-capital financing activities:</b>				
Cash received from transfers in.....	417,563	-	-	417,563
Cash paid for transfers out.....	(3,146)	(417,563)	-	(420,709)
<i>Net Cash Provided By (Used In) Noncapital Financing Activities.....</i>	<b>414,417</b>	<b>(417,563)</b>	<b>-</b>	<b>(3,146)</b>
<b>Cash flows from investing activities:</b>				
Interest income.....	36,763	7,403	-	44,166
<i>Net Cash Provided By Investing Activities</i>	<b>36,763</b>	<b>7,403</b>	<b>-</b>	<b>44,166</b>
<b>Net increase (decrease) in cash and cash equivalents.....</b>	<b>481,691</b>	<b>(406,171)</b>	<b>(82,631)</b>	<b>(7,111)</b>
Cash and cash equivalents at beginning of year.....	1,115,486	406,171	127,527	1,649,184
Cash and cash equivalents at end of year.....	<b>1,597,177</b>	<b>-</b>	<b>44,896</b>	<b>1,642,073</b>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>				
Operating Income(Loss).....	(45,782)	3,989	(68,971)	(110,764)
<b>Adjustments to reconcile operating loss to net cash used in operating activities...</b>				
Depreciation and amortization.....	12,159	-	11,494	23,653
Accrued wages and benefits.....	424	-	(2,093)	(1,669)
Compensated absences payable.....	62,145	-	(34,232)	27,913
Other accrued expenses.....	-	-	4,040	4,040
Due from/(to) other funds.....	-	-	-	-
Due to other governments.....	1,565	-	7,131	8,696
<b>Net cash from (used in) operating activities.....</b>	<b>\$ 30,511</b>	<b>\$ 3,989</b>	<b>\$ (82,631)</b>	<b>\$ (48,131)</b>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<b>Variance With Final Budget Over (Under)</b>
<b>REVENUES:</b>				
Charges for Services	\$220,000	\$220,000	\$222,942	\$2,942
Tap in Fees	0	0	200	200
License/Permits	800	800	550	(250)
Special Assessment	42,000	42,000	40,666	(1,334)
Interest	48,000	48,000	36,763	(11,237)
Other	850	850	9,165	8,315
Total Operating Revenues	<u>311,650</u>	<u>311,650</u>	<u>310,286</u>	<u>(1,364)</u>
<b>EXPENSES:</b>				
Personal Services	108,000	108,000	89,185	18,815
Contractual Services	340,100	335,044	99,740	235,304
Material and Supplies	33,500	13,500	10,568	2,932
Capital Outlay	11,000	12,910	12,814	96
Fringe Benefits	35,900	35,900	27,955	7,945
Other Operating Expenses	6,500	6,500	2,750	3,750
Interest & Fiscal Charges	0	0	0	0
Total Expenses	<u>535,000</u>	<u>511,854</u>	<u>243,012</u>	<u>268,842</u>
Operating income (loss)	(223,350)	(200,204)	67,274	267,478
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Operating transfers in	0	0	417,563	417,563
Operating transfers out	0	(3,146)	(3,146)	0
Total nonoperating revenues (expenses)	<u>0</u>	<u>(3,146)</u>	<u>414,417</u>	<u>417,563</u>
Net income (loss)	(223,350)	(203,350)	481,691	685,041
Fund Balance, January 1	1,114,372	1,114,372	1,114,372	0
Prior year encumbrances appropriated	1,113	1,113	1,113	0
Fund Balance, December 31	<u>\$892,135</u>	<u>\$912,135</u>	<u>\$1,597,176</u>	<u>\$685,041</u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b>REVENUES:</b>				
Special Assessments	\$0	\$0	\$3,989	\$3,989
Investment Income	20,800	20,800	7,403	(13,397)
Other	0	0	0	0
Total Operating Revenues	<u>20,800</u>	<u>20,800</u>	<u>11,392</u>	<u>(9,408)</u>
<b>EXPENSES:</b>				
Other Operating Expenses	0	0	0	0
Total Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Operating income (loss)	20,800	20,800	11,392	(9,408)
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Debt Service:				
Operating transfers out	(400,000)	(420,005)	(417,563)	2,442
Total nonoperating revenues (expenses)	<u>(400,000)</u>	<u>(420,005)</u>	<u>(417,563)</u>	<u>2,442</u>
Net (loss)	(379,200)	(399,205)	(406,171)	(6,966)
Fund Balance, January 1	406,171	406,171	406,171	0
Prior year encumbrances appropriated	0	0	0	0
Fund Balance, December 31	<u><u>\$26,971</u></u>	<u><u>\$6,966</u></u>	<u><u>\$0</u></u>	<u><u>\$(6,966)</u></u>

# UNION COUNTY, OHIO

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
<b>REVENUES:</b>				
Charges for Services	\$692,000	\$692,000	\$576,612	\$(115,388)
Licenses/Permits	34,000	34,000	33,006	(994)
Other	3,300	3,300	828	(2,472)
Total Operating Revenues	<u>729,300</u>	<u>729,300</u>	<u>610,446</u>	<u>(118,854)</u>
<b>EXPENSES:</b>				
Personal Services	499,000	496,078	395,482	100,596
Contractual Services	171,000	166,000	145,717	20,283
Material and Supplies	7,000	7,225	5,945	1,280
Capital Outlay	25,000	21,300	2,127	19,173
Fringe Benefits	132,000	136,179	121,988	14,191
Other Operating Expenses	20,000	28,586	21,818	6,768
Total Expenses	<u>854,000</u>	<u>855,368</u>	<u>693,077</u>	<u>162,291</u>
Net income (loss)	(124,700)	(126,068)	(82,631)	43,437
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Operating transfers out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total nonoperating revenues (expenses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net income (loss)	(124,700)	(126,068)	(82,631)	43,437
Fund Balance, January 1	125,211	125,211	125,211	0
Prior year encumbrances appropriated	<u>2,316</u>	<u>2,316</u>	<u>2,316</u>	<u>0</u>
Fund Balance, December 31	<u>\$2,827</u>	<u>\$1,459</u>	<u>\$44,896</u>	<u>\$43,437</u>

# UNION COUNTY, OHIO

## *Nonmajor Fiduciary Funds – Fund Descriptions*

### *Agency Funds*

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

Tax Collections Fund: To account for the collection of various property taxes. These taxes are periodically distributed to local governments in the County including Union County itself.

Central Ohio Youth Center Fund: To account for monies received and expended for a five county joint juvenile detention center for which the Union County Auditor serves as fiscal agent.

General Health District Fund: To account for the funds and sub-funds of the Board of Health for which the County Auditor serves as ex-officio fiscal agent.

Soil and Water Conservation District Fund: To account for monies received and expended for the Soil and Water Conservation District for which the County Auditor serves as fiscal agent.

Marriage License Fund: To account for monies collected on each marriage license to be used for a battered spouse program provided by Turning Point and Choices, Inc.

Indigent Counsel / Restitution Fund: To account for court monies ordered reimbursed to the County or subdivision for attorney fees related to cases involving indigent clients.

Domestic Violence Fund: To account for fees collected on each divorce and dissolution case to be used for a battered spouse program provided by Turning Point and Choices, Inc.

County Courts Fund: To account for Clerk of Courts, Probate Court, and Juvenile Court receipts which are distributed to various agencies.

Alimony and Child Support Fund: To account for the collection of alimony and child support payments and the distribution of such monies to the court designated agencies.

Payroll Fund: To account for the payroll taxes and other related payroll deductions accumulated from all funds for distribution to the appropriate governmental unit and/or private organization.

Joint Recreation Board: To account for receipts and expenditures associated with this joint activity among Union County, the City of Marysville, and Paris township.

Housing Trust Fund: To account for the increased funds collected by the Recorder's office in accordance with House Bill 95.

Union County Family / Children First: To account for the revenues and expenditures of the council that administers various social programs within the County.

## UNION COUNTY, OHIO

### *Agency Funds* (continued)

Other Agency Funds - smaller agency funds operated by the County funded by miscellaneous sources. These funds are listed as follows:

Medical and Dental Insurance  
Ohio Elections Commission

Ohio Child's Trust  
Help Me Grow

# UNION COUNTY, OHIO

Combining Statement of Changes in Assets and Liabilities  
All Agency Funds  
For the Year Ended December 31, 2008

	Balance 12/31/2007	Additions	Reductions	Balance 12/31/2008
<b><u>Tax Collections</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$3,143,252	\$83,914,387	\$83,931,627	\$3,126,012
Intergovernmental Receivable	1,441,159	4,146,389	1,441,159	4,146,389
Taxes Receivable	67,851,176	61,335,192	67,851,176	61,335,192
<b>Total Assets</b>	<b>\$72,435,587</b>	<b>\$149,395,968</b>	<b>\$153,223,962</b>	<b>\$68,607,593</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$72,435,587	\$149,395,968	\$153,223,962	\$68,607,593
<b>Total Liabilities</b>	<b>\$72,435,587</b>	<b>\$149,395,968</b>	<b>\$153,223,962</b>	<b>\$68,607,593</b>
<b><u>Central Ohio Youth Center</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$299,315	\$2,934,587	\$2,824,511	\$409,391
<b>Total Assets</b>	<b>\$299,315</b>	<b>\$2,934,587</b>	<b>\$2,824,511</b>	<b>\$409,391</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$299,315	\$2,934,587	\$2,824,511	\$409,391
<b>Total Liabilities</b>	<b>\$299,315</b>	<b>\$2,934,587</b>	<b>\$2,824,511</b>	<b>\$409,391</b>
<b><u>Health Department</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$2,360,359	3,453,127	3,486,318	\$2,327,168
Intergovernmental Receivable	52,265	80,584	52,265	80,584
Cash in Segregated Accounts	0	0	0	0
<b>Total Assets</b>	<b>\$2,412,624</b>	<b>\$3,533,711</b>	<b>\$3,538,583</b>	<b>\$2,407,752</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$2,412,624	\$3,533,711	\$3,538,583	\$2,407,752
<b>Total Liabilities</b>	<b>\$2,412,624</b>	<b>\$3,533,711</b>	<b>\$3,538,583</b>	<b>\$2,407,752</b>
<b><u>Soil &amp; Water Conservation</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$151,103	\$420,717	\$411,355	\$160,465
<b>Total Assets</b>	<b>\$151,103</b>	<b>\$420,717</b>	<b>\$411,355</b>	<b>\$160,465</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$151,103	\$420,717	\$411,355	\$160,465
<b>Total Liabilities</b>	<b>\$151,103</b>	<b>\$420,717</b>	<b>\$411,355</b>	<b>\$160,465</b>
<b>CONTINUED</b>				



# UNION COUNTY, OHIO

Combining Statement of Changes in Assets and Liabilities  
All Agency Funds  
For the Year Ended December 31, 2008

	Balance 12/31/2007	Additions	Reductions	Balance 12/31/2008
<b><u>Marriage Licenses</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$3,111	\$5,287	\$5,219	\$3,179
<b>Total Assets</b>	<b>\$3,111</b>	<b>\$5,287</b>	<b>\$5,219</b>	<b>\$3,179</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$3,111	\$5,287	\$5,219	\$3,179
<b>Total Liabilities</b>	<b>\$3,111</b>	<b>\$5,287</b>	<b>\$5,219</b>	<b>\$3,179</b>
<b><u>Indigent Counsel/Restitution</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$6,580	\$11,698	\$0	\$18,278
<b>Total Assets</b>	<b>\$6,580</b>	<b>\$11,698</b>	<b>\$0</b>	<b>\$18,278</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$6,580	\$11,698	\$0	\$18,278
<b>Total Liabilities</b>	<b>\$6,580</b>	<b>\$11,698</b>	<b>\$0</b>	<b>\$18,278</b>
<b><u>Domestic Violence</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$2,965	\$7,243	\$6,592	\$3,616
<b>Total Assets</b>	<b>\$2,965</b>	<b>\$7,243</b>	<b>\$6,592</b>	<b>\$3,616</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$2,965	\$7,243	\$6,592	\$3,616
<b>Total Liabilities</b>	<b>\$2,965</b>	<b>\$7,243</b>	<b>\$6,592</b>	<b>\$3,616</b>
<b><u>County Courts</u></b>				
<b><u>Assets:</u></b>				
Cash in Segregated Accounts	\$591,787	\$438,523	\$591,787	\$438,523
<b>Total Assets</b>	<b>\$591,787</b>	<b>\$438,523</b>	<b>\$591,787</b>	<b>\$438,523</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$591,787	\$438,523	\$591,787	\$438,523
<b>Total Liabilities</b>	<b>\$591,787</b>	<b>\$438,523</b>	<b>\$591,787</b>	<b>\$438,523</b>
<b><u>Alimony &amp; Child Support</u></b>				
<b><u>Assets:</u></b>				
Cash in Segregated Accounts	\$1,950	\$966	\$1,950	\$966
<b>Total Assets</b>	<b>\$1,950</b>	<b>\$966</b>	<b>\$1,950</b>	<b>\$966</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$1,950	\$966	\$1,950	\$966
<b>Total Liabilities</b>	<b>\$1,950</b>	<b>\$966</b>	<b>\$1,950</b>	<b>\$966</b>

CONTINUED

# UNION COUNTY, OHIO

Combining Statement of Changes in Assets and Liabilities  
All Agency Funds  
For the Year Ended December 31, 2008

	Balance 12/31/2007	Additions	Reductions	Balance 12/31/2008
<b><u>Payroll</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$150,766	\$19,936,458	\$19,996,492	\$90,731
<b>Total Assets</b>	<b>\$150,766</b>	<b>\$19,936,458</b>	<b>\$19,996,492</b>	<b>\$90,731</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$150,766	\$19,936,458	\$19,996,492	\$90,731
<b>Total Liabilities</b>	<b>\$150,766</b>	<b>\$19,936,458</b>	<b>\$19,996,492</b>	<b>\$90,731</b>
<b><u>Joint Recreation Board</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$44,867	\$63,710	\$55,113	\$53,464
<b>Total Assets</b>	<b>\$44,867</b>	<b>\$63,710</b>	<b>\$55,113</b>	<b>\$53,464</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$44,867	\$63,710	\$55,113	\$53,464
<b>Total Liabilities</b>	<b>\$44,867</b>	<b>\$63,710</b>	<b>\$55,113</b>	<b>\$53,464</b>
<b><u>Housing Trust Fund</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$62,763	\$331,311	\$345,064	\$49,010
<b>Total Assets</b>	<b>\$62,763</b>	<b>\$331,311</b>	<b>\$345,064</b>	<b>\$49,010</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$62,763	\$331,311	\$345,064	\$49,010
<b>Total Liabilities</b>	<b>\$62,763</b>	<b>\$331,311</b>	<b>\$345,064</b>	<b>\$49,010</b>
<b><u>Union County Family / Children First</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$15,252	\$108,096	\$77,721	\$45,627
<b>Total Assets</b>	<b>\$15,252</b>	<b>\$108,096</b>	<b>\$77,721</b>	<b>\$45,627</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$15,252	\$108,096	\$77,721	\$45,627
<b>Total Liabilities</b>	<b>\$15,252</b>	<b>\$108,096</b>	<b>\$77,721</b>	<b>\$45,627</b>
<b><u>Medical and Dental Insurance</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$3,591	\$2,401,103	\$2,401,393	\$3,301
<b>Total Assets</b>	<b>\$3,591</b>	<b>\$2,401,103</b>	<b>\$2,401,393</b>	<b>\$3,301</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$3,591	\$2,401,103	\$2,401,393	\$3,301
<b>Total Liabilities</b>	<b>\$3,591</b>	<b>\$2,401,103</b>	<b>\$2,401,393</b>	<b>\$3,301</b>

CONTINUED

# UNION COUNTY, OHIO

Combining Statement of Changes in Assets and Liabilities  
All Agency Funds  
For the Year Ended December 31, 2008

	Balance 12/31/2007	Additions	Reductions	Balance 12/31/2008
<b><u>Ohio Child Trust Fund</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$19,662	\$15,000	\$17,307	\$17,355
<b>Total Assets</b>	<b>\$19,662</b>	<b>\$15,000</b>	<b>\$17,307</b>	<b>\$17,355</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$19,662	\$15,000	\$17,307	\$17,355
<b>Total Liabilities</b>	<b>\$19,662</b>	<b>\$15,000</b>	<b>\$17,307</b>	<b>\$17,355</b>
<b><u>Ohio Elections Commission</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$190	\$917	\$817	\$290
<b>Total Assets</b>	<b>\$190</b>	<b>\$917</b>	<b>\$817</b>	<b>\$290</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$190	\$917	\$817	\$290
<b>Total Liabilities</b>	<b>\$190</b>	<b>\$917</b>	<b>\$817</b>	<b>\$290</b>
<b><u>Help Me Grow</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$21,475	\$202,929	\$211,924	\$12,480
<b>Total Assets</b>	<b>\$21,475</b>	<b>\$202,929</b>	<b>\$211,924</b>	<b>\$12,480</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$21,475	\$202,929	\$211,924	\$12,480
<b>Total Liabilities</b>	<b>\$21,475</b>	<b>\$202,929</b>	<b>\$211,924</b>	<b>\$12,480</b>
<b><u>All Agency Funds:</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$6,285,252	\$113,806,569	\$113,771,452	\$6,320,368
Cash in Segregated Accounts	593,737	439,489	593,737	439,489
Intergovernmental Receivable	1,493,424	4,226,973	1,493,424	4,226,973
Taxes Receivable	67,851,176	61,335,192	67,851,176	61,335,192
<b>Total Assets</b>	<b>\$76,223,589</b>	<b>\$179,808,223</b>	<b>\$183,709,789</b>	<b>\$72,322,022</b>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$76,223,589	\$179,808,223	\$183,709,789	\$72,322,022
<b>Total Liabilities</b>	<b>\$76,223,589</b>	<b>\$179,808,223</b>	<b>\$183,709,789</b>	<b>\$72,322,022</b>

**Union County, Ohio**

*Balance Sheet  
Discretely Presented Component Unit  
Union County Airport Authority  
December 31, 2008*

	<b>Airport Authority</b>
<b>Assets:</b>	
Equity in Pooled Cash and	
Cash Equivalents.....	\$ 579,856
Accounts Receivable.....	1,030
<b>Total Assets</b>	<b>\$ 580,886</b>
<b>Liabilities:</b>	
Accounts Payable.....	\$ 88,750
Wages Payable.....	318
<b>Total Liabilities</b>	<b>89,068</b>
<b>Fund Balances:</b>	
Unreserved, Unrestricted.....	491,818
<b>Total Fund Balances</b>	<b>491,818</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 580,886</b>

*Reconciliation of Total Airport Authority Fund Balance to  
Net Assets of Airport Authority Component Unit Activities*

<b>Total Airport Authority Fund Balances</b>	<b>\$ 491,818</b>
--	-------------------

**Amounts reported for governmental activities in the  
statement of net assets are different because of the following:**

Capital assets used in governmental type component unit activities are not financial resources and, therefore, are not reported in the funds.	3,000,545
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the	
Accrued Interest Payable	-
General Obligation Bonds Payable	(81,674)

<b>Net Assets of The Union County Airport Authority</b>	<b>\$ 3,410,689</b>
---	---------------------

# **Union County, Ohio**

## *Statement of Revenues, Expenditures, and Changes in Fund Balances Discretely Presented Component Unit Union County Airport Authority For The Year Ended December 31, 2008*

	<b>Airport Authority</b>
<b>Revenues:</b>	
Charges For Services.....	\$160,891
Intergovernmental.....	243,191
Interest.....	2,709
Other.....	2,513
<b>Total Revenues.....</b>	<b>409,304</b>
<b>Expenditures:</b>	
Current:	
Conservation & Recreation.....	686,787
Debt Service:	
Principal Retirement.....	60,000
Interest and Fiscal Charges.....	39,563
<b>Total Expenditures.....</b>	<b>786,350</b>
<b>Excess of Revenues Over     (Under) Expenditures.....</b>	<b>(377,046)</b>
<b>Net Change in Fund Balances.....</b>	<b>(377,046)</b>
<b>Fund Balances Beginning of Year.....</b>	<b>868,864</b>
<b>Fund Balances End of Year.....</b>	<b>\$491,818</b>

### *Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Airport Authority Component Unit Funds to Statement of Activities*

<b>Net Change in Airport Authority Fund Balances</b>	<b>\$ (377,046)</b>
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#### ***Amounts reported for discretely presented component units on the statement of activities are different because:***

Governmental type component unit 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 Outlay - Depreciable Capital Assets	558,990	
Capital Outlay - Non-Depreciable Capital Assets	87,210	
Depreciation	(82,542)	
		563,658

Repayment of bond principal is an expenditure in the governmental type component unit funds, but the repayment reduces long-term liabilities on the

25,256

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental type component unit funds, an interest expenditure is

-

<b><i>Change in Net Assets of The Airport Authority</i></b>	<b><i>\$ 211,868</i></b>
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**Schedules of Capital Assets  
Governmental Activities**

## UNION COUNTY, OHIO

### Capital Assets Used in the Operation of Governmental Funds Schedule by Source December 31, 2008

#### **GOVERNMENT FUNDS CAPITAL ASSETS:**

Land	\$934,813
Improvements	1,457,218
Buildings	28,875,954
Equipment	4,496,232
Furniture / Fixtures	904,473
Vehicles	5,526,648
Infrastructure	50,776,148
Construction In Progress	-
TOTAL	<u><u>\$92,971,486</u></u>

#### **SOURCE OF INVESTMENT IN GOVERNMENTAL FUND ASSETS:-**

General Fund Revenues	\$21,592,401
Note or Bonded Debt	20,679,823
Special Revenue Funds	21,503,091
State Grants	7,936,598
Federal Grants	17,150,768
Donations	4,098,455
Other	10,350
TOTAL	<u><u>\$92,971,486</u></u>

**UNION COUNTY, OHIO**  
Capital Assets Used in the Operation of Governmental Funds  
Schedule by Function  
December 31, 2008

<b>FUNCTION</b>	<b>TOTAL</b>	<b>LAND</b>	<b>IMPROVEMENTS</b>	<b>BUILDINGS</b>	<b>EQUIPMENT</b>	<b>FURNITURE/ FIXTURES</b>	<b>VEHICLES</b>	<b>INFRA- STRUCTURE</b>	<b>CONSTRUCTION IN PROGRESS</b>
General Government									
Legislative and Executive	\$22,837,432	\$494,540	\$1,042,421	\$18,923,285	\$1,888,716	\$295,980	\$192,490	\$0	\$0
Judicial	5,513,898	9,310	10,730	4,830,098	515,195	148,565	0	0	0
Public Safety	3,838,054	136,118	303,741	936,436	1,177,974	52,068	1,231,717	0	0
Public Works	55,059,174	2,060	7,230	14,964	417,665	87,056	3,754,051	50,776,148	0
Health	5,048,631	287,062	67,650	4,077,794	439,166	106,330	70,629	0	0
Human Services	674,297	5,723	25,446	93,377	57,516	214,474	277,761	0	0
Conservation/Recreation	0	0	0	0	0	0	0	0	0
	<u>\$92,971,486</u>	<u>\$934,813</u>	<u>\$1,457,218</u>	<u>\$28,875,954</u>	<u>\$4,496,232</u>	<u>\$904,473</u>	<u>\$5,526,648</u>	<u>\$50,776,148</u>	<u>\$0</u>



# UNION COUNTY, OHIO

## Capital Assets Used in the Operation of Governmental Funds Schedule of Changes by Function December 31, 2008

<u>FUNCTION</u>	<u>BALANCE 12/31/2007</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 12/31/2008</u>
General Government				
Legislative and Executive	\$20,144,601	\$2,913,737	\$220,906	\$22,837,432
Judicial	5,488,011	25,887	\$0	5,513,898
Public Safety	2,988,095	854,508	\$4,549	3,838,054
Public Works	50,744,179	4,399,303	\$84,308	55,059,174
Health	5,057,666	30,472	\$39,507	5,048,631
Human Services	737,608	83,114	\$146,425	674,297
	<u>\$85,160,160</u>	<u>\$8,307,021</u>	<u>\$495,695</u>	<u>\$92,971,486</u>

# Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	<b>S- 3</b>
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time	
<b>Revenue Capacity</b>	<b>S- 10</b>
These schedules contain information to help the reader assess the affordability of the County's most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	<b>S- 14</b>
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.	
<b>Demographic and Economic Information</b>	<b>S- 21</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	
<b>Operating Information</b>	<b>S- 23</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial reports relates to the services the County provides and the activities it performs.	

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual reports for the relevant year. The County implemented GASB Statement 34 for the year ended December 31, 2003; schedules presenting government wide information include information beginning in that year.

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TABLE 1

# UNION COUNTY

*Net Assets by Component  
Last Six Years (1)  
(accrual basis of accounting)*

	2008	2007	2006	2005	2004 Restated	2003
<b>Government Activities:</b>						
Invested in Capital Assets, Net of Unrelated Debt	\$61,759,667	\$57,915,110	\$56,089,685	\$50,863,277	\$49,042,618	\$45,104,941
Restricted For:						
Capital Projects	1,906,616	1,738,603	1,432,729	1,885,804	1,553,271	3,010,651
Debt Service	196,115	186,530	178,705	103,051	167,311	90,000
Human Service Programs	10,449,860	8,980,021	6,969,391	6,100,622	4,534,666	4,163,061
Public Works Programs	3,688,199	3,470,964	3,494,643	3,154,052	2,271,894	2,487,400
Health Programs	1,057,715	2,146,086	2,162,353	2,500,644	1,710,375	1,233,090
Other Purposes	3,765,806	2,377,575	2,287,368	2,133,744	1,833,401	682,415
Unrestricted	8,837,717	10,423,629	6,844,135	6,365,027	4,958,093	7,815,189
Total governmental activities net assets	<u>91,661,695</u>	<u>87,238,518</u>	<u>79,459,009</u>	<u>73,106,221</u>	<u>66,071,629</u>	<u>64,586,747</u>
<b>Business-type Activities:</b>						
Invested in Capital Assets, Net of Unrelated Debt	13,508,658	11,782,702	13,355,372	12,958,132	14,630,578	9,851,629
Restricted	4,928,672	4,318,519	3,648,108	1,914,465	4,827,773	8,933,332
Unrestricted	24,126,401	23,134,777	14,603,007	14,632,020	7,389,812	6,570,941
Total Business-type activities net assets	<u>42,563,731</u>	<u>39,235,998</u>	<u>31,606,487</u>	<u>29,504,617</u>	<u>26,848,163</u>	<u>25,355,902</u>
<b>Primary Government:</b>						
Invested in Capital Assets, Net of Unrelated Debt	75,268,325	69,697,812	69,445,057	63,821,409	63,673,196	54,956,570
Restricted For:						
Capital Projects	2,934,501	1,738,603	1,432,729	1,885,804	1,553,271	3,010,651
Debt Service	199,840	186,530	178,705	103,051	167,311	90,000
Human Service Programs	10,449,860	8,980,021	6,969,391	6,100,622	4,534,666	4,163,061
Public Works Programs	3,688,199	3,470,964	3,494,643	3,154,052	2,271,894	2,487,400
Health Programs	1,057,715	2,146,086	2,162,353	2,500,644	1,710,375	1,233,090
Other Purposes	7,662,868	6,696,094	5,935,476	4,048,209	6,661,174	9,615,747
Unrestricted	32,964,118	33,558,406	21,447,142	20,997,047	12,347,905	14,386,130
Total	<u>\$134,225,426</u>	<u>\$126,474,516</u>	<u>\$111,065,496</u>	<u>\$102,610,838</u>	<u>\$92,919,792</u>	<u>\$89,942,649</u>

# UNION COUNTY

*Changes in Net Assets  
Last Six Years (1)  
(accrual basis of accounting)*

Expenses	Fiscal Year					
	2008	2007	2006	2005	2004	2003
Governmental activities:						
General Government:						
Legislative and Executive	\$13,793,161	\$11,990,209	\$11,776,677	\$11,058,550	\$11,245,559	\$9,250,525
Judicial	2,637,145	2,371,200	2,181,237	2,248,594	1,960,691	1,909,165
Public Safety	7,161,068	6,735,640	6,270,069	5,631,020	4,709,853	5,625,007
Public Works	3,227,196	3,341,555	3,089,442	3,427,498	4,554,528	1,464,972
Health	4,020,931	3,834,944	3,888,031	3,345,809	3,201,395	3,482,836
Human services	16,904,850	13,834,546	14,604,599	12,759,040	11,339,209	11,616,137
Economic Development	365,747	298,297	306,202	333,395	394,680	154,969
Other	519,194	0	0	0	1,782,748	666,332
Interest and Fiscal Charges	485,352	328,586	380,135	415,051	451,711	460,618
<i>Total Governmental Activities Expense</i>	<u>49,114,644</u>	<u>42,734,977</u>	<u>42,496,392</u>	<u>39,218,957</u>	<u>39,640,374</u>	<u>34,630,561</u>
Business-type Activities:						
Memorial Hospital	67,061,083	62,879,762	60,705,526	58,582,150	56,083,372	59,845,387
Nonmajor:						
Sanitary Sewer District	319,305	222,616	1,109,238	1,190,025	872,798	666,119
Water District	0	150,000	220,104	585,926	439,051	253,638
Building and Development	679,417	730,837	954,983	920,994	811,553	702,502
<i>Total Business-type Activities Expense</i>	<u>68,059,805</u>	<u>63,983,215</u>	<u>62,989,851</u>	<u>61,279,095</u>	<u>58,206,774</u>	<u>61,467,646</u>
<i>Total Primary Government Expenses</i>	<u>\$117,174,449</u>	<u>\$106,718,192</u>	<u>\$105,486,243</u>	<u>\$100,498,052</u>	<u>\$97,847,148</u>	<u>\$96,098,207</u>
<b>Program Revenues</b>						
Governmental Activities:						
Charges for Services:						
General Government:						
Legislative and Executive	2,799,982	2,747,434	3,023,987	3,056,333	2,843,582	2,107,002
Judicial	696,302	636,768	570,134	574,770	580,135	879,666
Public Safety	793,587	609,138	871,808	815,211	699,130	560,200
Public Works	800,713	728,309	644,593	618,410	644,370	798,534
Health	174,411	210,952	179,375	170,132	285,042	151,412
Human Services	1,252,022	1,173,924	1,191,088	1,380,394	1,346,464	1,220,303
Economic Development	21,876	21,239	20,621	20,621	20,620	79,774
Operating Grants and Contributions						
General Government:						
Legislative and Executive	158,828	391,160	636,094	813,542	798,429	552,417
Judicial	7,593	64,316	74,447	107,541	110,276	135,611
Public Safety	983,000	582,840	691,322	605,893	554,115	532,082
Public Works	4,124,622	0	0	0	0	0
Health	2,882,747	1,155,472	2,551,355	2,400,984	2,480,982	2,235,583
Human Services	8,038,000	6,736,671	5,392,309	4,508,522	4,625,488	4,413,779
Economic Development	316,391	0	0	0	0	0
Capital Grants and Contributions						
General Government:						
Legislative and Executive	140,828	201,015	117,400	234,795	335,590	490,040
Public Works	2,900,836	908,125	2,464,802	785,013	1,826,860	1,548,851
Human Services	0	0	0	0	0	20,144
<i>Total Governmental Activities</i>	<u>26,091,738</u>	<u>16,167,363</u>	<u>18,429,335</u>	<u>16,092,161</u>	<u>17,151,083</u>	<u>15,725,398</u>
<i>Program Revenues</i>	<u>26,091,738</u>	<u>16,167,363</u>	<u>18,429,335</u>	<u>16,092,161</u>	<u>17,151,083</u>	<u>15,725,398</u>

# UNION COUNTY

*Changes in Net Assets  
Last Six Years (1)  
(accrual basis of accounting)*

	Fiscal Year					
	2008	2007	2006	2005	2004	2003
<b>Program Revenues (continued)</b>						
Business-type Activities:						
Charges for Services:						
Memorial Hospital	67,410,277	66,910,751	60,142,923	58,674,289	54,589,205	57,212,364
Nonmajor:						
Sanitary Sewer District	264,358	273,086	332,884	1,143,784	954,578	888,221
Water District	3,989	6,205	64,231	636,889	586,869	625,295
Building and Development	609,618	730,342	766,433	848,346	798,214	754,349
Capital Grants and Contributions						
Memorial Hospital	370,484	557,971	808,334	543,753	833,980	0
<i>Total Business-type Activities</i>						
<i>Program Revenues</i>	<u>68,658,726</u>	<u>68,478,355</u>	<u>62,114,805</u>	<u>61,847,061</u>	<u>57,762,846</u>	<u>59,480,229</u>
<i>Total Primary Government</i>						
<i>Program Revenues</i>	<u>\$94,750,464</u>	<u>\$84,645,718</u>	<u>\$80,544,140</u>	<u>\$77,939,222</u>	<u>\$74,913,929</u>	<u>\$75,205,627</u>
<b>Net (expense)/revenue</b>						
Governmental Activities	(\$23,022,906)	(\$26,567,614)	(\$24,067,057)	(\$23,126,796)	(\$22,489,291)	(\$18,905,163)
Business-type Activities	598,921	4,495,140	(875,046)	567,966	(443,928)	(1,987,417)
<i>Total Primary Government Net Expense</i>	<u>(\$22,423,985)</u>	<u>(\$22,072,474)</u>	<u>(\$24,942,103)</u>	<u>(\$22,558,830)</u>	<u>(\$22,933,219)</u>	<u>(\$20,892,580)</u>
<b>General Revenues and Other Changes in</b>						
<b>Net Assets</b>						
Governmental activities:						
Property Taxes	10,360,679	11,915,812	11,242,702	11,605,612	10,018,690	9,429,703
Sales Taxes	9,565,905	9,379,361	7,163,499	7,115,148	6,844,471	8,388,571
Unrestricted Grants and Contributions	4,312,843	9,597,276	9,108,618	9,157,542	6,239,807	7,232,467
Interest	1,516,355	1,800,912	1,542,329	903,077	527,910	542,185
Other	1,687,155	1,653,762	1,362,697	1,380,009	1,530,771	1,510,556
Transfers	3,146	0	0	0	0	0
<i>Total Governmental Activities:</i>	<u>27,446,083</u>	<u>34,347,123</u>	<u>30,419,845</u>	<u>30,161,388</u>	<u>25,161,649</u>	<u>27,103,482</u>
Business-type Activities:						
Unrestricted Grants and Contributions	0	0	0	0	0	662,258
Interest	565,872	931,447	718,364	228,887	102,325	149,025
Gain on Sale of Capital Assets	0	0	460,169	0	0	-
Transfers	(3,146)	0	0	0	0	-
Other	2,166,086	2,202,924	1,798,383	1,859,601	1,772,797	2,163,101
<i>Total Business-type Activities:</i>	<u>2,728,812</u>	<u>3,134,371</u>	<u>2,976,916</u>	<u>2,088,488</u>	<u>1,875,122</u>	<u>2,974,384</u>
<i>Total Primary Government</i>	<u>\$30,174,895</u>	<u>\$37,481,494</u>	<u>\$33,396,761</u>	<u>\$32,249,876</u>	<u>\$27,036,771</u>	<u>\$30,077,866</u>
<b>Change in Net Assets</b>						
Governmental Activities:	\$4,423,177	\$7,779,509	\$6,352,788	\$7,034,592	\$2,672,358	\$8,198,319
Business-type Activities:	3,327,733	7,629,511	2,101,870	2,656,454	1,431,194	986,967
<i>Total Primary Government</i>	<u>\$7,750,910</u>	<u>\$15,409,020</u>	<u>\$8,454,658</u>	<u>\$9,691,046</u>	<u>\$4,103,552</u>	<u>\$9,185,286</u>

TABLE 3

# UNION COUNTY

*Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)*

	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b>General Fund</b>					
Reserved	\$ 747,942	\$ 777,801	\$ 845,718	\$ 899,462	\$ 245,743
Unreserved	3,089,674	4,443,403	5,090,874	6,775,931	6,288,735
Total General Fund	<u>3,837,616</u>	<u>5,221,204</u>	<u>5,936,592</u>	<u>7,675,393</u>	<u>6,534,478</u>
<b>All Other Governmental Funds</b>					
Reserved	446,049	684,784	943,813	612,590	425,736
Unreserved, reported in:					
Special Revenue Funds	8,150,227	10,035,585	11,284,106	14,084,346	15,283,376
Cap. Projects Fund	1,401,758	1,663,846	1,303,416	1,675,771	1,695,857
Total All Other Governmental Funds	<u>9,998,034</u>	<u>12,384,215</u>	<u>13,531,335</u>	<u>16,372,707</u>	<u>17,404,969</u>
Total Governmental Funds	<u>\$13,835,650</u>	<u>\$17,605,419</u>	<u>\$19,467,927</u>	<u>\$24,048,100</u>	<u>\$23,939,447</u>

	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>General Fund</b>					
Reserved	\$ 491,641	\$ 431,927	\$ 3,548,189	\$ 1,089,106	\$ 743,360
Unreserved	3,184,071	3,387,401		2,377,961	3,665,656
Total General Fund	<u>3,675,712</u>	<u>3,819,328</u>	<u>3,548,189</u>	<u>3,467,067</u>	<u>4,409,016</u>
<b>All Other Governmental Funds</b>					
Reserved	768,867	705,270	912,165	856,041	431,965
Unreserved, reported in:					
Special Revenue Funds	5,870,819	5,770,996	5,588,600	5,962,109	6,396,190
Capital Projects Fund	5,014,351	3,914,526	3,383,151	2,751,707	2,864,090
Total All Other Governmental Funds	<u>11,654,037</u>	<u>10,390,792</u>	<u>9,883,916</u>	<u>9,569,857</u>	<u>9,692,245</u>
Total Governmental Funds	<u>\$15,329,749</u>	<u>\$14,210,120</u>	<u>\$13,432,105</u>	<u>\$13,036,924</u>	<u>\$14,101,261</u>

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# UNION COUNTY

## Changes in Fund Balances, Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

	1999	2000	2001	2002	2003
<b>Revenues</b>					
Property Taxes	\$ 6,863,037	\$ 7,318,784	\$ 7,051,514	\$ 9,212,683	\$ 9,439,349
Sales Taxes	4,565,710	4,394,280	7,247,373	5,983,016	8,187,253
Charges for services	2,698,400	4,185,063	3,128,084	3,931,159	5,218,750
Licenses and permits	113,732	94,907	140,079	208,712	138,446
Fines and forfeitures	147,522	120,629	116,038	190,320	112,740
Intergovernmental	12,459,328	13,524,123	14,215,646	13,904,313	16,864,852
Special assessments	34,610	26,411	41,108	41,677	57,295
Investment earnings	1,311,588	1,633,319	1,275,488	735,429	542,185
Other - Rent	-	-	-	-	-
Other	2,776,321	1,191,178	1,030,973	1,846,861	1,246,172
Total Revenues	<u>30,970,248</u>	<u>32,488,694</u>	<u>34,246,303</u>	<u>36,054,170</u>	<u>41,807,042</u>
<b>Expenditures</b>					
General government:					
Legislative and executive	6,837,983	6,301,260	7,001,821	8,514,138	9,283,243
Judicial	1,210,768	1,400,100	1,500,183	1,628,576	1,662,842
Public safety	3,171,988	4,133,505	4,218,505	4,846,121	5,194,829
Public works	5,734,699	6,284,628	3,787,974	3,680,137	4,020,510
Health	2,733,691	2,242,986	2,928,295	3,448,408	3,364,327
Human services	8,329,001	8,318,217	9,814,676	10,618,297	11,483,709
Economic development	171,029	99,305	106,860	63,260	235,593
Employee fringe benefits (1)					-
Other	479,329	638,934	739,153	618,982	663,205
Capital outlay	4,740,518	3,440,648	3,429,797	5,466,427	4,254,021
Intergovernmental	5,085	-	24,756	30,590	-
Debt service					
Principal retirement	367,927	375,600	462,927	648,804	542,511
Interest and fiscal charges	381,988	370,480	438,696	427,969	454,318
Total expenditures	<u>34,164,006</u>	<u>33,605,663</u>	<u>34,453,643</u>	<u>39,991,709</u>	<u>41,159,108</u>
Excess of revenues over (under) expenditures	<u>(3,193,758)</u>	<u>(1,116,969)</u>	<u>(207,340)</u>	<u>(3,937,539)</u>	<u>647,934</u>
<b>Other financing sources (uses)</b>					
Transfers in	2,537,650	2,956,219	6,686,942	2,459,007	3,545,026
Transfers out	(2,537,650)	(2,956,219)	(6,686,942)	(2,367,987)	(3,540,147)
Sale of capital assets	74,713	8,962	-	16,890	253,647
Issuance of Bonds/Other Sources	-	20,418	-	3,435,000	-
Total other financing sources (uses)	<u>74,713</u>	<u>29,380</u>	<u>-</u>	<u>3,542,910</u>	<u>258,526</u>
Net change in fund balance	<u>\$ (3,119,045)</u>	<u>\$ (1,087,589)</u>	<u>\$ (207,340)</u>	<u>\$ (394,629)</u>	<u>\$ 906,460</u>
Debt Service as a percentage of noncapital expenditures	2.5%	2.5%	2.9%	3.1%	2.7%

(1) Allocated to functions prior to and after 1997.

TABLE 4

2004	2005	2006	2007	2008
\$ 10,046,282	\$ 11,606,766	\$ 11,160,274	\$ 11,534,140	\$ 11,009,045
6,803,685	7,084,993	7,120,385	8,369,261	9,433,349
5,652,805	6,097,268	5,635,607	5,343,223	5,761,653
96,808	94,460	180,251	118,402	128,261
373,099	141,674	164,042	235,629	192,350
17,595,228	17,154,412	21,396,153	19,777,156	22,584,156
91,147	89,389	88,551	126,962	97,984
527,910	903,077	1,542,329	1,800,912	1,516,355
-	84,593	521,706	430,510	449,072
1,705,461	1,508,496	1,319,146	1,484,520	1,713,362
<u>42,892,425</u>	<u>44,765,128</u>	<u>49,128,444</u>	<u>49,220,715</u>	<u>52,885,587</u>
10,949,185	10,554,369	12,236,331	11,043,570	12,270,523
1,799,920	1,930,903	1,989,364	2,170,932	2,461,789
5,560,597	5,694,979	6,386,829	6,596,109	7,054,154
4,554,497	4,266,177	6,979,286	5,539,221	8,189,213
3,040,817	3,292,537	3,896,255	3,694,242	3,806,892
11,460,825	12,859,327	14,265,234	13,873,946	16,835,929
244,776	248,882	305,905	296,826	283,263
-	-	-	-	-
1,176,961	335,732	667,141	638,179	676,156
3,354,540	861,815	45,914	391,053	3,109,724
-	-	-	-	-
565,363	585,557	611,771	567,807	600,000
460,281	416,828	382,123	325,986	485,352
<u>43,167,762</u>	<u>41,047,106</u>	<u>47,766,153</u>	<u>45,137,871</u>	<u>55,772,995</u>
<u>(275,337)</u>	<u>3,718,022</u>	<u>1,362,291</u>	<u>4,082,844</u>	<u>(2,887,408)</u>
3,176,210	1,500,530	931,130	1,746,800	1,297,061
(3,169,955)	(1,500,530)	(931,130)	(1,746,800)	(1,293,915)
25,512	18,936	537,301	400,000	3,000,000
-	-	-	42,280	3,000,000
<u>31,767</u>	<u>18,936</u>	<u>537,301</u>	<u>442,280</u>	<u>3,003,146</u>
<u>\$ (243,570)</u>	<u>\$ 3,736,958</u>	<u>\$ 1,899,592</u>	<u>\$ 4,525,124</u>	<u>\$ 115,738</u>
2.6%	2.5%	2.1%	2.0%	2.1%

## UNION COUNTY, OHIO

*Assessed Value and Estimated Actual Values of Taxable Property  
Last Ten Fiscal Years*

Year	REAL PROPERTY		PERSONAL PROPERTY		Total		Assessed Value as a Percentage of Actual Value	Total Direct Tax Rate
	Residential Property	Commercial Property	General Tangible	Utility	Assessed Value	Estimated Actual Value		
1999	450,591,320	123,941,980	183,927,680	69,188,050	827,649,030	2,455,857,218	33.70%	9.1000
2000	475,679,830	136,991,250	188,527,150	70,435,110	871,633,340	2,584,637,297	33.72%	9.1000
2001	508,203,710	142,941,850	198,335,360	67,930,360	917,411,280	2,730,950,917	33.59%	10.6000
2002	605,098,020	160,071,330	201,889,553	49,373,040	1,016,431,943	3,066,342,862	33.15%	10.6000
2003	640,161,440	173,541,860	203,292,500	51,063,100	1,068,058,900	3,212,658,127	33.25%	10.6000
2004	667,252,290	179,445,910	238,986,460	52,013,960	1,137,698,620	3,453,699,426	32.94%	10.6000
2005	751,898,720	207,204,030	175,853,243	54,180,240	1,189,136,233	3,534,583,872	33.64%	10.6000
2006	804,078,830	218,700,810	102,984,000	54,697,210	1,180,460,850	3,413,483,463	34.58%	10.6000
2007	852,330,970	229,413,290	102,984,000	55,416,250	1,240,144,510	3,582,770,897	34.61%	10.6000
2008	969,568,317	249,268,670	58,786,230	50,922,180	1,328,545,397	3,785,200,130	35.10%	10.8500

Property is assessed every year. The assessed value of real property (including public utility real property) is 35 percent of estimated true 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 true value for railroad property to 88 percent for electric transmission and distribution property. Other tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. This is being phased out with a replacement amount provided by the State through 2010.

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%, 2-1/2%, and homestead exemptions before being billed.

**Source:** Union County Auditor

# UNION COUNTY, OHIO

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

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<u>Union County</u>										
County Unvoted Millage:										
General	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40
County Voted Millage:										
MR/DD	4.70	4.70	6.20	6.20	6.20	6.20	6.20	6.20	6.20	6.20
Mental Health	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
9-1-1	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.75
Total County	9.10	9.10	10.60	10.60	10.60	10.60	10.60	10.60	10.60	10.85
<u>Union County Health District</u>	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
<u>School Districts within the County</u>										
Fairbanks LSD	38.50	37.30	37.00	37.00	36.80	41.70	41.70	40.90	45.50	45.50
Marysville EVSD	47.71	47.56	47.56	47.56	52.56	52.56	52.56	54.06	54.06	58.06
North Union LSD	34.80	34.80	34.70	34.70	41.30	41.30	41.30	41.40	41.25	39.55
<u>Overlapping School Districts</u>										
Benjamin Logan LSD	36.70	42.95	41.90	41.65	41.65	39.70	39.70	39.40	39.30	36.80
Triad LSD	36.90	36.46	36.40	36.15	36.10	28.85	28.85	28.80	28.75	28.60
Jonathon Alder LSD	40.10	40.10	40.10	49.00	48.60	48.10	48.10	38.60	38.10	38.10
Hilliard CSD	59.71	65.61	65.61	64.44	64.44	74.40	74.40	73.14	75.89	82.79
Dublin CSD	65.22	65.22	65.22	64.60	64.60	64.60	64.60	72.50	72.50	72.50
Buckeye Valley LSD	34.75	34.40	34.33	33.95	33.52	33.20	33.20	33.06	32.80	34.80
<u>Corporations</u>										
Richwood	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Unionville Center	3.95	3.95	3.95	3.95	3.95	3.95	3.95	3.95	3.95	3.95
Plain City	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Magnetic Springs	5.90	5.90	5.90	5.90	5.90	5.90	5.90	5.90	5.90	5.90
Marysville	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	5.20	4.50
Milford Center	7.00	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
<u>Joint Vocational Schools</u>										
Tolles Career & Technical Center	1.60	1.10	1.10	0.50	0.50	0.50	0.50	0.50	1.30	1.30
Ohio Hi Point JVS	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Tri-Rivers JVS	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40
Delaware Co JVS	3.40	3.40	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20
<u>Township / Fire</u>										
Allen	6.60	6.60	6.60	6.60	9.60	9.60	9.60	9.60	9.60	9.60
Claibourne	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60
Darby	3.30	3.30	3.30	6.30	6.30	6.50	6.30	6.30	6.50	6.30
Dover	5.40	1.40	5.40	5.40	4.90	4.90	4.90	4.90	4.90	4.90
Jackson	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Jerome	13.90	13.90	13.90	13.90	13.90	13.90	13.90	13.90	13.90	15.10
Leesburg	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Liberty	5.40	5.40	6.40	6.40	6.40	5.40	5.40	7.15	7.15	7.15
Millcreek	6.95	6.95	6.95	6.50	6.50	6.20	6.20	6.20	6.20	8.20
Paris	4.40	4.40	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Taylor	5.70	6.20	6.20	6.20	6.20	6.20	6.20	7.70	7.70	7.95
Union	8.38	7.55	8.30	8.30	8.30	8.30	8.30	8.30	8.30	8.30
Washington	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20
York	4.90	5.40	5.40	5.40	5.40	5.40	5.40	8.90	8.90	8.90

Note: For Darby Twp, this is what is collected in district 7. For other districts in this Township, the rate is 1.60 with an additional 12.5 mills for the Pleasant Valley Fire District which started to be collected for this district in 1995 tax year.

\* Also, please note that in 2006 tax rates for Claibourne, Jackson and York the rate does not include the 8.90 mills for the Northern Union County Fire District.

\* For 2006 in Washington Township, the rate does not reflect the 4.50 mills for the Southeast Hardin/Northwest Union County Fire District.

The rates represented in this Table represent the original voted rates.

Source: Union County Auditor

TABLE 7

# UNION COUNTY, OHIO

*Principal Taxpayers  
Current and Nine Years Ago*

Taxpayer	2008			1999		
	Total Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Total Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
Honda of America	74,566,440	1	5.61%	53,629,680	1	6.48%
Ohio Power Company	18,677,170	2	1.41%	24,521,750	2	2.96%
O M Scotts & Sons	13,510,290	3	1.02%	10,687,590	4	1.29%
Union Rural Electric	13,061,920	4	0.98%	6,340,840	7	0.77%
Dayton Power & Light	10,652,280	5	0.80%	11,899,980	3	1.44%
Nestle USA	5,173,460	6	0.39%	-	-	-
Ohio Edison	4,737,080	7	0.36%	7,420,710	5	0.90%
Select Sires	3,723,910	8	0.28%	-	-	0.00%
SM-Links LLC	3,460,270	9	0.26%	-	-	-
Watkins Glen Holdings	3,396,510	10	0.26%	-	-	-
United Telephone	-	-	-	7,124,880	6	0.86%
Columbia Gas	-	-	-	5,433,250	8	0.66%
GTE North	-	-	-	3,147,550	9	0.38%
Glimcher Properties	-	-	-	2,171,550	10	0.26%
	<u>\$ 150,959,330</u>		<u>11.37%</u>	<u>\$ 132,377,780</u>		<u>16.00%</u>

**Source:** Union County Auditor

TABLE 8

# UNION COUNTY, OHIO

*Property Tax Levies and Collections (1)  
Last Ten Fiscal Years*

Collection Year	Total Tax Levy For Fiscal Year	Collected within the Fiscal Year of the Levy		Collections of Delinquent Taxes (2)	Total Tax Collections	Percentage of Total Tax Collections to Current Tax Levy
		Amount	Percentage of Levy			
1999	4,783,971	4,640,225	97.00%	126,042	4,766,267	99.63%
2000	5,072,060	4,867,039	95.96%	165,325	5,032,364	99.22%
2001	5,325,092	5,166,294	97.02%	196,345	5,362,639	100.71%
2002	7,062,704	6,519,683	92.31%	204,095	6,723,778	94.23%
2003	7,531,189	6,912,890	91.79%	302,034	7,214,924	95.80%
2004	7,463,029	7,250,351	97.15%	284,305	7,534,656	100.96%
2005	8,684,051	8,130,450	93.63%	304,813	8,435,263	97.14%
2006	9,744,662	8,883,821	91.17%	294,585	9,178,406	94.19%
2007	10,241,038	10,009,698	97.74%	480,983	10,490,681	102.44%
2008	10,707,861	9,969,683	93.11%	649,395	10,619,078	99.17%

**Source:** Union County Auditor

- (1) Includes Homestead / Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.
- (2) The County does not identify delinquent tax collections by tax year. The amounts shown represent delinquent taxes collected in that fiscal year regardless of the year of initial levy.

# UNION COUNTY, OHIO

*Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years*

Fiscal Year	Government Activities					Business-type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Sales Tax Revenue Bonds	Mortgage Loan Debt	Bond Anticipation Note	Capital Leases	General Obligation Bonds	Enterprise/ Hospital Notes	Capital Leases			
1999	5,065,000	2,770,000	251,597	-	6,330	16,701,946	5,000,000	414,813	30,209,686	2.97%	752
2000	4,780,000	2,675,000	168,038	-	3,099	15,989,019	4,700,000	1,218,883	29,534,039	2.70%	722
2001	4,485,000	2,575,000	156,196	-	-	15,251,092	5,516,502	1,516,407	29,500,197	2.66%	695
2002	3,955,000	5,905,000	142,392	-	-	14,478,164	5,290,208	1,524,095	31,294,859	2.69%	729
2003	3,655,000	5,675,000	129,881	-	-	18,960,237	8,232,010	954,253	37,606,381	3.03%	860
2004	3,340,000	5,440,000	114,518	-	-	16,592,310	9,257,395	552,985	35,297,208	2.73%	789
2005	3,010,000	5,200,000	98,961	-	-	16,749,383	4,776,058	340,734	30,175,136	2.22%	660
2006	2,665,000	4,950,000	82,190	-	-	16,095,000	7,253,019	106,897	31,152,106	2.19%	667
2007	6,275,000	4,690,000	64,367	-	-	20,910,000	3,544,239	57,192	35,540,798	2.42%	752
2008	2,445,000	4,420,000	45,336	3,000,000	-	19,730,000	3,456,853	33,383	33,130,572	2.13%	687

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements

(1) See the Schedule of Demographic and Economic Statistics on page S-21 for personal income and population data.

**Source:** Union County Auditor

# UNION COUNTY, OHIO

*Ratios of General Bonded Debt Outstanding  
Last Ten Fiscal Years*

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Service Fund</u>	<u>Net General Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Estimated Actual Value</u>	<u>Net Bonded Debt per Capita (2)</u>
1999	5,065,000	368,057	4,696,943	0.19%	117
2000	4,780,000	339,667	4,440,333	0.17%	109
2001	4,485,000	811,574	3,673,426	0.13%	87
2002	3,955,000	92,216	3,862,784	0.13%	90
2003	3,655,000	90,000	3,565,000	0.11%	82
2004	3,340,000	157,186	3,182,814	0.09%	71
2005	3,010,000	0	3,010,000	0.09%	66
2006	2,665,000	0	2,665,000	0.08%	57
2007	6,275,000	0	6,275,000	0.18%	133
2008	2,445,000	0	2,445,000	0.06%	51

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements

- (1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page S-10 for property value data.
- (2) Population data can be found in the Schedule of Demographic and Economic Statistics on page S-21

**Source:** Union County Auditor



TABLE 11

# UNION COUNTY, OHIO

*Direct and Overlapping Governmental Activities Debt  
As of December 31, 2008*

<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to County (1)</u>	<u>Amount of Direct and Overlapping Debt</u>
The County	\$ 2,445,000	100.00%	\$ 2,445,000
All Villages and Cities wholly within the County	5,615,000	100.00%	5,615,000
City of Dublin	37,280,128	4.31%	1,606,774
All Townships wholly within the County	-	100.00%	-
Washington Township-Franklin County	2,214,999	4.17%	92,365
<u>All School Districts</u>			
Dublin City School District	183,013,371	5.57%	10,193,845
Benjamin Logan Local School District	1,661,283	1.07%	17,776
Buckeye Valley Local School District	23,904,992	0.06%	14,343
Fairbanks School District	11,115,062	92.30%	10,259,202
Jonathan Alder Local School District	22,814,538	41.72%	9,518,225
Marysville Exempted Village School District	97,882,113	100.00%	97,882,113
North Union Local School District	11,695,000	94.59%	11,062,301
Triad Local School District	2,344,994	6.68%	156,646
Tolles Career & Tech. Jt. Vocational School	6,055,000	7.06%	427,483
Tri-Rivers Joint Vocational School	44,000	8.43%	3,709
Solid Waste Authority of Central Ohio	19,975,000	0.29%	57,928
Total Applicable to County			<u>\$ 149,352,710</u>

**Source:** Ohio Municipal Advisory Council and county records.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Union County. This process recognizes that, when considering the governments ability to issue and repay long term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's taxable assessed value.

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# UNION COUNTY, OHIO

## Computation of Legal Debt Margin Last Ten Fiscal Years

	1999	2000	2001	2002	2003
Assessed Value	<u>\$827,649,030</u>	<u>\$871,633,340</u>	<u>\$917,411,280</u>	<u>\$1,016,431,943</u>	<u>\$1,068,058,900</u>
Unvoted Debt Limit (1% of total assessed)	8,276,490	8,716,333	9,174,113	10,164,319	10,680,589
Debt applicable to limit:					
General Obligation Bonds	5,065,000	4,780,000	6,841,907	3,955,000	4,970,000
Less: Amount set aside for repayment of general obligation debt	<u>368,057</u>	<u>339,667</u>	<u>811,574</u>	<u>92,216</u>	<u>90,000</u>
Total debt applicable to limit	<u>4,696,943</u>	<u>4,440,333</u>	<u>6,030,333</u>	<u>3,862,784</u>	<u>4,880,000</u>
Legal Debt Margin	<u>3,579,547</u>	<u>4,276,000</u>	<u>3,143,780</u>	<u>6,301,535</u>	<u>5,800,589</u>
Legal Debt Margin as a Percentage of the Unvoted Debt Limit	43.25%	49.06%	34.27%	62.00%	54.31%
Debt Limit					
3.0% of the first \$100,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
1.5% of the next \$200,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
2.5% of amounts assessed in excess of \$300,000,000.	<u>13,191,226</u>	<u>14,290,834</u>	<u>15,435,282</u>	<u>17,910,799</u>	<u>19,201,473</u>
	<u>19,191,226</u>	<u>20,290,834</u>	<u>21,435,282</u>	<u>23,910,799</u>	<u>25,201,473</u>
Debt applicable to limit:					
General Obligation Bonds	5,065,000	4,780,000	6,841,907	3,955,000	4,970,000
Less: Amount set aside for repayment of general obligation debt	<u>368,057</u>	<u>339,667</u>	<u>811,574</u>	<u>92,216</u>	<u>90,000</u>
Total debt applicable to limit	<u>4,696,943</u>	<u>4,440,333</u>	<u>6,030,333</u>	<u>3,862,784</u>	<u>4,880,000</u>
Legal Debt Margin	<u>14,494,283</u>	<u>15,850,501</u>	<u>15,404,949</u>	<u>20,048,015</u>	<u>20,321,473</u>
Legal Debt Margin as a Percentage of the Unvoted Debt Limit	75.53%	78.12%	71.87%	83.85%	80.64%

**Source:** Union County Auditor

Note: Ohio Bond Law sets a limit of 9% for overall debt and 1/10 of 1% for voted debt.

TABLE 12

2004	2005	2006	2007	2008
<u>\$1,137,698,620</u>	<u>\$1,189,136,233</u>	<u>\$1,180,460,850</u>	<u>\$1,240,144,510</u>	<u>\$1,328,545,397</u>
11,376,986	11,891,362	11,804,609	12,401,445	13,285,454
3,215,000	3,010,000	2,665,000	6,275,000	2,445,000
157,186	0	0	0	0
<u>3,057,814</u>	<u>3,010,000</u>	<u>2,665,000</u>	<u>6,275,000</u>	<u>2,445,000</u>
<u>8,319,172</u>	<u>8,881,362</u>	<u>9,139,609</u>	<u>6,126,445</u>	<u>10,840,454</u>
73.12%	74.69%	77.42%	49.40%	81.60%
3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
<u>20,942,466</u>	<u>22,228,406</u>	<u>22,011,521</u>	<u>23,503,613</u>	<u>25,713,635</u>
<u>26,942,466</u>	<u>28,228,406</u>	<u>28,011,521</u>	<u>29,503,613</u>	<u>31,713,635</u>
3,215,000	3,010,000	2,665,000	6,275,000	2,445,000
157,186	0	0	0	0
<u>3,057,814</u>	<u>3,010,000</u>	<u>2,665,000</u>	<u>6,275,000</u>	<u>2,445,000</u>
<u>23,884,652</u>	<u>25,218,406</u>	<u>25,346,521</u>	<u>23,228,613</u>	<u>29,268,635</u>
88.65%	89.34%	90.49%	78.73%	92.29%

# UNION COUNTY, OHIO

*Pledged Revenue Coverage*

*Last Ten Fiscal Years*

Fiscal Year	Sales Tax Revenue Bonds					
	Sales Tax Revenue	Retained For General Fund	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
1999	4,565,710	4,337,710	228,000	90,000	133,100	1.02
2000	4,394,280	4,166,280	228,000	95,000	129,590	1.02
2001	7,247,373	7,019,373	228,000	100,000	89,416	1.20
2002	5,983,016	5,755,016	228,000	105,000	201,470	0.74
2003	7,908,319	7,429,403	478,916	230,000	259,431	0.98
2004	6,776,434	6,236,434	540,000	235,000	258,484	1.09
2005	7,115,148	6,575,148	536,200	240,000	250,597	1.09
2006	7,163,499	6,669,099	494,400	250,000	232,604	1.02
2007	8,839,988	8,347,988	492,000	260,000	193,065	1.09
2008	8,769,759	8,277,759	492,000	270,000	214,789	1.01

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements. The amount retained for the general fund represents the total received less the amount required to meet the debt obligation.

Debt Service amounts represent a \$2,860,000 issue in 1998 and a \$3,435,000 in 2002.

No principal payments were scheduled in 1998 for the Sheriff's facility bonds.

No principal payments were scheduled in 2002 for the London Avenue facility bonds.

**Source:** Union County Auditor

# UNION COUNTY, OHIO

*Demographic and Economic Statistics  
Last Ten Fiscal Years*

<u>Year</u>	<u>(a) Population</u>	<u>Personal Income</u>	<u>Per Capita Income (b)</u>	<u>Agricultural Acres (c)</u>	<u>Building Permits (d)</u>	<u>Unemployment Rate (e)</u>
1999	40,154	1,015,775,738	25,297	239,050	597	2.9
2000	40,909	1,093,293,025	26,725	239,499	521	2.8
2001	42,467	1,111,021,654	26,162	239,268	554	2.7
2002	42,955	1,162,620,030	27,066	239,142	575	3.8
2003	43,733	1,242,935,593	28,421	237,745	616	4.1
2004	44,729	1,293,641,000	28,922	235,022	570	4.9
2005	45,751	1,359,216,459	29,709	233,229	735	4.9
2006	46,702	1,423,523,662	30,481	231,812	578	4.5
2007	47,234	1,467,418,678	31,067	230,729	364	4.5
2008	48,223	1,553,600,391	32,217	231,047	811	5.2

## Sources:

- (a) Population numbers were obtained from Capital Impact for 1999. The 2000 numbers came from the census. Numbers from 2000 to 2005 were estimates provided by Ohio State University. The source for the 2008 estimate is Population Division, U.S. Census Bureau
- (b) Per capita income from the Ohio Department of Development, Office of Strategic Research. Years 2007 and 2008 are not yet available but have been estimated.
- (c) Source: Union County Auditor.
- (d) Source: Union County Engineer.
- (e) Data from the Labor Market Information section of the Ohio Department of Jobs and Family Services.

TABLE 15

# UNION COUNTY, OHIO

*Principal Employers  
Current Year and Nine Years Ago*

Employer	2008			1999		
	Employees	Rank	Percent of total employment	Employees	Rank	Percent of total employment
Honda of America	9,225	1	37.52%	8,000	1	46.24%
The Scotts Company	1,259	2	3.88%	1,089	2	6.29%
Marysville Schools	758	3	3.18%	-	-	0.00%
Memorial Hospital	732	4	3.03%	600	4	3.47%
Transportation Research Ctr.	630	5	3.03%	-	-	0.00%
Union County	487	6	3.18%	340	9	1.97%
Ohio Reformatory for Women	483	7	1.98%	500	7	2.89%
Veyance Technologies, Inc.	340	8	1.96%	-	-	0.00%
Wal Mart	320	9	1.96%	-	-	0.00%
Environmental Management	280	10	1.29%	-	-	0.00%
Scioto Industrial			0.92%	-	10	0.00%
Invensys Climate Controls	-	-	0.00%	700	6	4.05%
Midwest Express	-	-	-	557	3	3.22%
Union County School	-	-	-	640	5	3.70%
Total Employment within the County	<u>14,514</u>		<u>61.93%</u>	<u>12,426</u>		<u>71.83%</u>

**Source:** Union County Chamber of Commerce

TABLE 16

# UNION COUNTY, OHIO

Full-time Equivalent County Government Employees by Function  
Last Ten Fiscal Years

Function	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<i>General Government</i>										
<i>Legislative and Executive</i>										
Auditor	12	12	16	13	13	13	13	12	13	14
Board of Elections	2	2	2	2	2	2	4	4	4	4
Commissioners Dept.	7	8	9	9	13	12	10	12	14	15
Data Processing	-	-	-	2	2	2	2	2	2	2
Engineers Office	8	6	6	6	10	7	7	7	7	8
Janitor / Maintenance	7	8	10	11	16	16	16	17	18	18
Prosecutor	9	7	9	9	7	12	12	11	12	12
Recorder	4	5	4	4	4	4	4	4	4	5
Treasurer	5	5	5	5	5	5	5	5	5	5
Welfare Administration	17	20	20	19	19	21	21	20	23	26
<i>Judicial</i>										
Clerk of Courts	9	10	10	10	11	11	11	11	11	11
Common Pleas Court	8	8	8	8	7	7	7	6	6	10
Law Library	-	-	-	-	1	1	1	1	1	1
Juvenile Court	9	10	10	10	12	14	12	13	14	18
Probate Court	3	3	4	5	4	5	5	5	5	5
<i>Public Safety</i>										
Coroner	3	2	2	2	2	2	2	2	2	2
Sheriff	48	55	50	53	56	56	66	65	69	74
<i>Public Works</i>										
Co. Engineers Official	1	1	1	1	1	1	1	1	1	1
Road Laborers	27	26	25	25	25	26	26	25	24	26
<i>Health</i>										
Dog Warden	1	1	1	1	1	1	1	-	1	1
Mental Health	4	3	3	3	3	3	3	3	3	5
MR/DD	67	70	74	79	72	70	68	69	76	76
<i>Human Services</i>										
Able	1	1	1	1	1	2	2	2	2	1
Child Support	12	13	12	12	13	11	9	11	10	11
PA Transportation	2	5	6	6	5	6	7	6	7	12
Public Social Service	20	17	17	17	13	14	14	19	20	20
Veterans	3	4	2	2	3	3	3	3	3	3
<i>Sewer</i>										
Sanitary Engineer	4	4	4	4	4	4	4	2	2	4
<i>Building Development</i>										
Building Regulation	6	8	8	8	10	10	9	9	8	6
	<u>299</u>	<u>314</u>	<u>319</u>	<u>327</u>	<u>335</u>	<u>341</u>	<u>345</u>	<u>347</u>	<u>367</u>	<u>396</u>

Source: Union County Auditor



# UNION COUNTY, OHIO

Operating Indicators by Function  
Last Ten Fiscal Years

Function	1999	2000	2001	2002
<u>General Government</u>				
<u>Legislative and Executive</u>				
<u>Commissioners</u>				
Number of Resolutions	n/a	n/a	n/a	n/a
Number of Meetings	n/a	n/a	n/a	n/a
<u>Auditor</u>				
Number of Non Exempt Conveyances	n/a	n/a	n/a	n/a
Number of Exempt Conveyances	n/a	n/a	n/a	n/a
Number of Real Estate Transfers	n/a	n/a	n/a	n/a
Number of Checks Issued (budgetary)	n/a	n/a	n/a	n/a
<u>Treasurer</u>				
Number of 1st Half Parcels Billed	n/a	n/a	n/a	n/a
Number of Pay-Ins Processed	n/a	n/a	n/a	n/a
Return on Portfolio	n/a	n/a	n/a	n/a
<u>Prosecuting Attorney</u>				
Number of Felony Cases Opened	n/a	n/a	n/a	n/a
Number of Cases Prosecuted	n/a	n/a	n/a	n/a
Number of Mortgage Foreclosures Answered	n/a	n/a	n/a	n/a
Number of County Contracts Reviewed	n/a	n/a	n/a	n/a
Number of Township Issues Assisted With	n/a	n/a	n/a	n/a
Number of Nonsupport Cases Opened & Serviceed	n/a	n/a	n/a	n/a
Number of Crime Victims Assisted	n/a	n/a	n/a	n/a
Number of new Juvenile Cases	n/a	n/a	n/a	n/a
<u>Board of Elections</u>				
Number of Registered Voters	24,080	25,981	24,598	25,880
Number of Voters-Last General Election	9,113	17,288	8,900	12,597
Percentage of Registered Voters	37.84	66.54	36.18	48.67
<u>Recorder</u>				
Number of Deeds Recorded	2,298	2,115	2,253	2,527
Number of Mortgages Recorded	3,793	3,258	4,628	5,425
<u>Buildings and Grounds</u>				
Number of Buildings Maintained	n/a	n/a	n/a	n/a
Square Footage of Buildings	n/a	n/a	n/a	n/a
<u>Data Processing</u>				
Number of Users Served	n/a	n/a	n/a	n/a
<u>Risk Management</u>				
Number of Claims	16	7	12	11
<u>Judicial</u>				
<u>Common Pleas Court</u>				
Number of Cases Filed- Criminal	98	98	124	147
Number of Cases Filed- Civil	222	236	295	333
Number of Cases Filed- Divorce/Dissolution	214	273	255	254
Number of Cases Filed- Domestic Reopens	139	140	123	165
<u>Probate Court</u>				
Number of Cases Filed- Civil	249	259	284	264
Passports Issued	493	485	539	432
Marriage License Issued	303	288	314	336
<u>Juvenile Court</u>				
Number of Cases Filed- Traffic Offenses	611	486	538	579
Number of Cases Filed- Mediation	193	202	412	242
Number of Cases Filed- Other	640	695	721	651
Number of Filings Terminated	n/a	n/a	n/a	1,203
<u>Clerk of Courts</u>				
Titles Issued	n/a	n/a	n/a	n/a
Watercraft Titles Issued	n/a	n/a	n/a	n/a

Source: Union County Elected Officials and Department Heads

Table 17

2003	2004	2005	2006	2007	2008
n/a	n/a	669	702	684	649
n/a	n/a	104	103	104	102
1,696	1,805	1,840	1,541	1,371	853
922	1,033	953	932	782	1,062
2,618	2,838	2,793	2,373	2,153	1,915
22,389	20,334	18,694	15,856	16,178	20,060
23,781	24,538	25,377	26,042	25,400	25,526
6,149	6,505	6,856	7,092	7,429	7,255
1.97%	1.88%	3.07%	5.19%	5.00%	4.60%
n/a	n/a	329	259	223	245
n/a	n/a	180	199	216	202
n/a	n/a	229	231	272	297
n/a	n/a	121	62	113	122
n/a	n/a	82	106	32	34
n/a	n/a	172	567	457	24
n/a	n/a	819	923	532	1,238
n/a	n/a	443	375	957	841
26,459	30,200	28,608	30,185	30,893	33,114
10,675	22,911	11,881	17,382	11,300	25,227
40.35	75.86	41.74	57.58	36.58	76.18
2,658	2,727	2,756	2,305	2,065	1,627
6,701	4,883	4,769	4,043	3,329	2,447
n/a	n/a	13	14	15	15
n/a	n/a	257,199	279,199	301,199	301,199
n/a	n/a	326	370	370	371
13	8	13	11	16	11
150	128	180	199	216	202
471	460	557	585	545	618
278	246	238	244	269	253
170	124	155	149	269	211
282	286	265	257	7	6
493	513	332	309	329	281
303	328	307	301	299	314
462	398	440	429	367	349
271	317	273	305	243	256
728	743	798	1,067	1,106	14
1,173	1,138	1,272	1,769	1,689	1,644
n/a	19,982	22,559	23,629	24,385	15,400
n/a	247	269	329	325	222

continued

# UNION COUNTY, OHIO

Operating Indicators by Function  
Last Ten Fiscal Years

Function	1999	2000	2001	2002
<u>General Government</u> (continued)				
<u>Public Safety</u>				
<u>Sheriff</u>				
<u>Jail Operation</u>				
Average Daily Jail Census	n/a	n/a	n/a	n/a
Prisoners Booked	n/a	n/a	n/a	n/a
Prisoners Released	n/a	n/a	n/a	n/a
<u>Enforcement</u>				
Number of Incidents Reported	1,422	1,405	1,546	1,317
Number of Citations Issued	4,579	4,497	3,969	2,904
Number of Papers Served	1,144	1,848	2,628	2,047
Number of Telephone Calls	12,460	12,321	15,642	15,435
Number of Warrants Served	432	793	824	1,716
Number of Prisoner Transports	927	933	1,132	1,155
Number of Sheriff's Appraisals & Sales	n/a	35	64	228
Number of Record Checks	n/a	n/a	n/a	573
Number of Sex Offender Registrations	n/a	n/a	n/a	18
Number of CCW Permits Issued	n/a	n/a	n/a	n/a
<u>Emergency Medical Services</u>				
Number of Emergency Responses	n/a	n/a	614	350
<u>911 Services</u>				
Number of Calls	n/a	3,383	3,438	4,430
<u>Coroner</u>				
Number of Cases Investigated	25	44	37	29
Number of Autopsies Performed	7	15	21	10
<u>Emergency Management Agency (EMA)</u>				
Number of Emergency Responses	n/a	n/a	n/a	n/a
<u>Public Works</u>				
<u>Engineer</u>				
Miles of Roads Resurfaced	47	24	18	18
Miles of Roads Widened	11	8	17	7
Miles of Roads Chip Sealed	89	85	42	65
Miles of Roads Striped	69	112	48	106
Number of Bridges Replaced / Improved	5	4	5	5
Number of Culverts Replaced / Improved	26	18	44	40
Driveway Permits Issued	287	271	232	283
Property Transfers Checked	2,152	1,949	2,138	2,487
Deed Approvals	1,573	1,533	1,539	1,533
<u>Building Development</u>				
Number of Permits Issued	834	916	1,036	1,140
Number of Inspections Performed	14,220	15,034	15,076	15,997
Correction Notices Written	4,858	5,578	5,283	4,890
<u>Sewer District</u>				
Number of Tap-ins	46	41	48	47
Number of Customers	551	592	640	687
<u>Water District</u>				
Number of Tap-ins	29	34	12	57
Number of Customers	197	2,231	243	300
<u>Health</u>				
<u>Dog Warden</u>				
Calls for Service	n/a	n/a	n/a	n/a
Total Dogs to Humane Society	n/a	n/a	n/a	n/a
Citations Issued	n/a	n/a	n/a	n/a

**Source:** Union County Elected Officials and Department Heads

Table 17

2003	2004	2005	2006	2007	2008
n/a	n/a	39.6	38.4	42.8	35.0
n/a	n/a	1,464	1,644	1,595	1,292
n/a	n/a	1,461	1,617	1,608	1,306
1,250	1,326	1,403	1,214	1,393	1,418
3,059	3,080	3,915	4,416	4,598	3,166
2,749	2,368	3,212	3,036	2,354	2,436
12,546	12,785	16,870	19,612	17,260	18,367
1,337	1,129	1,236	1,335	1,200	975
1,078	1,103	1,185	1,346	1,343	1,176
154	187	181	188	192	240
577	666	639	910	1,045	1,178
34	46	64	105	123	201
n/a	348	157	99	146	461
450	474	366	585	274	236
5,482	6,729	8,110	10,674	10,743	13,111
38	36	23	34	35	30
26	23	13	26	27	25
n/a	n/a	14	31	37	35
32	29	24	16	12	35
13	10	14	8	4	2
62	48	52	28	60	65
95	104	104	99	98	175
5	8	5	9	8	9
37	38	44	39	26	2
434	296	270	205	145	96
2,862	3,046	3,544	3,082	2,980	2,401
1,802	1,824	2,026	1,666	1,625	1,263
1,107	943	1,120	944	1,035	811
17,130	16,319	15,606	12,417	10,128	8,439
4,078	4,822	5,157	4,287	3,104	2,081
74	91	70	1	6	2
761	852	922	455	461	466
55	69	56	1	n/a	n/a
355	424	480	-	n/a	n/a
n/a	n/a	2,173	780	1,429	1,752
n/a	n/a	578	209	522	705
n/a	n/a	3	-	22	49

# UNION COUNTY, OHIO

Operating Indicators by Function  
Last Ten Fiscal Years

Function	1999	2000	2001	2002
<u>Health (continued)</u>				
<u>MR/DD</u>				
Number of Students Enrolled				
Early Intervention Program	51	54	42	65
Preschool	71	76	71	74
School Age	1	-	-	-
Number Employed at Workshop	49	58	58	56
<u>Mental Health</u>				
Client Count - direct outpatient services	n/a	n/a	n/a	n/a
Client Count - other including prevention services	n/a	n/a	n/a	n/a
<u>Human Services</u>				
<u>Jobs And Family Services</u>				
Client Count - Visitors to Employmnt Resource Cnt	n/a	n/a	n/a	n/a
Client Count - Number of Job Club Participants	n/a	n/a	n/a	n/a
Job Club Part. - Successfully Completed Classes	n/a	n/a	n/a	n/a
Client Applications Processed - Food Stamps	n/a	n/a	n/a	n/a
Client Applications Processed - OWF	n/a	n/a	n/a	n/a
Client Applications Processed - Medicaid	n/a	n/a	n/a	n/a
Number of Open Public Assitance Cases	n/a	n/a	n/a	n/a
Average Number of Cerified Daycare Providers.	n/a	n/a	n/a	n/a
<u>Children's Services</u>				
Number of Placements	n/a	n/a	n/a	n/a
Number of Investigations	n/a	n/a	n/a	n/a
Number of Information and Referrals	n/a	n/a	n/a	n/a
<u>Child Support Enforcement Agency</u>				
Number of Open Cases	n/a	n/a	n/a	n/a
Number of new Cases	n/a	n/a	n/a	n/a
Percentage Collected	n/a	n/a	n/a	n/a
<u>Veteran Services</u>				
Number of Clients Served	1,023	1,159	1,244	1,246
Amount of Benefits paid to Residents (\$000)	107	124	143	154
Number of Veterans Transported	657	724	1,035	1,002
<u>Union County Agency Transportation Service</u>				
Number of One-Way Passenger Trips	n/a	n/a	n/a	n/a
Total Vehicle Miles	n/a	n/a	n/a	n/a
Total Vehicle Hours	n/a	n/a	n/a	n/a
<u>Council on Aging</u>				
Number of Function Attendees	n/a	n/a	n/a	n/a
Monthly Newsletter Circulation	n/a	n/a	n/a	n/a
<u>ABLE</u>				
Number of Students who Enroll in the Pgm.	n/a	n/a	n/a	n/a
Number of Students Earning their GED	n/a	n/a	n/a	n/a
No. of Students -Trans. to Post Secondary	n/a	n/a	n/a	n/a
<u>Economic Development</u>				
Commercial / Industrial Projects	n/a	n/a	n/a	n/a
Estimated Number of Jobs Created	n/a	n/a	n/a	n/a
Estimated Number of Site/Building Inquiries	n/a	n/a	n/a	n/a
Economic Development Grants Received	n/a	n/a	n/a	n/a
Retention Visits	n/a	n/a	n/a	n/a

Source: Union County Elected Officials and Department Heads

Table 17

2003	2004	2005	2006	2007	2008
73	61	66	88	59	49
78	73	88	82	103	118
-	-	-	-	-	-
61	68	70	58	47	85
n/a	n/a	1,458	1,637	2,023	1,590
n/a	n/a	4,580	5,083	10,165	8,740
n/a	n/a	7,280	7,010	5,102	8,013
n/a	n/a	296	218	168	162
n/a	n/a	84	54	39	24
n/a	n/a	1,021	1,480	1,580	1,474
n/a	n/a	729	884	653	538
n/a	n/a	6,458	10,221	10,824	10,410
n/a	n/a	2,037	1,946	2,100	2,218
n/a	n/a	38	51	46	44
n/a	n/a	55	77	96	89
n/a	n/a	472	513	492	565
n/a	n/a	398	569	374	877
n/a	n/a	2,573	2,570	2,165	2,272
n/a	n/a	229	208	505	362
n/a	n/a	81.57%	77.79%	78.57%	78.18%
852	946	695	551	327	5,342
104	136	111	89	49	193
985	1,433	1,244	1,540	1,359	1,182
n/a	n/a	19,001	17,493	22,276	18,819
n/a	n/a	220,628	208,450	232,930	251,440
n/a	n/a	15,951	16,590	18,540	20,014
n/a	n/a	2,057	2,938	4,933	3,950
n/a	n/a	1,848	2,119	2,108	2,669
n/a	49	73	70	51	37
n/a	20	28	24	17	16
n/a	3	14	2	1	2
n/a	n/a	40	48	28	32
n/a	n/a	400	400	90	90
n/a	n/a	30	32	30	23
n/a	n/a	2	3	4	5
n/a	n/a	14	18	21	178

# UNION COUNTY, OHIO

*Capital Asset Statistics by Function*

*Last Ten Fiscal Years*

*(amounts expressed in thousands)*

Function	1999	2000	2001	2002	2003
General Government					
Legislative and Executive					
Land & Improvements	330	330	249	598	585
Buildings	10,914	14,386	17,021	15,712	14,120
Equipment	931	1,083	941	1,004	1,036
Furniture & Fixtures	214	214	174	179	171
Vehicles	49	94	100	117	98
Judicial					
Land & Improvements	-	-	-	20	20
Buildings	-	-	-	4,776	4,808
Equipment	283	308	212	271	293
Furniture & Fixtures	178	182	120	123	121
Public Safety					
Land & Improvements	143	134	133	133	133
Buildings	45	27	24	24	914
Equipment	806	905	687	739	556
Furniture & Fixtures	74	74	40	51	52
Vehicles	709	835	862	882	726
Public Works					
Land & Improvements	15	15	15	15	15
Buildings	62	62	61	61	67
Equipment	424	450	323	357	398
Furniture & Fixtures	53	62	47	47	53
Vehicles	2,668	2,842	2,865	2,954	3,153
Infrastructure	n/a	n/a	n/a	31,944	36,203
Health					
Land & Improvements	356	356	429	355	341
Buildings	3,986	3,986	3,985	3,988	7,341
Equipment	553	493	366	382	382
Furniture & Fixtures	197	198	50	71	71
Vehicles	46	54	65	80	110
Human Services					
Land & Improvements	-	-	-	-	17
Buildings	9	9	9	9	15
Equipment	157	155	79	100	70
Furniture & Fixtures	127	136	64	64	211
Vehicles	66	107	138	178	180
Construction in Progress	-	-	-	-	-
Sewer					
Land	33	33	33	33	33
Net Depreciable Assets	3,440	3,357	3,237	3,070	4,012
Water					
Net Depreciable Assets	1,732	1,707	1,635	1,600	1,750
Building Development					
Net Depreciable Assets	-	27	21	17	28
Memorial Hospital					
Net Capital Assets	20,799	28,302	30,255	30,867	33,565

**Source:** Union County Auditor

Table 18

Function	2004	2005	2006	2007	2008
General Government					
Legislative and Executive					
Land & Improvements	1,097	1,495	1,411	1,537	1,537
Buildings	15,835	15,734	16,112	16,239	18,923
Equipment	1,730	1,206	1,180	1,793	1,889
Furniture & Fixtures	223	247	244	244	296
Vehicles	126	108	137	146	207
Judicial					
Land & Improvements	20	20	20	20	20
Buildings	4,808	4,808	4,808	4,830	4,830
Equipment	240	290	390	493	515
Furniture & Fixtures	143	143	145	145	149
Public Safety					
Land & Improvements	133	133	139	139	440
Buildings	914	914	940	938	936
Equipment	617	714	844	909	1,178
Furniture & Fixtures	119	52	52	52	52
Vehicles	843	862	955	947	1,232
Public Works					
Land & Improvements	15	15	9	9	9
Buildings	61	61	15	15	15
Equipment	415	445	468	492	427
Furniture & Fixtures	7	87	87	87	87
Vehicles	3,233	3,373	3,493	3,680	3,754
Infrastructure	38,455	42,872	44,079	46,409	51,000
Health					
Land & Improvements	311	311	355	355	355
Buildings	7,231	7,229	4,060	4,060	4,078
Equipment	400	391	419	426	439
Furniture & Fixtures	71	71	106	106	106
Vehicles	83	90	132	110	93
Human Services					
Land & Improvements	17	17	31	31	31
Buildings	15	15	93	165	93
Equipment	84	65	86	96	58
Furniture & Fixtures	217	217	215	215	215
Vehicles	222	258	237	232	296
Construction in Progress	-	289	743	172	-
Sewer					
Land	33	33	29	29	29
Net Depreciable Assets	2,926	2,868	756	728	603
Water					
Net Depreciable Assets	1,530	1,495	-	-	-
Building Development					
Net Depreciable Assets	68	82	61	122	118
Memorial Hospital					
Net Capital Assets	35,744	33,680	35,911	36,004	35,943

**Source:** Union County Auditor



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**Mary Taylor, CPA**  
Auditor of State

**FINANCIAL CONDITION**

**UNION 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 24, 2009**



**Mary Taylor, CPA**  
Auditor of State



**UNION COUNTY**  
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**UNION COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2009**

<b>FEDERAL GRANTOR / Pass-Through Grantor / County Department/Program Title</b>	<b>Pass Through Entity Number</b>	<b>Federal CFDA Number</b>	<b>Disbursements</b>
<b>U. S. DEPARTMENT OF AGRICULTURE</b>			
<i>Ohio Department of Jobs and Family Services</i>			
Department of Job and Family Services			
Food Assistance Employment and Training	G-89-20-1157 / G-1011-11-5122	10.561	\$ 10,788
State Administrative Grants for the Supplemental Nutrition Assistance Program	G-89-20-1157 / G-1011-11-5122	10.561	152,939
ARRA- State Administrative Grants for the Supplemental Nutrition Assistance Program	G-89-20-1157 / G-1011-11-5122	10.561	12,411
Total State Administrative Grants for the Supplemental Nutrition Assistance Program			<u>176,138</u>
<b>Total U.S. Department of Agriculture</b>			<b>176,138</b>
<b>U. S. DEPARTMENT OF COMMERCE</b>			
<i>Central Ohio Area Agency on Aging (COAAA)</i>			
Senior Services			
Digital TV: Keeping Seniors Connected Campaign	ED038334	11.553	5,550
<b>Total U.S. Department of Commerce</b>			<u><b>5,550</b></u>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
Mental Health and Recovery Board			
Supportive Housing Program	NA	14.235	133,917
<i>Ohio Department of Development</i>			
County Commissioners			
Community Development Block Grants/State's Program	B-C-08-073-1	14.228	49,098
Community Development Block Grants/State's Program	B-F-07-073-1	14.228	85,000
Community Development Block Grants/State's Program	B-F-08-073-1	14.228	71,000
Total Community Development Block Grant/State's Program			<u>205,098</u>
Home Investment Partnership Program	B-C-08-073-2	14.239	50,654
<b>Total U.S. Department of Housing and Urban Development</b>			<u><b>389,669</b></u>
<b>U.S. DEPARTMENT OF JUSTICE</b>			
County Sheriff			
Bulletproof Vest Partnership Program	NA	16.607	2,254
County Sheriff			
2009 State Criminal Alien Assistance Program	N/A	16.606	652
2007-2008 Gang Resistance Education and Training Grant	N/A	16.737	16,499
			<u>17,151</u>
<i>Attorney General of the State of Ohio</i>			
County Prosecutor			
Crime Victim Assistance	2008-VA-GENE-430T	16.575	72,166
ARRA- State Victim Assistance Formula Grant Program	2009-VA-GENE-871X	16.807	38,530
			<u>110,696</u>
<i>Ohio Department of Public Safety /Office of Criminal Justice Services</i>			
County Sheriff			
2009 Edward Byrne Memorial Justice Assistance Grant	2005-JG-LLE-5157	16.738	10,000
2009 Edward Byrne Memorial Justice Assistance Grant	2007-JG-LLE-5291	16.738	14,458
ARRA- Edward Byrne Memorial Justice Assistance	2009-RA-A02-2247	16.803	76,321
ARRA- Edward Byrne Memorial Justice Assistance	2009-RA-E01-2246	16.803	6,997
ARRA- Edward Byrne Memorial Justice Assistance	2009-SB-B9-0900	16.804	8,796
ARRA- Edward Byrne Memorial Justice Assistance	2009-SC-B9-0065	16.808	10,145
ARRA- Assistance to Rural Law Enforcement to Combat Crime and Drugs			
Competitive Grant Program	2009-SD-B9-0092	16.810	13,665
Total Edward Byrne Memorial Justice Assistance Grant			<u>140,382</u>
<i>Ohio Department of Public Safety /Office of Criminal Justice Services</i>			
County Prosecutor			
Violence Against Women Formula Grants	2008-WF-VA5-8421	16.588	32,503
<b>Total U.S. Department of Justice</b>			<u><b>302,986</b></u>
<b>U.S. DEPARTMENT OF LABOR</b>			
<i>Passed through Ohio Department of Jobs and Family Services</i>			
Department of Job and Family Services			
Unemployment Insurance	2008-7380-1 / 2009-7380-2	17.225	<b>9,982</b>
<i>Passed through Workforce Investment Board, Area 7</i>			
Department of Job and Family Services			
Workforce Investment Act - Adult			104,388
Workforce Investment Act - Adult Administrative			4,517
ARRA Workforce Investment Act - Adult			<u>43,658</u>

**UNION COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)**

<b>FEDERAL GRANTOR / Pass-Through Grantor / County Department/Program Title</b>	<b>Pass Through Entity Number</b>	<b>Federal CFDA Number</b>	<b>Disbursements</b>
ARRA Workforce Investment Act - Adult Administrative Workforce Investment Act - Adult	2008-7380-1 / 2009-7380-2	17.258	691 153,254
Workforce Investment Act-Youth			46,541
Workforce Investment Act - Youth Administrative			4,060
ARRA Workforce Investment Act-Youth			72,186
ARRA Workforce Investment Act - Youth Administrative Workforce Investment Act - Youth	2008-7380-1 / 2009-7380-2	17.259	3,287 126,074
Workforce Investment Act - Dislocated Worker			73,461
Workforce Investment Act - Dislocated Worker Administrative			4,574
ARRA Workforce Investment Act - Dislocated Worker			31,702
ARRA Workforce Investment Act - Dislocated Worker Administrative Workforce Investment Act - Dislocated Worker Total	2008-7380-1 / 2009-7380-2	17.260	952 110,689
Total Workforce Investment Act Cluster			390,017
<b>Total U.S. Department of Labor</b>			<b>399,999</b>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
Federal Aviation Administration			
Airport Authority			
Airport Improvement Program	N/A	20.106	11,595
Airport Improvement Program	N/A	20.106	6,472
Airport Improvement Program	N/A	20.106	49,371
Ohio Department of Transportation			67,438
County Engineer			
Highway Planning and Construction	PID #24478	20.205	4,426
Highway Planning and Construction	PID #24492	20.205	5,981
Highway Planning and Construction	PID #81548	20.205	403,247
Highway Planning and Construction	PID #85646	20.205	76,830
Highway Planning and Construction			490,484
Ohio Department of Transportation			
Union County Agency Transportation Service			
Capital Assistance Program for Elderly and Persons with Disabilities	OH-16-002	20.513	61,099
<b>Total U.S. Department of Transportation</b>			<b>619,021</b>
<b>U.S. DEPARTMENT OF EDUCATION</b>			
Ohio Department of Education			
Adult Basic Literacy Education			
Adult Education - State Grant Program	114975-AB-SL-2008-2009	84.002	15,882
Adult Education - State Grant Program	114975-AB-SL-2009-2010	84.002	8,000
			23,882
Ohio Department of Education			
Board of Mental Retardation Developmentally Disabled			
Special Education Cluster			
Special Education - Preschool Grants	071175-PGS1-2009	84.173	18,004
Special Education - Preschool Grants	071175-PGS1-2010	84.173	2,055
Total Special Education Cluster			20,059
Ohio Department of Education			
Board of Mental Retardation Developmentally Disabled			
Innovative Educational Program Strategies	071175-C2S1-2009	84.298	47
<b>Total U.S. Department of Education</b>			<b>43,988</b>
<b>U. S. ELECTION ASSISTANCE COMMISSION</b>			
Ohio Secretary of State			
Board of Elections			
Help America Voter Act (HAVA), Title II, 251	n/a	90.401	5,292
<b>Total Election Assistance Commission</b>			<b>5,292</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Central Ohio Agency on Aging			
Union County Agency Transportation Service			
Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers	ED038334	93.044	7,246



**UNION COUNTY**  
**SCHEDULE OF FEDERAL AWARDS EXPENDITURES**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**  
**(Continued)**

<b>FEDERAL GRANTOR / Pass-Through Grantor / County Department/Program Title</b>	<b>Pass Through Entity Number</b>	<b>Federal CFDA Number</b>	<b>Disbursements</b>
Union County Senior Services 2009 Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Citizens Total Special Programs for Aging Title III, Part B for Supportive Services and Senior Citizens	EL009009	93.044	<u>9,688</u>  16,934
<i>Ohio Department of Jobs and Family Services</i> Department of Job and Family Services Promoting Safe and Stable Families  Temporary Assistance for Needy Families  Child Support Enforcement ARRA- Child Support Enforcement Total Child Support Enforcement	G-89-20-1157 / G-1011-11-5122  G-89-20-1157 / G-1011-11-5122  G-89-20-1157 / G-1011-11-5122 G-89-20-1157 / G-1011-11-5122	93.556  93.558  93.563 93.563	  33,669  1,372,241  322,621 <u>152,372</u> 474,993
Child Care and Development Block Grant ARRA-- Child Care and Development Block Grant Child Care Services - Child Care Development Fund Total Child Care and Development Block Grant	G-89-20-1157 / G-1011-11-5122 G-89-20-1157 / G-1011-11-5122 G-89-20-1157 / G-1011-11-5122	93.575 93.713 93.596	 265,109 140,000 <u>375,392</u> 780,501
<i>Ohio Department of Mental Health</i> Mental Health & Recovery Board Community Based Child Abuse Prevention Grants	31-6400-087	93.590	20,604
<i>Ohio Department of Jobs and Family Services</i> Department of Job and Family Services Child Welfare Services State Grants  Foster Care Title IV-E ARRA- Foster Care- Title IV-E Total Foster Care Title IV-E  Adoption Assistance  Child Abuse and Neglect State Grants  Chafee Foster Care Independence Program  Social Services Block Grant	G-89-20-1157 / G-1011-11-5122  G-89-20-1157 / G-1011-11-5122 G-89-20-1157 / G-1011-11-5122  G-89-20-1157 / G-1011-11-5122  G-89-20-1157 / G-1011-11-5122  G-89-20-1157 / G-1011-11-5122	93.645  93.658 93.658  93.659  93.669  93.674  93.667	  58,066  184,610 <u>20,197</u> 204,807  108,685  1,654  29,736  321,315
<i>Ohio Department of Developmental Disabilities</i> Board of Developmental Disabilities Social Services Block Grant-2009 Social Services Block Grant-2010	31-6400-087 31-6400-087	93.667 93.667	 19,354 <u>19,624</u> 38,978
<i>Ohio Department of Mental Health</i> Mental Health and Recovery Board Social Services Block Grant Total Social Services Block Grant	31-6400-087	93.667	  <u>22,451</u> 382,744
<i>Ohio Department of Mental Health</i> Mental Health and Recovery Board State Children's Insurance Program	31-6400-087	93.767	37,415
<i>Ohio Department of Alcohol and Drug Addiction Services</i> Mental Health and Recovery Board State Children's Insurance Program Total State Children's Insurance Program	31-6400-087	93.767	  <u>12,502</u> 49,917
<i>Ohio Department of Mental Health</i> Mental Health and Recovery Board Block Grants for Community Mental Health Services	31-6400-087	93.958	44,148
<i>Ohio Department of Alcohol and Drug Addiction Services</i> Mental Health and Recovery Board Block Grants for Prevention and Treatment of Substance Abuse	31-6400-087	93.959	186,506
<i>Ohio Department of Developmental Disabilities</i> Board of Developmental Disabilities Medicaid Cluster Waiver Admin. Claiming ARRA eFMAP Medical Assistance Program	31-6400-087 31-6400-087	93.778 93.778	  32,030 <u>93,587</u>

UNION COUNTY  
SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)

FEDERAL GRANTOR / <i>Pass-Through Grantor /</i> County Department/Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
			125,617
<i>Ohio Department of Mental Health</i>			
Mental Health and Recovery Board			
Medical Assistance Program	31-6400-087	93.778	514,237
ARRA Medical Assistance Program	31-6400-087	93.778	90,779
Medical Assistance Program - Title XIX - BCCP	31-6400-087	93.778	523
			605,539
<i>Ohio Department of Alcohol and Drug Addiction Services</i>			
Mental Health and Recovery Board			
Medical Assistance Program	31-6400-087	93.778	89,522
ARRA Medical Assistance Program	31-6400-087	93.778	15,018
			104,540
<i>Ohio Department of Jobs and Family Services</i>			
Department of Job and Family Services			
Medical Assistance Program	G-89-20-1157 / G-1011-11-5122	93.778	268,551
Total Medical Assistance Program			1,104,247
<b>Total U.S. Department of Health and Human Services</b>			<b>4,869,452</b>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
<i>Ohio Emergency Management Agency</i>			
Risk Management			
Emergency Management Performance Grants	2008-EM-E8-0002	97.042	44,665
Citizen Corps. Program Grant	2007-GE-T7-0030	97.067	4,034
Citizen Corps. Program Grant	2008-GE-T8-0025	97.067	42,132
			46,166
State Homeland Security Grant Program	2007-GE-T7-0030	97.067	4,177
Total Homeland Security Program			50,343
<b>Total U.S. Department of Homeland Security</b>			<b>95,008</b>
<b>TOTAL FEDERAL AWARDS EXPENDITURES</b>			<b>\$ 6,907,103</b>

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

**UNION COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED DECEMBER 31, 2009**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Federal Awards Expenditures Schedule (the Schedule) reports the County's federal award programs' disbursements. The schedule has been prepared on the cash basis of accounting except Highway Planning Construction (CFDA 20.205) expenditures are presented on an accrual basis.

**NOTE B - MATCHING REQUIREMENTS**

Certain Federal programs require the County to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The County has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

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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*

Union County  
233 West Sixth Street  
Marysville, Ohio 43040

To the Board of County Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Union County, Ohio (the County) as of and for the year ended December 31, 2009 which collectively comprise the County's basic financial statements and have issued our report thereon dated June 21, 2010. Our report refers to 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 Memorial Hospital of Union County and Affiliates, a major fund, as described in our report of the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that those auditors separately reported. Other auditors audited the financial statements of the U-Co Industries, Inc., one of the County's discretely presented component units, 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 for the purpose of opining on the effectiveness of the County's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider finding 2009-001 described in the accompanying schedule of findings to be a material weakness.

### **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 also noted certain matters not requiring inclusion in this report that we reported to the County's management in a separate letter dated June 21, 2010.

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

We intend this report solely for the information and use of the finance committee, management, the Board of County Commissioners, 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 script is cursive and fluid, with the first letters of each word being capitalized and prominent.

**Mary Taylor, CPA**  
Auditor of State

June 21, 2010



# Mary Taylor, CPA

## Auditor of State

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

Union County  
233 West Sixth Street  
Marysville, Ohio 43040

To the Board of County Commissioners:

#### **Compliance**

We have audited the compliance of Union County, Ohio (the County), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended December 31, 2009. The summary of auditor's results section of the accompanying schedule of findings identifies the County's major federal programs. The County's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

In our opinion, the County complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended December 31, 2009.

#### **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 opining on compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the County's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

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 over compliance that might be deficiencies, 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.

We noted matters involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to the County's management in a separate letter dated June 21, 2010.

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

We have also audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Union County as of and for the year ended December 31, 2009, and have issued our report thereon dated June 21, 2010, wherein we noted the financial statements of U-Co Industries, Inc., a discretely presented component unit, and Memorial Hospital of Union County and Affiliates, a major fund, 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 finance 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

June 21, 2010



**UNION COUNTY**  
**SCHEDULE OF FINDINGS**  
**OMB CIRCULAR A -133 § .505**  
**DECEMBER 31, 2009**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(ii)</b>	<b>Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weaknesses reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Medical Assistance Program – CFDA # 93.778 Workforce Investment Act – CFDA # 17.258/17.259/17.260 Child Care Block Grant – CFDA # 93.575/93.596/93.713 Temporary Assistance for Needy Families – CFDA # 93.558 Child Support Enforcement – CFDA # 95.563 Social Services Block Grant – CFDA # 93.667 Community Development Block Grant—CFDA #14.228 Foster Care- Title IV-E—CFDA #93.658
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A\B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	No

**UNION COUNTY**  
**SCHEDULE OF FINDINGS**  
**OMB CIRCULAR A -133 § .505**  
**DECEMBER 31, 2009**  
**(Continued)**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
---

**FINDING NUMBER 2009-001**

**Material Weakness**

The County currently has monitoring controls over daily cash-basis transactions entered into the accounting system. At year-end the cash basis information from the accounting system is converted into the Comprehensive Annual Financial Report reported under Generally Accepted Accounting Principles. Accrual information is prepared by the County and is submitted to an outside consultant to prepare the trial balances and basic financial statements.

An adjustment to properly report prepaid lease obligations by the Department of Developmental Disabilities of \$749,074 to U-Co Industries was made to the County Board of Developmental Disabilities Fund and the Governmental Activities on the County's basic financial statements. In addition there were twelve adjustments and reclassifications that were inconsequential to the overall financial statements of the County and were not posted to the December 31, 2009 financial statements.

Although the consultant prepares the basic financial statements, management is responsible for the presentation of the basic financial statements and accordingly should implement review procedures and controls over the financial statement preparation and reporting processes.

We recommend the County implement additional procedures to provide assurances over the completeness and accuracy of financial information reported within the Comprehensive Annual Financial Report. Such procedures may include review of the financial statements including the notes to the financial statements by a member of management and an analytical comparison of the current year annual report to the prior year annual report for obvious errors or omissions.

**Official's response:**

The pre-paid lease obligation was inadvertently missed during the preparation of the 2009 financial statements. The Auditor's office has made note of the adjustment and will continue to work with its consultants, and the management of the various county departments, to insure pre-paid items are accurately presented in the financial statements.

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
--

None.

**UNION COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A -133 § .315 (b)  
DECEMBER 31, 2009**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2008-001	Financial Reporting	No	Reissued – Finding 2009-001
2008-002	Cash Management – Community Development Block Grant	No	Partially Corrected-- Reissued in Management Letter

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**UNION COUNTY, OHIO**  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2009

PREPARED BY:

MARY H. SNIDER, COUNTY AUDITOR

*233 WEST 6<sup>TH</sup> STREET  
MARYSVILLE, OHIO 43040*

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**UNION COUNTY, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

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# **INTRODUCTORY SECTION**

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**Mary H. Snider**

Union County Auditor  
233 West Sixth Street  
P.O. Box 420  
Marysville, OH 43040-0420  
937-645-3003  
Fax 937-645-3057  
County Wide 800-258-8278

GIS  
645-3054

Payroll  
645-3063

Accounting  
645-3064

Real Estate  
645-3068

Settlements  
645-3071

Weights & Measures  
707-9429

June 21, 2010

Citizens of Union County, Ohio  
Union County Commissioners

It is my pleasure to present Union County's Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2009. State law requires that every general-purpose local government publish a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year just ended.

The responsibility for both the accuracy of the presented data and the complete, fair presentation, including all disclosures, rests with the County Auditor. This report reflects the financial data that will enable the citizens of Union County (the "County") to gain a true understanding of Union County finances.

This CAFR conforms to accounting standards generally accepted in the United States of America (GAAP) as set forth by the Government 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 the County.

As part of the preparation of the CAFR, the County subjects its financial statements to an annual audit. The annual audit serves to strengthen the County's accounting, internal controls, and budgetary controls. The Auditor of State's Office completed the audit and has issued an unqualified opinion on the County's financial statements for the year ended December 31, 2009. The independent accountant's report is located on page 11 at the front of the financial section of this report.

In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet requirements of the Federal Single Audit Act of 1996 and the related U.S. Office of Management and Budget's Circular A-133, Revised. United States of America generally accepted auditing standards and the standards set forth in the General Accounting Office's *Government Auditing Standards* were used by the auditors in conducting the engagement.

Management's discussion and analysis (MD&A) immediately follows the Independent Accountant's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

### **Profile of the Government:**

Formed on April 1, 1820, from portions of Delaware, Franklin, Madison, and Logan Counties together with a part of the old Indian Territory, Union County contains 277,760 acres lying in a nearly central position in the State of Ohio. Through the effort of Colonel James Curry, then a member of the State legislature, an act was passed January 10, 1820, entitled, "An act to erect the county of Union". The formation of fourteen townships and the selection of Marysville as the County Seat followed on May 15, 1821. A portion of the City of Dublin that is now wholly in a fifteenth township and five other municipalities are within the 434 square miles of the County that contained 40,909 people as of the 2000 census. The first census taken in 1830 revealed 3,192 settlers.

The County provides for its citizens with the powers conferred upon it by Ohio statutes. The elected three-member Board of County Commissioners functions as both the legislative and executive branches. Each Commissioner serves a term of four years. Other officials elected by the voters of Union County that manage various segments of the County's operations are the Auditor, who serves as the chief fiscal officer, Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, a Common Pleas Court Judge, a Probate/Juvenile Court Judge, and a Municipal Court Judge.

The County's reporting entity has been defined in accordance with Governmental Accounting Standards Board (GASB) Statement 14, "The Financial Reporting Entity" as amended by GASB Statement 39, "Determining Whether Certain Organizations are Component Units". The financial statements in this report include the primary government, which is composed of all funds, agencies, boards, and commissions that make up the County's legal entity and the component units, which are legally separate organizations and are either financially dependent on the County or for which the County is financially accountable. The Union County Airport Authority and U-Co Industries have been included in the reporting entity as discretely presented component units.

The County Auditor serves as fiscal officer and the County Treasurer as the custodian of funds but the County is not financially accountable for the Union County General Health District, the Union County Soil and Water Conservation District, the Union County Council for Families, the Union County Joint Recreation Board, and the Central Ohio Youth Center. The activities of these organizations are reflected as agency funds within the basic financial statements. The County is associated with certain organizations that are defined as jointly governed organizations, joint ventures, and a group purchasing pool. A further discussion of these organizations is provided in Note 2, to the basic financial statements.

A complete discussion of the County's reporting entity is provided in Note 2 to the basic financial statements.

#### **Information Useful in Assessing Union County's Economic Condition:**

##### **Local Economy:**

Union County continues to be primarily an agricultural community, with 231,843 acres of its 277,760 total acreage being devoted to agricultural use. The County's acreage devoted to agricultural use in 2009 remained about the same as 2008.

Unemployment rates in Union County showed a slightly higher average annual rate of 8.4% during 2009, an increase from the 2008 average of 5.2%. However, these rates continually remain below the overall state and national rates, which were 10.2% and 9.3% respectively for 2009.

During 2009, Union County issued 322 residential permits for an estimated construction value of \$27 million. There were 163 commercial building permits issued at an estimated construction value of \$26 million.

The Union County Commissioners, in conjunction with the Union County Community Improvement Corporation (CIC) and Union County Chamber of Commerce, established the Union County Small Business Entrepreneurial Incubator Program (SBEIP) at the Marysville Entrepreneurial Center (MEC). The MEC office space is provided to the CIC by the Union County Commissioners in order to assist with start-up businesses and job growth in the community. The SBEIP is targeting specific uses needed in Union County and also requires businesses to develop business plans for their future growth.

In 2009, the City of Marysville's Uptown Renewal Team (URT) hired the first ever Uptown Manager to oversee revitalization efforts in historic uptown Marysville. The URT worked closely with the City of Marysville to secure Ohio EPA, ODNR Nature Works, and CDBG Tier II grants toward their efforts.

The Uptown Plain City Organization (UPCO) began the development of an Uptown Land Use Plan, and developed a membership program for residents and businesses.



Several large employers in Union County launched or announced new investments during 2009. Nestle's Product Technology Center began a multi-million dollar renovation investment making the Marysville plant the largest Nestle research and development facility in the United States. Select Sires, Inc., a world leader in bovine genetics production, announced plans for a major investment in its facilities securing its home in Union County for years to come. The Scotts Miracle-Gro Company began construction on a new office building and manufacturing expansion totaling over \$29,000,000 of investment and creating 53 new jobs.

#### Long-term Planning:

The Commissioners recognize that Union County is one of the fastest growing counties in Ohio and have adopted a philosophy whereby growth will pay for growth. Therefore, as development occurs in the unincorporated areas of the County, much of the financial burden associated with infrastructure will be borne by the development and the residents that directly benefit. It is not anticipated that infrastructure costs will be borne by the County general fund.

With that said, the Commissioners do anticipate the need to continue to expand services as the County grows with services funded by user fees, the sales tax and incremental increases in the County real estate taxes.

A specific capital project that the Commissioners have envisioned is the development of a central sewer system for the area of Raymond and Peoria, Ohio. In late 2008, the Commissioners obtained approval for an Ohio Water Development Authority (OWDA) loan in the amount of \$502,590 to begin engineering services, land acquisition and legal costs associated with the development of a centralized sanitary sewer system and wastewater treatment plant. This project has urgency because the County is under an EPA advisory to address failing septic systems in that area of the County. The project will be funded using loans and assessed back to property owners through user fees, tap fees, and grants to help supplement their costs for those who are low to below average income.

Significant renovations and expansion of Memorial Hospital of Union County will likely occur in response to the age and condition of the existing hospital and the needs presented by the hospital planning board in which the Commissioners actively participate. In September 2009, the Memorial Hospital Board of Trustees and the Union County Commissioners approved the land purchase agreement for the acquisition of a 90 acre tract of land at the northeast corner of Rte. 33 and Scottslawn Road. The purchase will be financed through the issuance of \$4 million Build America Bonds.

#### Financial Information:

Accounting System. Union County's accounting system is maintained on a "fund" basis. Each fund is a distinct self-balancing entity. The basis of accounting and the various funds utilized by Union County are fully described in Note 2 to the basic financial statements. Local financial policies did not have a significant impact on the current period's financial statements.

Internal Controls. In developing the County's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits to be derived from their implementation.

**Budgetary Controls.** According to the Ohio Revised Code, the County Commissioners may adopt a temporary appropriation measure on or about January 1. A permanent annual budget must be passed by April 1. All disbursements and transfers of cash between funds require appropriation authority. Budgets are controlled at the object level within a department and fund. The County Auditor's office is responsible for the auditing and analysis of all purchase orders and vouchers of the County. As purchase orders and vouchers are received, the amounts are encumbered to ensure the availability of funds. No expenditures may take place without the County Auditor certifying that funds are available or are in the process of being collected. The County uses a fully automated accounting system to ensure that financial statements are both accurate and reliable. Further discussion of the budgetary accounting system and its controls may be found in Note 2 to the basic financial statements.

**Financial Condition.** This is the seventh year the County has prepared financial statements following GASB Statement 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments." GASB 34 created the following basic financial statements for reporting on the County's financial activities:

**Government-wide financial statements:** These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish between those county activities that are governmental and those that are considered business-like.

**Fund financial statements:** These statements present information for individual major funds rather than by fund type. All nonmajor funds are combined. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the government wide financial statements. Proprietary funds use the accrual basis of accounting.

**Statement of budgetary comparisons:** These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

#### **Debt Administration:**

Use of debt continues to be used to finance major projects in Union County. A complete discussion of debt and other long-term obligations is provided in Note 12 to the basic financial statements.

#### **Awards and Acknowledgements:**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Union County for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2008. This was the fourteenth consecutive year that the County has received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the 2009 CAFR would not have been possible without the cooperation and assistance of my office staff. The guidance provided by the firm of Julian & Grube, Inc. is also acknowledged for their assistance in the compilation of this CAFR. Finally, credit also must be given to all of the department heads, the Union County Engineer's Office, and the staff of the Union County Chamber of Commerce for providing us with valuable information and statistical data.

Respectfully submitted,

A handwritten signature in cursive script, reading "Mary H. Snider". The signature is written in dark ink and is positioned above the printed name and title.

Mary H Snider  
Union County Auditor

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Union County  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2008

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



A stylized, handwritten signature in black ink, likely belonging to the President of the GFOA.

President

A handwritten signature in black ink, reading "Jeffrey R. Enen".

Executive Director

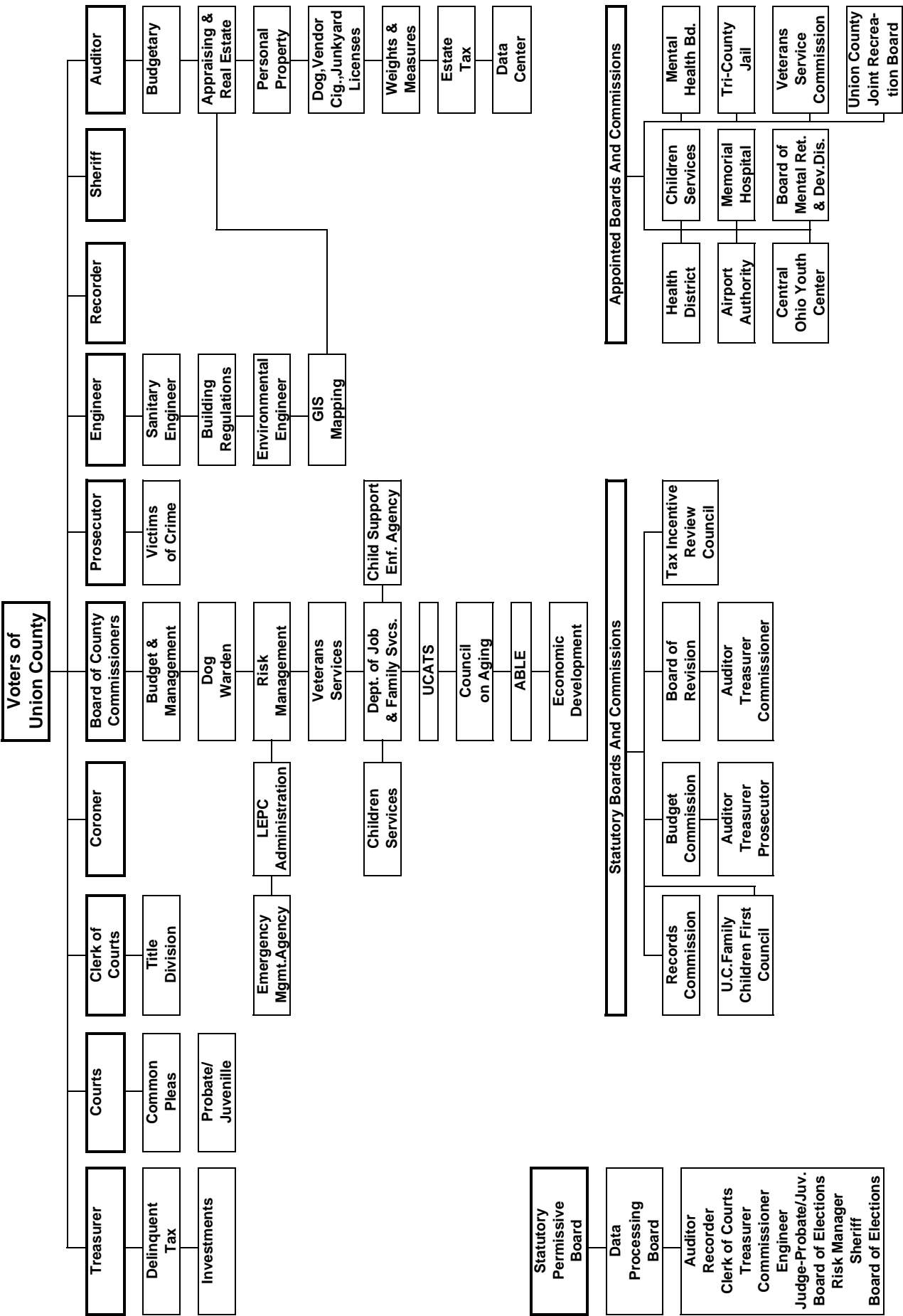
# UNION COUNTY, OHIO

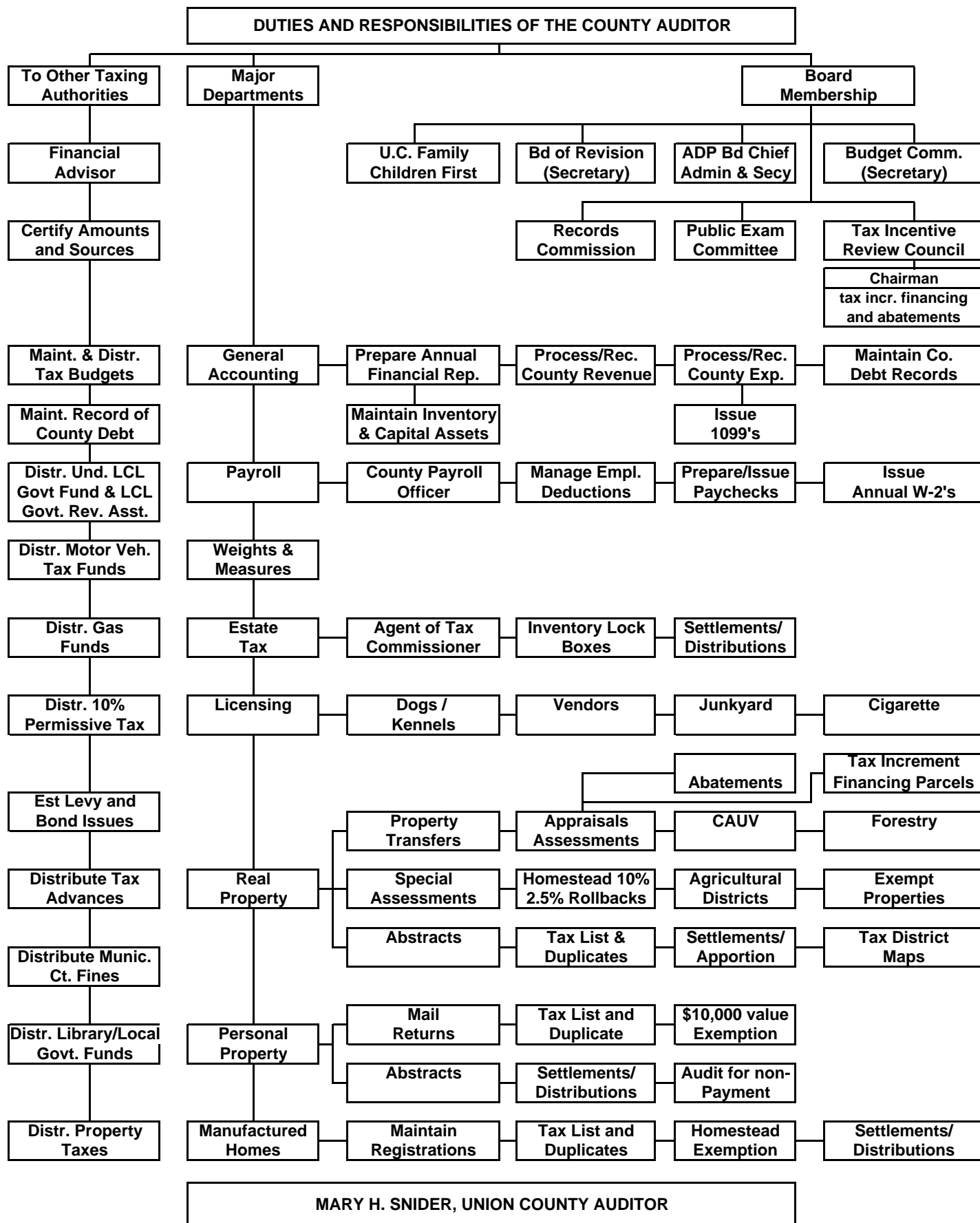
## PRINCIPAL OFFICIALS DECEMBER 31, 2009

### ELECTED OFFICIALS

Commissioner.....	Tom McCarthy
Commissioner.....	Charles A. Hall
Commissioner.....	Gary J. Lee
Auditor.....	Mary H. Snider
Treasurer.....	Tamara K. Lowe (Jan - Aug 2009) Donna M. Rausch (Sep 2009 - Dec 2009)
Prosecuting Attorney.....	David W. Phillips
Common Pleas Judge.....	Richard E. Parrott
Probate and Juvenile Judge.....	Charlotte C. Eufinger
Clerk of Courts.....	Teresa L. Nickle
Coroner.....	David T. Applegate, MD
Sheriff.....	Rocky W. Nelson
Recorder.....	Teresa L. Markham
Engineer.....	Jeff A. Stauch

ORGANIZATION CHART





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# **FINANCIAL SECTION**

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# Mary Taylor, CPA

## Auditor of State

### INDEPENDENT ACCOUNTANTS' REPORT

Union County  
233 West Sixth Street  
Marysville, Ohio 43040

To the Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Union County, Ohio (the County), as of and for the year ended December 31, 2009 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 Memorial Hospital of Union County and Affiliates, a major fund, which represents ninety-seven percent, ninety-six percent, and ninety-nine percent, respectively, of the assets, net assets, and revenues for the business-type activities. We also did not audit the financial statements of U-Co Industries, Inc., one of the County's discretely presented component units. Other auditors audited those financial statements. They have furnished their reports thereon to us and we base our opinion, insofar as they relate to the amounts included for Memorial Hospital of Union County and Affiliates, and U-Co Industries, Inc., on the reports 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 the Comptroller General of the United States' *Government Auditing Standards*. 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 U-Co 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 our audit and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Union County, Ohio, as of December 31, 2009, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Motor Vehicle and Gas Tax, and County Board of DD 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 June 21, 2010, 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 and Condition Assessment of the County's Infrastructure Report Under the Modified Approach are not a required parts of the basic financial statements but are 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 them.

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

A handwritten signature in black ink that reads "Mary Taylor". The script is cursive and fluid, with the first letters of each word being capitalized and prominent.

**Mary Taylor, CPA**  
Auditor of State

June 21, 2010

## UNION COUNTY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 (UNAUDITED)

The management's discussion and analysis of Union County's (the "County") financial performance provides an overall review of the County's financial activities for the year ended December 31, 2009. The intent of this discussion and analysis is to look at the County's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and the basic financial statements to enhance their understanding of the County's financial performance.

#### Financial Highlights

Key financial highlights for 2009 are as follows:

- The total net assets of the County increased \$5,316,508. Net assets of governmental activities increased \$1,538,043, which represents a 1.68% increase over fiscal year 2008. Net assets of business-type activities increased \$3,778,465 or 8.88% from fiscal year 2008.
- General revenues accounted for \$25,610,645 or 51.35% of total governmental activities revenue. Program specific revenues accounted for \$24,265,084 or 48.65% of total governmental activities revenue.
- The County had \$48,326,935 in expenses related to governmental activities; \$24,265,084 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$25,610,645 were adequate to provide for these programs.
- The general fund, the County's largest major governmental fund, had revenues of \$18,020,305 in 2009, a decrease of \$1,385,241 or 7.14% from 2008 revenues. The general fund, had expenditures and other financing uses of \$19,385,158 in 2009, a decrease of \$949,491 or 4.67% from 2008. The net changes in revenues and expenditures contributed to the general fund balance decrease of \$1,062,010 or 16.25% from 2008 to 2009.
- The Union County Board of Developmental Disabilities fund (board of DD fund), a major governmental fund, had revenues of \$9,469,329 in 2009, an increase of \$1,059,880 or 12.60 % from 2008 revenues. The board of DD fund, had expenditures of \$7,203,082 in 2009, a decrease of \$1,305,764 or 15.35% from 2008 expenditures. The net changes in revenues and expenditures contributed to the board of DD fund balance increase of \$2,263,347 or 25.74% from 2008 to 2009.
- The motor vehicle and gas tax fund, a major governmental fund, had revenues of \$5,891,615 in 2009, a decrease of \$135,540 or 2.25 % from 2008 revenues. The motor vehicle and gas tax fund, had expenditures and other financing uses of \$5,520,760 in 2009, a decrease of \$521,023 or 8.62% from 2008 expenditures. The net changes in revenues and expenditures contributed to the motor vehicle and gas tax fund balance increase of \$370,855 or 27.08% from 2008 to 2009.
- Net assets for the business-type activities, which are made up of the sanitary sewer district, building and development and the Union County Memorial Hospital, increased in 2009 by \$3,778,465 or 8.88%.
- In the general fund, the actual revenues came in \$62,499 higher than the final budget and actual expenditures and financing uses were \$1,872,491 lower than the amount in the final budget. These variances are a result of the County's conservative budgeting process.

#### Using the Basic Financial Statements (BFS)

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

## UNION COUNTY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 (UNAUDITED)

The statement of net assets and statement of activities provide information about the activities of the whole County, presenting both an aggregate view of the County's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the County's most significant funds with all other non-major funds presented in total in one column. The County's governmental major funds are the general fund, the board of DD fund and the motor vehicle and gas tax fund.

#### **Reporting the County as a Whole**

##### *Statement of Net Assets and the Statement of Activities*

The statement of net assets and the statement of activities answer the question, "How did we do financially during 2009?" These statements include all assets, liabilities, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the County's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the County as a whole, the financial position of the County has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the County's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, and other factors.

In the statement of net assets and the statement of activities, the County is divided into two distinct kinds of activities:

Governmental activities - most of the County's programs and services are reported here including human services, health, public safety, public works and general government. These services are funded primarily by taxes and intergovernmental revenues including federal and state grants and other shared revenues.

Business-type activities - these services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided.

The County's statement of net assets and statement of activities can be found on pages 25-28 of this report.

#### **Reporting the County's Most Significant Funds**

##### *Fund Financial Statements*

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Fund financial reports provide detailed information about the County's major funds. The County uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the County's most significant funds.

The County's major governmental funds are the general fund, board of DD fund and motor vehicle and gas tax fund. The County's major enterprise fund is the Memorial Hospital fund. The analysis of the County's major governmental and proprietary funds begins on page 20.

## **UNION COUNTY, OHIO**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 (UNAUDITED)**

#### ***Governmental Funds***

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

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 in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-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 facilitate this comparison between governmental funds and governmental activities.

The County maintains a multitude of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 29-35 and the budgetary statements for the general and major special revenue funds can be found on pages 36-38 of this report.

#### ***Proprietary Funds***

The County maintains only one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its sewer district, building and development and the Memorial Hospital operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County has no internal service funds. The basic proprietary fund financial statements can be found on pages 39-42 of this report.

#### ***Fiduciary Funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Agency funds are the County's only fiduciary fund type. The basic fiduciary fund financial statement can be found on page 43 of this report.

#### ***Notes to the Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 44-92 of this report.

# UNION COUNTY, OHIO

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 (UNAUDITED)

### Government-Wide Financial Analysis

The statement of net assets provides the perspective of the County as a whole. The table below provides a summary of the County's net assets for 2009 and 2008.

	<b>Net Assets</b>					
	Governmental Activities 2009	Business-type Activities 2009	Governmental Activities 2008	Business-type Activities 2008	2009 Total	2008 Total
<u>Assets</u>						
Current and other assets	\$ 46,230,322	\$ 41,501,789	\$ 46,125,467	\$ 37,796,122	\$ 87,732,111	\$ 83,921,589
Capital assets, net	<u>72,204,709</u>	<u>40,776,609</u>	<u>71,670,003</u>	<u>36,132,339</u>	<u>112,981,318</u>	<u>107,802,342</u>
Total assets	<u>118,435,031</u>	<u>82,278,398</u>	<u>117,795,470</u>	<u>73,928,461</u>	<u>200,713,429</u>	<u>191,723,931</u>
<u>Liabilities</u>						
Long-term liabilities outstanding	10,706,339	29,359,624	11,194,140	25,617,185	40,065,963	36,811,325
Other liabilities	<u>14,528,954</u>	<u>6,576,578</u>	<u>14,939,635</u>	<u>5,747,545</u>	<u>21,105,532</u>	<u>20,687,180</u>
Total liabilities	<u>25,235,293</u>	<u>35,936,202</u>	<u>26,133,775</u>	<u>31,364,730</u>	<u>61,171,495</u>	<u>57,498,505</u>
<u>Net Assets</u>						
Invested in capital assets, net of related debt	62,877,921	14,124,261	61,759,667	13,508,658	77,002,182	75,268,325
Restricted	23,450,331	2,753,323	20,868,196	4,928,672	26,203,654	25,796,868
Unrestricted	<u>6,871,486</u>	<u>29,464,612</u>	<u>9,033,832</u>	<u>24,126,401</u>	<u>36,336,098</u>	<u>33,160,233</u>
Total net assets	<u>\$ 93,199,738</u>	<u>\$ 46,342,196</u>	<u>\$ 91,661,695</u>	<u>\$ 42,563,731</u>	<u>\$ 139,541,934</u>	<u>\$ 134,225,426</u>

Over time, net assets can serve as a useful indicator of a government's financial position. At December 31, 2009, the County's assets exceeded liabilities by \$139,541,934. This amounts to \$93,199,738 in governmental activities and \$46,342,196 in business-type activities.

Capital assets reported on the government-wide statements represent the largest portion of the County's assets. At year-end, capital assets represented 56.29% of total governmental and business-type assets. Capital assets include land, buildings, improvements, furniture, equipment, furniture and fixtures, vehicles, construction in progress, infrastructure, water and sewer lines and property under capital lease. Capital assets, net of related debt to acquire the assets at December 31, 2009, were \$77,002,182. These capital assets are used to provide services to citizens and are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

As of December 31, 2009, the County is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. A portion of the County's governmental activities net assets, \$23,450,331 or 25.16%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of governmental activities unrestricted net assets of \$6,871,486 may be used to meet the government's ongoing obligations to citizens and creditors.



# UNION COUNTY, OHIO

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 (UNAUDITED)

The table below shows the changes in net assets for fiscal year 2009 and 2008.

	<b>Change in Net Assets</b>					
	Governmental Activities 2009	Business-type Activities 2009	Governmental Activities 2008	Business-type Activities 2008	2009 Total	2008 Total
<b><u>Revenues</u></b>						
Program revenues:						
Charges for services and sales	\$ 6,061,923	\$ 69,762,830	\$ 6,538,893	\$ 68,288,242	\$ 75,824,753	\$ 74,827,135
Operating grants and contributions	16,729,144	-	16,511,181	-	16,729,144	16,511,181
Capital grants and contributions	1,474,017	1,064,803	3,041,664	370,484	2,538,820	3,412,148
Total program revenues	24,265,084	70,827,633	26,091,738	68,658,726	95,092,717	94,750,464
General revenues:						
Property taxes	10,264,681	-	10,360,679	-	10,264,681	10,360,679
Sales tax	8,001,168	-	9,565,905	-	8,001,168	9,565,905
Unrestricted grants	5,452,939	-	4,312,843	-	5,452,939	4,312,843
Investment earnings	1,001,949	169,467	1,516,355	565,872	1,171,416	2,082,227
Other	889,908	2,705,425	1,687,155	2,166,086	3,595,333	3,853,241
Total general revenues	25,610,645	2,874,892	27,442,937	2,731,958	28,485,537	30,174,895
Total revenues	49,875,729	73,702,525	53,534,675	71,390,684	123,578,254	124,925,359
<b><u>Expenses</u></b>						
Program expenses:						
General government						
Legislative and executive	12,019,993	-	13,793,161	-	12,019,993	13,793,161
Judicial	2,461,340	-	2,637,145	-	2,461,340	2,637,145
Public safety	7,150,858	-	7,161,068	-	7,150,858	7,161,068
Public works	5,747,722	-	3,227,196	-	5,747,722	3,227,196
Health	3,950,543	-	4,020,931	-	3,950,543	4,020,931
Human services	15,526,434	-	16,904,850	-	15,526,434	16,904,850
Economic development	402,363	-	365,747	-	402,363	365,747
Intergovernmental	576,265	-	519,194	-	576,265	519,194
Interest and fiscal charges	491,417	-	485,352	-	491,417	485,352
Memorial Hospital	-	69,262,201	-	67,061,083	69,262,201	67,061,083
Nonmajor:						
Sanitary sewer district	-	175,941	-	319,305	175,941	319,305
Building and development	-	496,669	-	679,417	496,669	679,417
Total expenses	48,326,935	69,934,811	49,114,644	68,059,805	118,261,746	117,174,449
Change in net assets before transfers	1,548,794	3,767,714	4,420,031	3,330,879	5,316,508	7,750,910
Transfers	(10,751)	10,751	3,146	(3,146)	-	-
Change in net assets	1,538,043	3,778,465	4,423,177	3,327,733	5,316,508	7,750,910
<b>Net assets at beginning of year</b>	91,661,695	42,563,731	87,238,518	39,235,998	134,225,426	126,474,516
<b>Net assets at end of year</b>	<u>\$ 93,199,738</u>	<u>\$ 46,342,196</u>	<u>\$ 91,661,695</u>	<u>\$ 42,563,731</u>	<u>\$ 139,541,934</u>	<u>\$ 134,225,426</u>

## UNION COUNTY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 (UNAUDITED)

#### Governmental Activities

Governmental net assets increased by \$1,538,043 in 2009 from 2008.

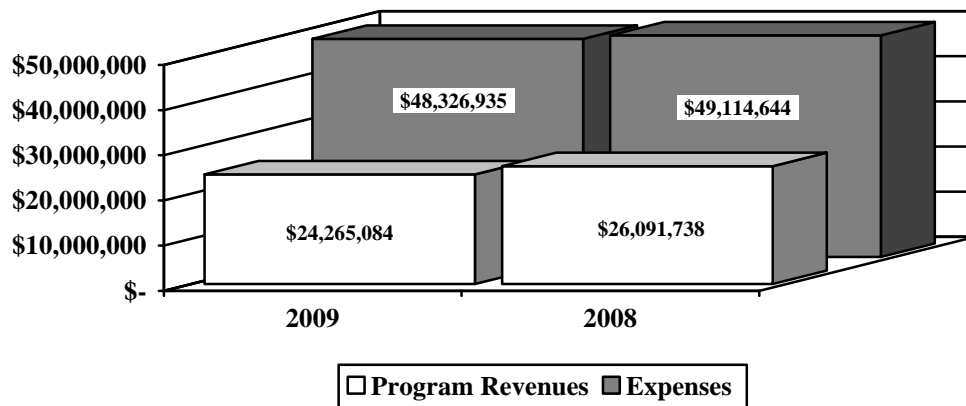
Human services, represents costs associated with providing services for various State and locally mandated welfare programs. These programs include the board and development disabilities, children's services, and the department of jobs and family services for \$15,526,434 of expenses, or 32.13% of total governmental expenses of the County. These expenses were funded by \$770,661 in charges to users of services and \$8,711,064 in operating grants and contributions in 2009. General government expenses which includes legislative and executive and judicial programs, accounted for \$14,481,333 or 29.51% of total governmental expenses. General government expenses were covered by \$3,330,024 of direct charges to users and \$175,388 in operating grants and contributions in 2009.

The State and federal government contributed to the County revenues of \$16,729,144 in operating grants and contributions and \$1,474,017 in capital grants and contributions. These revenues are restricted to a particular program or purpose.

General revenues totaled \$25,610,645, and amounted to 51.35% of total revenues. These revenues primarily consist of property and sales tax revenue of \$18,265,849 or 71.32% of total general revenues in 2009. The other primary source of general revenues is grants and entitlements not restricted to specific programs, making up \$5,452,939, or 21.29% of the total.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2009 and 2008. That is, it identifies the cost of these services supported by general revenues (such as tax revenue and unrestricted state grants and entitlements). As can be seen in the graph below, the County is reliant upon general revenues to finance operations as program revenues are not sufficient to cover total expenses.

**Governmental Activities - Program Revenues vs. Total Expenses**



# UNION COUNTY, OHIO

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 (UNAUDITED)

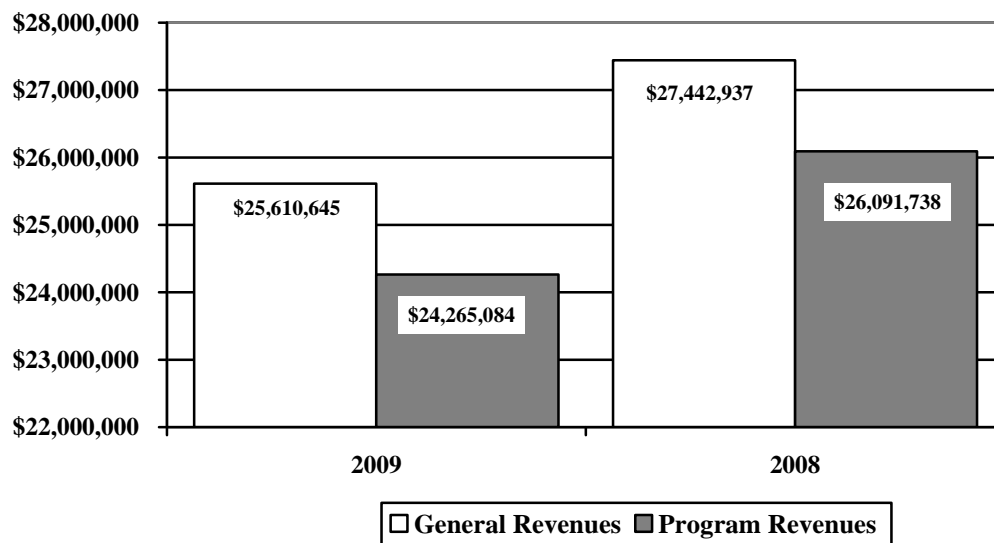
### Governmental Activities

	Total Cost of Services 2009	Net Cost of Services 2009	Total Cost of Services 2008	Net Cost of Services 2008
<b>Program expenses:</b>				
General government				
Legislative and executive	\$ 12,019,993	\$ 9,186,891	\$ 13,793,161	\$ 10,693,523
Judicial	2,461,340	1,789,030	2,637,145	1,933,250
Public safety	7,150,858	5,304,054	7,161,068	5,384,481
Public works	5,747,722	(865,155)	3,227,196	(4,598,975)
Health	3,950,543	1,234,620	4,020,931	963,773
Human services	15,526,434	6,044,709	16,904,850	7,614,828
Economic development	402,363	300,020	365,747	27,480
Intergovernmental	576,265	576,265	519,194	519,194
Interest and fiscal charges	491,417	491,417	485,352	485,352
<b>Total</b>	<b>\$ 48,326,935</b>	<b>\$ 24,061,851</b>	<b>\$ 49,114,644</b>	<b>\$ 23,022,906</b>

The dependence upon general revenues for governmental activities is apparent, with 49.79% of expenses supported through taxes and other general revenues during 2009.

The graph below illustrates the County's reliance upon general revenues.

**Governmental Activities - General and Program Revenues**

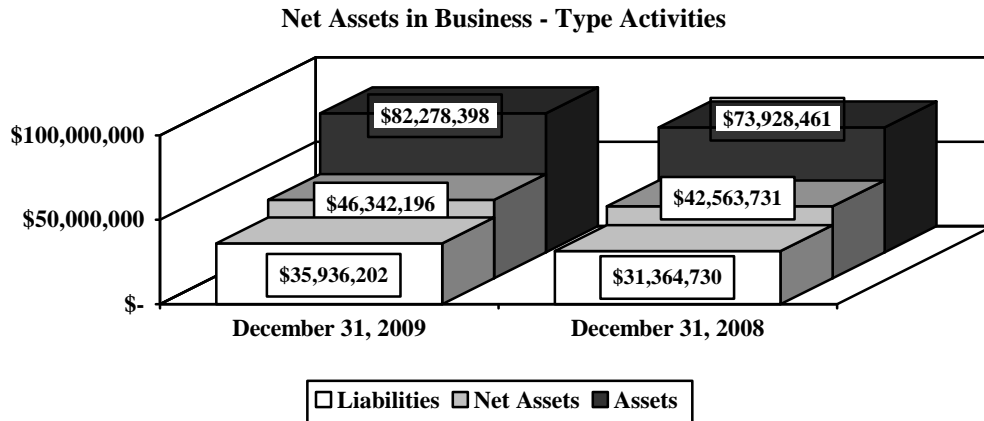


## UNION COUNTY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 (UNAUDITED)

#### Business-Type Activities

The sanitary sewer district, building and development and Memorial Hospital are the County's enterprise funds. These operations had program revenues of \$70,827,633, general revenues of \$2,874,892, and expenses of \$69,934,811 for 2009. The net assets of the enterprise funds increased \$3,778,465 or 8.88% during 2009. The following graph illustrates the assets, liabilities and net assets of the County's business-type activities at December 31, 2009 and 2008:



#### Financial Analysis of the Government's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### Governmental Funds

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

The County's governmental funds (as reported on the balance sheet on pages 29-30) reported a combined fund balance of \$25,899,990, which is \$1,960,543 greater than last year's total of \$23,939,447. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2009 for all major and non-major governmental funds.

	Fund Balances 12/31/09	Fund Balances 12/31/08	Increase/ (Decrease)
<b>Major funds:</b>			
General	\$ 5,472,468	\$ 6,534,478	\$ (1,062,010)
County board of DD	11,058,912	8,795,565	2,263,347
Motor vehicle and gas tax	1,740,336	1,369,481	370,855
Other nonmajor governmental funds	<u>7,628,274</u>	<u>7,239,923</u>	<u>388,351</u>
Total	<u>\$ 25,899,990</u>	<u>\$ 23,939,447</u>	<u>\$ 1,960,543</u>

# UNION COUNTY, OHIO

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 (UNAUDITED)

### ***General Fund***

The County's general fund balance decreased \$1,062,010.

	2009 Amount	2008 Amount	Percentage Change
<b><u>Revenues</u></b>			
Taxes	\$ 10,920,640	\$ 12,801,267	(14.69) %
Charges for services	1,984,007	2,212,745	(10.34) %
Licenses and permits	3,134	2,867	9.31 %
Fines and forfeitures	508,399	128,514	295.60 %
Intergovernmental	2,404,718	1,712,002	40.46 %
Investment income	1,000,812	1,402,706	(28.65) %
Other	1,198,595	1,145,445	4.64 %
Total	<u>\$ 18,020,305</u>	<u>\$ 19,405,546</u>	(7.14) %

Tax revenue represents 60.60% of all general fund revenue. Tax revenue decreased by 14.69% from prior year due to a refund of sales tax receipts remitted in error by the Ohio Department of Taxation. The refund in excess of \$700,000 was deducted from 2009 sales tax receipts over a period of six months. Charges for services decreased 10.34% due to an overall decline in real estate sales activity and the transfer and conveyance fees associated with those transactions. Fines and forfeitures increased 295.60% due to increases in municipal court fines. The increase of intergovernmental revenue of 40.46% is due to increases in Child Support Enforcement Act (CSEA) revenues and other operating grants related to public safety. The decrease in investment income of 28.65% is due to overall declines in investment income earnings due to record low interest rates. All other revenue remained comparable to 2008.

The table that follows assists in illustrating the expenditures of the general fund.

	2009 Amount	2008 Amount	Percentage Change
<b><u>Expenditures</u></b>			
General government			
Legislative and executive	\$ 7,792,452	\$ 8,428,818	(7.55) %
Judicial	2,153,071	2,185,800	(1.50) %
Public safety	5,425,879	5,647,751	(3.93) %
Public works	124,018	130,562	(5.01) %
Health	378,650	440,937	(14.13) %
Human services	1,761,433	1,721,887	2.30 %
Economic development	197,135	188,929	4.34 %
Intergovernmental	573,221	667,534	(14.13) %
Total	<u>\$ 18,405,859</u>	<u>\$ 19,412,218</u>	(5.18) %

Total expenditures decreased \$1,006,359 or 5.18%. The decrease of health expense of 14.13% is due to decreases in general fund contributions to senior services administrative costs with the passage of the senior services restricted use sales tax in 2008. Intergovernmental expenses decreased by 14.13% due to declines in various reimbursements from the general fund. All other expenditures remained comparable to 2008.

## UNION COUNTY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 (UNAUDITED)

#### ***County Board of DD***

The County Board of Developmental Disabilities fund (board of DD) fund, a major governmental fund, had revenues of \$9,469,329 in 2009, an increase of \$1,059,880 or 12.60% from 2008 revenues. The board of DD fund, had expenditures of \$7,203,082 in 2009, a decrease of \$1,305,764 or 15.35% from 2008. The net changes in revenues and expenditures contributed to the board of DD fund balance increase of \$2,263,347 or 25.74% from 2008 to 2009.

#### ***Motor Vehicle and Gas Tax***

The motor vehicle and gas tax fund, a major governmental fund, had revenues of \$5,891,615 in 2009, a decrease of \$135,540 or 2.25 % from 2008 revenues. The motor vehicle and gas tax fund, had expenditures and other financing uses of \$5,520,760 in 2009, a decrease of \$521,023 or 8.62% from 2008 expenditures. The net changes in revenues and expenditures contributed to the motor vehicle and gas tax fund balance increase of \$370,855 or 27.08% from 2008 to 2009.

#### ***Budgeting Highlights - General Fund***

The County's budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially the budget is the County's appropriations which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the ORC. Therefore, the County's plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity then the appropriations can be adjusted accordingly.

Budgetary information is presented for the general fund, county board of DD and the motor vehicle and gas tax fund.

In the general fund, final budgeted revenues of \$17,695,659 were \$660,521 less than original budgeted revenues of \$18,356,180. Actual revenues of \$17,758,158 exceeded final budgeted revenues by \$62,499.

Final budgeted expenditures and other financing uses of \$21,043,830 were \$482,103 greater than original budgeted expenditures and other financing uses of \$20,561,727. Actual expenditures and financing uses of \$19,171,339 were \$1,872,491 less than final budgeted expenditures and financing uses.

#### ***Proprietary Funds***

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

### **Capital Assets and Debt Administration**

#### ***Capital Assets***

At the end of 2009, the County had \$112,981,318 (net of accumulated depreciation) invested in land, improvements, buildings, equipment, furniture and fixtures, vehicles, construction in progress, property under capital lease, water and sewer lines and infrastructure. Of this total, \$72,204,709 was reported in governmental activities and \$40,776,609 was reported in business-type activities. See Note 9 to the basic financial statements for detail on governmental activities and business-type activities capital assets. The following table shows fiscal 2009 balances compared to 2008:

# UNION COUNTY, OHIO

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 (UNAUDITED)

### Capital Assets at December 31 (Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 982,046	\$ 934,813	\$ 6,474,735	\$ 1,974,735	\$ 7,456,781	\$ 2,909,548
Improvements	1,131,736	1,187,518	2,602,958	1,534,488	3,734,694	2,722,006
Buildings	15,406,719	15,898,127	24,618,772	25,594,119	40,025,491	41,492,246
Equipment	921,592	1,354,242	5,084,217	5,578,710	6,005,809	6,932,952
Furniture and fixtures	297,853	333,255	13,000	16,000	310,853	349,255
Vehicles	766,009	1,185,900	24,988	36,454	790,997	1,222,354
Infrastructure	52,698,754	50,776,148	-	-	52,698,754	50,776,148
Sewer/water lines	-	-	93,318	53,010	93,318	53,010
Property under capital leases	-	-	388,749	462,009	388,749	462,009
Construction in progress	-	-	1,475,872	882,814	1,475,872	882,814
Total	<u>\$ 72,204,709</u>	<u>\$ 71,670,003</u>	<u>\$ 40,776,609</u>	<u>\$ 36,132,339</u>	<u>\$ 112,981,318</u>	<u>\$ 107,802,342</u>

The County's largest capital asset category is infrastructure which includes roads, bridges and culverts. These items are immovable and of value only to the County, however, the annual cost of purchasing these items is quite significant. The book value of the County's infrastructure represents approximately 72.99% of the County's total governmental capital assets.

The modified approach is used for reporting the Union County's infrastructure assets. The plan includes a ten year program for road repairs and improvements and an annual bridge evaluation in accordance with Ohio Department of Transportation requirements. Currently 98% of the County's roads have a numerical rating of 5 or higher as compared with a policy of at least 75% of the roads at 5 or higher. For bridges, 96% of the bridges met or exceeded the numerical rating of 5 as compared to a policy of 85%. Estimated expenditures for roads and bridges were \$8,294,305 for 2009. Actual expenditures for the year were \$7,003,742. For more information on the rating system and results, refer to required supplementary information beginning on pages 96-97 of this report.

#### ***Debt Administration***

At December 31, 2009 the County had \$29,580,000 in general obligation bonds, \$2,535,000 in sales tax revenue bonds, and \$3,764,744 in other long term obligations. Of this total, \$1,954,179 is due within one year and \$33,925,565 is due in more than one year.

## UNION COUNTY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 (UNAUDITED)

The following table summarizes the bonds, notes and loans outstanding.

	<b>Outstanding Debt, at Year End</b>			
	Governmental Activities 2009	Business-type Activities 2009	Governmental Activities 2008	Business-type Activities 2008
<b>Long-term obligations:</b>				
General obligation bonds	\$ 6,680,000	\$ 22,900,000	\$ 2,445,000	\$ 19,730,000
Sales tax revenue bonds	2,535,000	-	4,420,000	-
Other long-term obligations	<u>24,961</u>	<u>3,739,783</u>	<u>3,045,336</u>	<u>3,490,236</u>
Total	<u>\$ 9,239,961</u>	<u>\$ 26,639,783</u>	<u>\$ 9,910,336</u>	<u>\$ 23,220,236</u>

The County's voted legal debt margin was \$24,259,915 at December 31, 2009 and the unvoted legal debt margin was \$6,421,593 at December 31, 2009. See Note 12 to the basic financial statements for detail on governmental activities and business-type activities long-term obligations.

#### **Economic Factors and Next Year's Budgets and Rates**

The average unemployment rate in the County was 8.4% for 2009, higher than the 5.2% average rate in 2008. This compares favorably to the State rate of 10.2% and to the national rate of 9.3%. Union County's strong industrial segment allows the County to enjoy the fourth lowest unemployment rate in Ohio.

Union County is primarily an agricultural community with 83% of its acreage devoted to agriculture. A strong manufacturing presence coexists, allowing for growth within the community. Estimated actual values were at \$3.60 billion for 2009. This has decreased by an average rate of 5% from 2008. The actual and assessed values are lower than prior years as tangible personal property is being phased out through 2008. For information on this reduction, refer to Note 6 of this report.

#### **Contacting the County's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Honorable Mary H. Snider, Union County Auditor, 233 West Sixth Street, Marysville, Ohio 43040. Questions may also be e-mailed to [auditor@co.union.oh.us](mailto:auditor@co.union.oh.us) or visit the Auditors link from the County's website: <http://www.co.union.oh.us/Auditor/auditor.html>.



BASIC  
FINANCIAL STATEMENTS

**UNION COUNTY, OHIO**

STATEMENT OF NET ASSETS  
DECEMBER 31, 2009

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and investments . . . . .	\$ 23,779,919	\$ 1,741,797	\$ 25,521,716
Cash and cash equivalents in segregated accounts . . . . .	1,062,472	24,643,067	25,705,539
Investments in segregated accounts. . . . .	-	555,791	555,791
Receivables (net of allowances for uncollectibles):			
Sales taxes . . . . .	1,446,780	-	1,446,780
Real estate and other taxes . . . . .	12,374,078	-	12,374,078
Accounts. . . . .	92,047	9,115,544	9,207,591
Accrued interest . . . . .	110,593	-	110,593
Due from other governments . . . . .	5,773,695	-	5,773,695
Special assessments . . . . .	91,580	-	91,580
Loans . . . . .	55,458	-	55,458
Prepayments. . . . .	823,667	651,592	1,475,259
Materials and supplies inventory . . . . .	450,293	753,244	1,203,537
Unamortized bond issue costs . . . . .	169,740	1,287,431	1,457,171
Restricted assets:			
Cash and cash equivalents with fiscal and escrow agents . . . . .	-	2,753,323	2,753,323
Capital assets:			
Land, infrastructure and construction in progress . . . . .	53,680,800	7,950,607	61,631,407
Depreciable capital assets, net . . . . .	18,523,909	32,826,002	51,349,911
Total capital assets. . . . .	72,204,709	40,776,609	112,981,318
Total assets . . . . .	118,435,031	82,278,398	200,713,429
<b>Liabilities:</b>			
Accounts payable . . . . .	1,078,943	2,115,495	3,194,438
Contracts payable . . . . .	-	326,683	326,683
Accrued wages and benefits . . . . .	861,165	2,810,669	3,671,834
Due to other governments . . . . .	545,434	1,323,731	1,869,165
Accrued interest payable. . . . .	64,368	-	64,368
Accrued liabilities . . . . .	-	-	-
Unearned revenues . . . . .	11,979,044	-	11,979,044
Long-term liabilities:			
Due within one year . . . . .	1,931,672	1,871,550	3,803,222
Due in more than one year. . . . .	8,774,667	27,488,074	36,262,741
Total liabilities. . . . .	25,235,293	35,936,202	61,171,495
<b>Net assets:</b>			
Invested in capital assets, net of related debt . . . . .	62,877,921	14,124,261	77,002,182
Restricted for:			
Capital projects . . . . .	1,487,548	840,733	2,328,281
Debt service . . . . .	199,241	92,092	291,333
Public works projects . . . . .	3,853,142	-	3,853,142
Public safety programs. . . . .	2,122,259	-	2,122,259
Human services programs . . . . .	12,967,423	-	12,967,423
Health programs. . . . .	1,358,434	-	1,358,434
Legislative and executive. . . . .	848,606	-	848,606
Judicial . . . . .	349,970	-	349,970
Other hospital restrictions . . . . .	-	1,820,498	1,820,498
Other purposes . . . . .	263,708	-	263,708
Unrestricted . . . . .	6,871,486	29,464,612	36,336,098
Total net assets. . . . .	\$ 93,199,738	\$ 46,342,196	\$ 139,541,934

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Component Units</b>	
<b>UCO Industries</b>	<b>Airport Authority</b>
\$ -	\$ 458,882
1,148,906	-
-	-
-	-
-	-
571,449	-
-	-
-	11,675
-	-
-	-
25,847	725
382,543	-
36,043	-
-	-
224,400	680,685
4,130,677	2,298,902
4,355,077	2,979,587
6,519,865	3,450,869
1,045,574	19,109
-	-
31,414	280
-	123
-	-
12,396	-
-	-
241,408	27,212
1,734,779	28,336
3,065,571	75,060
3,174,776	2,979,587
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
279,518	396,222
\$ 3,454,294	\$ 3,375,809

**UNION COUNTY, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2009

		Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
	Expenses			
<b>Governmental activities:</b>				
General government:				
Legislative and executive . . . . .	\$ 12,019,993	\$ 2,657,714	\$ 175,388	\$ -
Judicial . . . . .	2,461,340	672,310	-	-
Public safety . . . . .	7,150,858	1,038,616	808,188	-
Public works . . . . .	5,747,722	643,515	4,495,345	1,474,017
Health . . . . .	3,950,543	256,573	2,459,350	-
Human services . . . . .	15,526,434	770,661	8,711,064	-
Economic development . . . . .	402,363	22,534	79,809	-
Intergovernmental . . . . .	576,265	-	-	-
Interest and fiscal charges . . . . .	491,417	-	-	-
Total governmental activities. . . . .	48,326,935	6,061,923	16,729,144	1,474,017
<b>Business-type activities:</b>				
Memorial hospital. . . . .	69,262,201	69,091,683	-	1,064,803
Other business-type activities:				
Sanitary sewer district . . . . .	175,941	224,570	-	-
Building and development. . . . .	496,669	446,577	-	-
Total business-type activities . . . . .	69,934,811	69,762,830	-	1,064,803
Total primary government. . . . .	\$ 118,261,746	\$ 75,824,753	\$ 16,729,144	\$ 2,538,820
<b>Component units:</b>				
UCO Industries . . . . .	\$ 8,757,861	\$ 8,589,680	\$ 283,558	\$ -
Airport authority. . . . .	356,190	171,655	147,438	-
Total component units . . . . .	\$ 9,114,051	\$ 8,761,335	\$ 430,996	\$ -

**General revenues:**

Property taxes levied for:

General fund . . . . .	
Human services - County Board of DD. . . . .	
Public safety . . . . .	
Health. . . . .	
Sales taxes levied for general purposes. . . . .	
Sales taxes levied for public works . . . . .	
Sales taxes levied for senior services . . . . .	
Grants and entitlements not restricted to specific programs . . . . .	
Investment earnings. . . . .	
Miscellaneous. . . . .	
Total general revenues . . . . .	

Transfers . . . . .

Change in net assets . . . . .

**Net assets at beginning of year . . . . .**

**Net assets at end of year. . . . .**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Net (Expense) Revenue and Changes in Net Assets					
Primary Government			Component Units		
Governmental Activities	Business-Type Activities	Total	UCO Industries	Airport Authority	
\$ (9,186,891)	\$ -	\$ (9,186,891)	\$ -	\$ -	
(1,789,030)	-	(1,789,030)	-	-	
(5,304,054)	-	(5,304,054)	-	-	
865,155	-	865,155	-	-	
(1,234,620)	-	(1,234,620)	-	-	
(6,044,709)	-	(6,044,709)	-	-	
(300,020)	-	(300,020)	-	-	
(576,265)	-	(576,265)	-	-	
(491,417)	-	(491,417)	-	-	
(24,061,851)	-	(24,061,851)	-	-	
-	894,285	894,285	-	-	
-	48,629	48,629	-	-	
-	(50,092)	(50,092)	-	-	
-	892,822	892,822	-	-	
(24,061,851)	892,822	(23,169,029)	-	-	
-	-	-	115,377	-	
-	-	-	-	(37,097)	
-	-	-	115,377	(37,097)	
3,628,664	-	3,628,664	-	-	
5,350,694	-	5,350,694	-	-	
722,200	-	722,200	-	-	
563,123	-	563,123	-	-	
6,253,811	-	6,253,811	-	-	
873,679	-	873,679	-	-	
873,678	-	873,678	-	-	
5,452,939	-	5,452,939	-	-	
1,001,949	169,467	1,171,416	29,530	242	
889,908	2,705,425	3,595,333	-	1,975	
25,610,645	2,874,892	28,485,537	29,530	2,217	
(10,751)	10,751	-	-	-	
1,538,043	3,778,465	5,316,508	144,907	(34,880)	
91,661,695	42,563,731	134,225,426	3,309,387	3,410,689	
<u>\$ 93,199,738</u>	<u>\$ 46,342,196</u>	<u>\$ 139,541,934</u>	<u>\$ 3,454,294</u>	<u>\$ 3,375,809</u>	

**UNION COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2009

	<b>General</b>	<b>County Board of DD</b>	<b>Motor Vehicle/ Gas Tax</b>
<b>Assets:</b>			
Equity in pooled cash and investments . . . . .	\$ 4,434,953	\$ 10,689,300	\$ 1,555,524
Cash and cash equivalents in segregated accounts . .	540,556	-	-
Receivables (net of allowance for uncollectibles):			
Sales taxes . . . . .	1,152,203	-	147,289
Real estate and other taxes . . . . .	3,910,939	6,908,464	-
Accounts . . . . .	44,761	8,153	3,234
Accrued interest . . . . .	107,821	-	1,568
Due from other governments. . . . .	1,214,532	345,133	2,071,986
Special assessments . . . . .	-	-	-
Loans. . . . .	55,458	-	-
Prepayments . . . . .	39,959	758,203	453
Materials and supplies inventory . . . . .	422,360	18,430	-
Due from other funds . . . . .	50,000	-	-
Total assets. . . . .	<u>\$ 11,973,542</u>	<u>\$ 18,727,683</u>	<u>\$ 3,780,054</u>
<b>Liabilities:</b>			
Accounts payable. . . . .	\$ 288,848	\$ 119,757	\$ 73,605
Accrued wages and benefits . . . . .	375,292	186,478	86,080
Compensated absences payable . . . . .	4,923	-	-
Due to other funds . . . . .	-	-	-
Due to other governments. . . . .	252,507	108,165	51,193
Deferred revenue . . . . .	1,882,916	655,647	1,828,840
Unearned revenue. . . . .	3,696,588	6,598,724	-
Total liabilities . . . . .	<u>6,501,074</u>	<u>7,668,771</u>	<u>2,039,718</u>
<b>Fund balances:</b>			
Reserved for encumbrances. . . . .	7,542	1,357	91,461
Reserved for prepayments . . . . .	39,959	758,203	453
Reserved for materials and supplies inventory . . . .	422,360	18,430	-
Reserved for loans . . . . .	55,458	-	-
Reserved for debt service. . . . .	-	-	-
Unreserved, undesignated, reported in:			
General fund . . . . .	4,947,149	-	-
Special revenue funds . . . . .	-	10,280,922	1,648,422
Capital projects funds . . . . .	-	-	-
Total fund balances. . . . .	<u>5,472,468</u>	<u>11,058,912</u>	<u>1,740,336</u>
Total liabilities and fund balances . . . . .	<u>\$ 11,973,542</u>	<u>\$ 18,727,683</u>	<u>\$ 3,780,054</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 7,100,142	\$ 23,779,919
521,916	1,062,472
147,288	1,446,780
1,554,675	12,374,078
35,899	92,047
1,204	110,593
2,142,044	5,773,695
91,580	91,580
-	55,458
25,052	823,667
9,503	450,293
2,000	52,000
<u>\$ 11,631,303</u>	<u>\$ 46,112,582</u>
\$ 596,733	\$ 1,078,943
213,315	861,165
-	4,923
52,000	52,000
133,569	545,434
1,323,680	5,691,083
1,683,732	11,979,044
<u>4,003,029</u>	<u>20,212,592</u>
7,896	108,256
25,052	823,667
9,503	450,293
-	55,458
209,378	209,378
-	4,947,149
5,892,797	17,822,141
1,483,648	1,483,648
<u>7,628,274</u>	<u>25,899,990</u>
<u>\$ 11,631,303</u>	<u>\$ 46,112,582</u>

# **UNION COUNTY, OHIO**

## RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET ASSETS OF GOVERNMENTAL ACTIVITIES DECEMBER 31, 2009

<b>Total governmental fund balances</b>	\$ 25,899,990
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*Amounts reported for governmental activities in the  
statement of net assets are different because:*

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	72,204,709
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Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.

Property taxes receivable	\$	598,793
Sales tax receivable		730,139
Intergovernmental receivable		4,264,165
Special assessments receivable		91,580
Accounts receivable		6,406
		6,406

Total	5,691,083
-------	-----------

In the statement of activities interest is accrued on outstanding bonds, whereas in governmental funds, interest is reported when due.	(64,368)
--	----------

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

General obligation bonds payable	(6,680,000)	
Sales tax revenue bonds payable	(2,535,000)	
Loans payable	(24,961)	
Compensated absences payable	(1,407,573)	
	(1,407,573)	

Total	(10,647,534)
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Unamortized premiums on the issuance of bonds are not recognized in the funds.	(86,827)
--	----------

Unamortized deferred charges on bond refundings are not recognized in the funds.	32,945
--	--------

Unamortized bond issue costs are not recognized in the funds.	169,740
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<b>Net assets of governmental activities</b>	<b>\$ 93,199,738</b>
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SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



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**UNION COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>General</b>	<b>County Board of DD</b>	<b>Motor Vehicle/ Gas Tax</b>
<b>Revenues:</b>			
Property taxes . . . . .	\$ 3,878,085	\$ 5,734,746	\$ -
Sales taxes . . . . .	7,042,555	-	969,416
Charges for services . . . . .	1,984,007	-	598,699
Licenses and permits . . . . .	3,134	-	1,640
Fines and forfeitures . . . . .	508,399	-	-
Intergovernmental . . . . .	2,404,718	3,573,035	4,248,288
Special assessments . . . . .	-	-	-
Investment income . . . . .	1,000,812	-	11,049
Rental income . . . . .	391,449	-	-
Contributions and donations . . . . .	-	4,530	-
Other . . . . .	807,146	157,018	62,523
Total revenues . . . . .	<u>18,020,305</u>	<u>9,469,329</u>	<u>5,891,615</u>
<b>Expenditures:</b>			
Current:			
General government:			
Legislative and executive . . . . .	7,792,452	-	-
Judicial . . . . .	2,153,071	-	-
Public safety . . . . .	5,425,879	-	-
Public works . . . . .	124,018	-	5,426,108
Health . . . . .	378,650	-	-
Human services . . . . .	1,761,433	7,203,082	-
Economic development . . . . .	197,135	-	-
Intergovernmental . . . . .	573,221	-	-
Capital outlay . . . . .	-	-	-
Debt service:			
Principal retirement . . . . .	-	-	-
Interest and fiscal charges . . . . .	-	-	-
Bond issuance costs . . . . .	-	-	-
Total expenditures . . . . .	<u>18,405,859</u>	<u>7,203,082</u>	<u>5,426,108</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(385,554)</u>	<u>2,266,247</u>	<u>465,507</u>
<b>Other financing sources (uses):</b>			
Sale of refunding bonds . . . . .	-	-	-
Premium on refunding bonds . . . . .	-	-	-
Payment to refunding bond escrow agent . . . . .	-	-	-
Transfers in . . . . .	-	-	-
Transfers out . . . . .	(979,299)	-	(94,652)
Total other financing sources (uses) . . . . .	<u>(979,299)</u>	<u>-</u>	<u>(94,652)</u>
Net change in fund balances. . . . .	(1,364,853)	2,266,247	370,855
<b>Fund balances at beginning of year. . . . .</b>	6,534,478	8,795,565	1,369,481
<b>Increase (decrease) in reserve for inventory . . . . .</b>	302,843	(2,900)	-
<b>Fund balances at end of year . . . . .</b>	<u><u>\$ 5,472,468</u></u>	<u><u>\$ 11,058,912</u></u>	<u><u>\$ 1,740,336</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 1,353,855	\$ 10,966,686
969,416	8,981,387
2,253,637	4,836,343
126,537	131,311
53,357	561,756
12,521,712	22,747,753
118,378	118,378
6,232	1,018,093
135,475	526,924
2,446	6,976
508,737	1,535,424
<u>18,049,782</u>	<u>51,431,031</u>

3,622,522	11,414,974
322,476	2,475,547
1,426,937	6,852,816
345,815	5,895,941
3,440,383	3,819,033
6,463,303	15,427,818
189,599	386,734
-	573,221
1,706,028	1,706,028
3,630,375	3,630,375
421,651	421,651
176,378	176,378
<u>21,745,467</u>	<u>52,780,516</u>

<u>(3,695,685)</u>	<u>(1,349,485)</u>
--------------------	--------------------

6,470,000	6,470,000
90,222	90,222
(3,545,100)	(3,545,100)
1,063,200	1,063,200
-	(1,073,951)
<u>4,078,322</u>	<u>3,004,371</u>

382,637	1,654,886
7,239,923	23,939,447
5,714	305,657
<u>\$ 7,628,274</u>	<u>\$ 25,899,990</u>

**UNION COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2009

<b>Net change in fund balances - total governmental funds</b>	<b>\$ 1,654,886</b>
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation expense in the current period.	
Capital asset additions	\$ 2,268,641
Current year depreciation	(1,420,395)
Total	848,246
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.	(313,540)
Governmental funds report expenditures for inventory when purchased. However in the statement of activities, they are reported as an expense when consumed.	305,657
Proceeds of refunding bonds are recorded as revenue in the funds, however in the statement of activities, they are not reported as revenue as they increase the liabilities on the statement of net assets.	(6,470,000)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Property taxes	(702,005)
Sales tax	(980,219)
Intergovernmental revenues	28,936
Special assessments	91,580
Charges for services	5,192
Rental income	397
Other revenues	817
Total	(1,555,302)
Repayments of bonds and notes are expenditures in the governmental funds, but the repayment reduces long-term liabilities on the statement of net assets.	3,630,375
Payments to refunding bond escrow agents are an other financing use in the governmental funds, but the payment reduces long-term liabilities on the statement of net assets	3,545,100
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest is expensed when due. The following items resulted in additional interest being recorded in the statement of activities:	
Increase in accrued interest payable	(64,368)
Amortization of bond issuance costs	(6,638)
Amortization of bond premiums	3,395
Amortization of deferred charges	(2,155)
Total	(69,766)
Premiums on general obligation bonds are recognized as revenues in the governmental funds, however, they are amortized over the life of the issuance in the statement of activities.	(90,222)
Issuance costs on general obligation bonds are recognized as expenditures in the governmental funds, however, they are amortized over the life of the issuance in the statement of activities.	176,378
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(123,769)
<b>Change in net assets of governmental activities</b>	<b>\$ 1,538,043</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**UNION COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Property taxes . . . . .	\$ 3,839,225	\$ 3,616,761	\$ 3,806,119	\$ 189,358
Sales taxes . . . . .	8,134,878	7,680,000	7,164,411	(515,589)
Charges for services. . . . .	1,870,611	1,876,750	1,957,460	80,710
Licenses and permits . . . . .	2,791	2,800	3,134	334
Fines and forfeitures. . . . .	127,581	128,000	134,799	6,799
Intergovernmental. . . . .	2,435,261	2,439,129	2,510,298	71,169
Investment income . . . . .	1,000,118	1,003,400	891,124	(112,276)
Rental income. . . . .	433,577	435,000	393,178	(41,822)
Other . . . . .	512,138	513,819	897,635	383,816
Total revenues . . . . .	<u>18,356,180</u>	<u>17,695,659</u>	<u>17,758,158</u>	<u>62,499</u>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	8,265,855	8,671,841	7,614,318	1,057,523
Judicial . . . . .	2,186,219	2,209,341	2,150,628	58,713
Public safety . . . . .	5,724,373	5,747,540	5,417,177	330,363
Public work. . . . .	125,264	125,264	124,267	997
Health . . . . .	399,182	409,182	352,232	56,950
Human services. . . . .	1,903,077	1,927,272	1,757,580	169,692
Economic development. . . . .	200,665	200,665	197,135	3,530
Intergovernmental. . . . .	1,078,055	616,626	578,703	37,923
Total expenditures . . . . .	<u>19,882,690</u>	<u>19,907,731</u>	<u>18,192,040</u>	<u>1,715,691</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(1,526,510)</u>	<u>(2,212,072)</u>	<u>(433,882)</u>	<u>1,778,190</u>
<b>Other financing uses:</b>				
Transfers out . . . . .	(679,037)	(1,136,099)	(979,299)	156,800
Total other financing uses . . . . .	<u>(679,037)</u>	<u>(1,136,099)</u>	<u>(979,299)</u>	<u>156,800</u>
Net change in fund balance . . . . .	(2,205,547)	(3,348,171)	(1,413,181)	1,934,990
<b>Fund balance at beginning of year . . . . .</b>	5,551,929	5,551,929	5,551,929	-
<b>Prior year encumbrances appropriated . . . .</b>	44,552	44,552	44,552	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 3,390,934</u>	<u>\$ 2,248,310</u>	<u>\$ 4,183,300</u>	<u>\$ 1,934,990</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**UNION COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COUNTY BOARD OF DEVELOPMENTAL DISABILITIES  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Property taxes. . . . .	\$ 5,148,451	\$ 5,148,451	\$ 5,606,339	\$ 457,888
Intergovernmental . . . . .	2,991,549	2,991,549	3,337,386	345,837
Contributions and donations . . . . .	3,000	3,000	4,530	1,530
Other . . . . .	179,000	179,000	180,989	1,989
Total revenues. . . . .	<u>8,322,000</u>	<u>8,322,000</u>	<u>9,129,244</u>	<u>807,244</u>
<b>Expenditures:</b>				
Current:				
Human services . . . . .	10,852,335	10,855,197	7,854,873	3,000,324
Total expenditures. . . . .	<u>10,852,335</u>	<u>10,855,197</u>	<u>7,854,873</u>	<u>3,000,324</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(2,530,335)</u>	<u>(2,533,197)</u>	<u>1,274,371</u>	<u>3,807,568</u>
<b>Other financing uses:</b>				
Transfers out . . . . .	(559,906)	(559,906)	-	559,906
Total other financing uses . . . . .	<u>(559,906)</u>	<u>(559,906)</u>	<u>-</u>	<u>559,906</u>
Net change in fund balance . . . . .	(3,090,241)	(3,093,103)	1,274,371	4,367,474
<b>Fund balance at beginning of year . . . . .</b>	9,275,399	9,275,399	9,275,399	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>9</u>	<u>9</u>	<u>9</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 6,185,167</u>	<u>\$ 6,182,305</u>	<u>\$ 10,549,779</u>	<u>\$ 4,367,474</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**UNION COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MOTOR VEHICLE AND GAS TAX  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Sales taxes . . . . .	\$ 850,000	\$ 850,000	\$ 981,528	\$ 131,528
Charges for services . . . . .	700,000	700,000	595,465	(104,535)
Licenses, permits and fees . . . . .	2,000	2,000	1,640	(360)
Intergovernmental . . . . .	4,230,000	4,230,000	4,292,382	62,382
Investment income . . . . .	35,000	35,000	9,351	(25,649)
Other . . . . .	88,000	88,000	64,163	(23,837)
Total revenues . . . . .	<u>5,905,000</u>	<u>5,905,000</u>	<u>5,944,529</u>	<u>39,529</u>
<b>Expenditures:</b>				
Current:				
Public works . . . . .	<u>6,768,719</u>	<u>6,787,611</u>	<u>5,490,636</u>	<u>1,296,975</u>
Total expenditures . . . . .	<u>6,768,719</u>	<u>6,787,611</u>	<u>5,490,636</u>	<u>1,296,975</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(863,719)</u>	<u>(882,611)</u>	<u>453,893</u>	<u>1,336,504</u>
<b>Other financing sources:</b>				
Transfers out . . . . .	<u>-</u>	<u>(94,652)</u>	<u>(94,652)</u>	<u>-</u>
Total other financing sources . . . . .	<u>-</u>	<u>(94,652)</u>	<u>(94,652)</u>	<u>-</u>
Net change in fund balance . . . . .	<u>(863,719)</u>	<u>(977,263)</u>	<u>359,241</u>	<u>1,336,504</u>
<b>Fund balance at beginning of year . . . . .</b>	<u>918,180</u>	<u>918,180</u>	<u>918,180</u>	<u>-</u>
<b>Prior year encumbrances appropriated . . . . .</b>	<u>116,719</u>	<u>116,719</u>	<u>116,719</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 171,180</u>	<u>\$ 57,636</u>	<u>\$ 1,394,140</u>	<u>\$ 1,336,504</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**UNION COUNTY, OHIO**

STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
DECEMBER 31, 2009

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Memorial Hospital</b>	<b>Other Enterprise Funds</b>	<b>Total</b>
<b>Assets:</b>			
Current assets:			
Equity in pooled cash and investments . . . . .	\$ -	\$ 1,741,797	\$ 1,741,797
Cash and cash equivalents in segregated accounts. . .	24,643,067	-	24,643,067
Investments in segregated accounts . . . . .	555,791	-	555,791
Receivables (net of allowance for uncollectibles):			
Accounts. . . . .	9,114,734	810	9,115,544
Prepayments . . . . .	651,437	155	651,592
Materials and supplies inventory . . . . .	753,244	-	753,244
Unamortized bond issue costs . . . . .	1,287,431	-	1,287,431
Total current assets. . . . .	<u>37,005,704</u>	<u>1,742,762</u>	<u>38,748,466</u>
Noncurrent assets:			
Capital assets:			
Land and construction in progress . . . . .	7,545,478	405,129	7,950,607
Depreciable capital assets, net . . . . .	32,642,943	183,059	32,826,002
Restricted cash and cash equivalents with fiscal and escrow agents:			
Permanent endowments . . . . .	25,000	-	25,000
Bond indenture agreement-cash . . . . .	237,672	-	237,672
Capital, debt, & other projects. . . . .	2,490,651	-	2,490,651
Total noncurrent assets . . . . .	<u>42,941,744</u>	<u>588,188</u>	<u>43,529,932</u>
Total assets . . . . .	<u>79,947,448</u>	<u>2,330,950</u>	<u>82,278,398</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable . . . . .	2,060,666	54,829	2,115,495
Contracts payable . . . . .	307,375	19,308	326,683
Accrued wages and benefits . . . . .	2,791,070	19,599	2,810,669
Due to other governments . . . . .	1,297,598	26,133	1,323,731
Current portion of compensated absences payable .	730,430	43,735	774,165
Current portion of notes payable . . . . .	98,236	-	98,236
Current portion of revenue bonds payable . . . . .	122,697	-	122,697
Current portion of general obligation bonds payable	840,000	-	840,000
Current portion of capital lease obligation. . . . .	11,322	-	11,322
Current portion of OWDA loans . . . . .	-	25,130	25,130
Total current liabilities . . . . .	<u>8,259,394</u>	<u>188,734</u>	<u>8,448,128</u>
Long-term liabilities:			
Compensated absences payable . . . . .	1,919,608	26,068	1,945,676
Notes payable . . . . .	3,266,202	-	3,266,202
Revenue bonds payable . . . . .	3,877,303	-	3,877,303
OWDA loans payable . . . . .	-	338,893	338,893
General obligation bonds payable . . . . .	18,060,000	-	18,060,000
Total long-term liabilities. . . . .	<u>27,123,113</u>	<u>364,961</u>	<u>27,488,074</u>
Total liabilities . . . . .	<u>35,382,507</u>	<u>553,695</u>	<u>35,936,202</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt . . . .	13,912,661	211,600	14,124,261
Restricted for:			
Nonexpendable permanent endowments . . . . .	25,000	-	25,000
Debt service, capital acquisitions and other projects.	2,728,323	-	2,728,323
Unrestricted . . . . .	<u>27,898,957</u>	<u>1,565,655</u>	<u>29,464,612</u>
Total net assets . . . . .	<u>\$ 44,564,941</u>	<u>\$ 1,777,255</u>	<u>\$ 46,342,196</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**UNION COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Memorial Hospital</b>	<b>Other Enterprise Funds</b>	<b>Total</b>
<b>Operating revenues:</b>			
Charges for services . . . . .	\$ -	\$ 638,503	\$ 638,503
License and permits . . . . .	-	32,544	32,544
Net patient services . . . . .	69,091,683	-	69,091,683
Tap-in fees. . . . .	-	100	100
Special assessments. . . . .	-	37,859	37,859
Other . . . . .	2,323,048	49,116	2,372,164
Total operating revenues . . . . .	<u>71,414,731</u>	<u>758,122</u>	<u>72,172,853</u>
<b>Operating expenses:</b>			
Personal services . . . . .	38,266,333	480,021	38,746,354
Contract services . . . . .	11,878,015	115,381	11,993,396
Materials and supplies . . . . .	14,668,000	34,796	14,702,796
Depreciation . . . . .	2,897,307	23,035	2,920,342
Discontinued operations. . . . .	447,127	-	447,127
Other . . . . .	-	16,888	16,888
Total operating expenses . . . . .	<u>68,156,782</u>	<u>670,121</u>	<u>68,826,903</u>
Operating income . . . . .	<u>3,257,949</u>	<u>88,001</u>	<u>3,345,950</u>
<b>Nonoperating revenues (expenses):</b>			
Interest revenue. . . . .	158,249	11,218	169,467
Interest expense and fiscal charges . . . . .	(1,105,419)	-	(1,105,419)
Other non-operating revenue . . . . .	295,402	-	295,402
Loss from disposal from fixed assets . . . . .	-	(2,489)	(2,489)
Total nonoperating revenues (expenses). . . . .	<u>(651,768)</u>	<u>8,729</u>	<u>(643,039)</u>
Income before transfers and capital contributions . . . . .	2,606,181	96,730	2,702,911
Capital contributions . . . . .	1,064,803	-	1,064,803
Transfers in. . . . .	-	12,807	12,807
Transfers out . . . . .	-	(2,056)	(2,056)
Change in net assets . . . . .	3,670,984	107,481	3,778,465
<b>Net assets at beginning of year . . . . .</b>	<u>40,893,957</u>	<u>1,669,774</u>	<u>42,563,731</u>
<b>Net assets at end of year. . . . .</b>	<u>\$ 44,564,941</u>	<u>\$ 1,777,255</u>	<u>\$ 46,342,196</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**UNION COUNTY, OHIO**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Memorial Hospital</b>	<b>Other Enterprise Funds</b>	<b>Total</b>
<b>Cash flows from operating activities:</b>			
Cash received from sales/service charges . . . . .	\$ -	\$ 671,147	\$ 671,147
Cash received from special assessments. . . . .	-	37,859	37,859
Cash received from other operating revenue . . . . .	2,323,048	49,116	2,372,164
Cash received from patients and third-party payors . . . .	70,924,114	-	70,924,114
Cash payments for personal services . . . . .	(38,267,015)	(504,757)	(38,771,772)
Cash payments for contract services. . . . .	-	(66,746)	(66,746)
Cash payments for materials and supplies . . . . .	(26,979,722)	(35,473)	(27,015,195)
Cash payments for other expenses. . . . .	-	(15,018)	(15,018)
Net cash provided by operating activities . . . . .	<u>8,000,425</u>	<u>136,128</u>	<u>8,136,553</u>
<b>Cash flows from noncapital financing activities:</b>			
Cash received from transfers . . . . .	-	12,807	12,807
Cash received from other nonoperating activities . . . . .	295,402	-	295,402
Cash payments for transfers out . . . . .	-	(2,056)	(2,056)
Net cash provided by noncapital financing activities. . . . .	<u>295,402</u>	<u>10,751</u>	<u>306,153</u>
<b>Cash flows from capital and related financing activities:</b>			
Acquisition of capital assets. . . . .	(7,172,981)	(424,349)	(7,597,330)
Bond issuance . . . . .	4,000,000	-	4,000,000
Principal payments on capital lease obligations . . . . .	(22,061)	-	(22,061)
Interest payments on capital lease obligations . . . . .	(1,060,900)	-	(1,060,900)
Principal payments on bonds, notes and loans. . . . .	(922,415)	(12,565)	(934,980)
Proceeds from loans . . . . .	-	376,588	376,588
Grants and contributions . . . . .	<u>1,064,803</u>	<u>-</u>	<u>1,064,803</u>
Net cash used in capital and related financing activities . . . . .	<u>(4,113,554)</u>	<u>(60,326)</u>	<u>(4,173,880)</u>
<b>Cash flows from investing activities:</b>			
Cash received from interest. . . . .	158,249	13,171	171,420
Investment in joint ventures. . . . .	<u>(105,627)</u>	<u>-</u>	<u>(105,627)</u>
Net cash provided by investing activities . . . . .	<u>52,622</u>	<u>13,171</u>	<u>65,793</u>
Net increase in cash and investments . . . . .	4,234,895	99,724	4,334,619
<b>Cash and investments at beginning of year . . . . .</b>	<u>23,161,495</u>	<u>1,642,073</u>	<u>24,803,568</u>
<b>Cash and investments at end of year . . . . .</b>	<u><u>\$ 27,396,390</u></u>	<u><u>\$ 1,741,797</u></u>	<u><u>\$ 29,138,187</u></u>
Cash and investments include the following:			
Cash and investments . . . . .	\$ 24,643,067	\$ 1,741,797	\$ 26,384,864
Assets limited as to use cash and cash equivalents:			
Nonexpendable permanent endowments . . . . .	25,000	-	25,000
Funds available for debt service and capital aquisitions. .	2,728,323	-	2,728,323
Total cash and investments. . . . .	<u><u>\$ 27,396,390</u></u>	<u><u>\$ 1,741,797</u></u>	<u><u>\$ 29,138,187</u></u>

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**UNION COUNTY, OHIO**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<b><u>Business-Type Activities - Enterprise Funds</u></b>		
	<b><u>Memorial Hospital</u></b>	<b><u>Other Enterprise Funds</u></b>	<b><u>Total</u></b>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>			
Operating income . . . . .	\$ 3,257,949	\$ 88,001	\$ 3,345,950
Adjustments:			
Depreciation . . . . .	2,897,307	23,035	2,920,342
Bad debt expense . . . . .	5,313,069	-	5,313,069
Loss on sale of capital asset. . . . .	30,229	-	30,229
Changes in assets and liabilities:			
(Increase) in accounts receivable. . . . .	(4,459,796)	-	(4,459,796)
(Increase) other assets. . . . .	(165,011)	-	(165,011)
(Increase) in prepayments . . . . .	-	(155)	(155)
Increase in accounts payable . . . . .	109,237	49,983	159,220
Increase in other accrued expenses. . . . .	1,017,441	-	1,017,441
Increase in accrued wages and benefits. . . . .	-	1,523	1,523
Increase in due to other governments. . . . .	-	3,770	3,770
(Decrease) in compensated absences payable . . . . .	-	(30,029)	(30,029)
Net cash provided by operating activities . . . . .	<u>\$ 8,000,425</u>	<u>\$ 136,128</u>	<u>\$ 8,136,553</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**UNION COUNTY, OHIO**

**STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUND  
DECEMBER 31, 2009**

	<u>Agency</u>
<b>Assets:</b>	
Equity in pooled cash and investments . . . . .	\$ 6,695,925
Cash and cash equivalents in segregated accounts . . .	435,814
Receivables:	
Real estate and other taxes . . . . .	85,235,434
Due from other governments . . . . .	<u>1,820,522</u>
Total assets . . . . .	<u>\$ 94,187,695</u>
 <b>Liabilities:</b>	
Undistributed monies. . . . .	<u>\$ 94,187,695</u>
Total liabilities . . . . .	<u>\$ 94,187,695</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 1 - DESCRIPTION OF THE COUNTY

Union County, Ohio (the "County"), was created in 1820. 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 are responsible for various aspects of the County's government are the Auditor, Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, a Common Pleas Court Judge, and a Probate and Juvenile Court Judge.

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 County, including each of these departments.

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

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

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

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

##### A. Reporting Entity

The County's reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity", as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units". The BFS include all funds, agencies, boards, commissions, and component units for which the County and the County Commissioners are "accountable". Accountability as defined in GASB Statement No. 14 was evaluated based on financial accountability, the nature and significance of the potential component unit's (PCU) relationship with the County and whether exclusion would cause the County's basic financial statements to be misleading or incomplete. Among the factors considered were separate legal standing; appointment of a voting majority of the PCU's Board; fiscal dependency and whether a benefit or burden relationship exists; imposition of will; and the nature and significance of the PCU's relationship with the County.

##### *PRIMARY GOVERNMENT*

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the County. For Union County, this includes the Union County Board of Developmental Disabilities (DD); Mental Health and Recovery Board of Union County (MHRB); Union County Memorial Hospital (the "Hospital"); Union County Children's Services Board; and departments and activities that are directly operated by the elected County officials.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

Based on the foregoing criteria, the financial activities of the following PCU's have been reflected in the accompanying basic financial statements as follows:

##### *COMPONENT UNITS*

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 that are fiscally dependent on the County in that the County approves the budget, the issuance of debt, or the levying of taxes.

##### *DISCRETELY PRESENTED COMPONENT UNITS*

The component unit columns in the financial statements present the financial data of the County's discretely presented component units, Union County Airport Authority and U-Co. Industries, Inc. They are reported separately to emphasize that they are legally separate from the County.

Union County Airport Authority - The Union County Airport Authority (the "Airport Authority") was established according to Section 308.03 of the Ohio Revised Code. The Airport Authority is governed by a six member Board of Trustees appointed by the Union County Commissioners. The County Commissioners budget funds for airport operations and are responsible for the debt and deficits of the Airport Authority. Due to the imposition of will exerted by the County Commissioners as well as the financial burden for the Airport Authority, the Airport Authority is presented separately as a component unit of Union County. The Airport Authority operates on a year ending December 31. The Airport Authority does not issue separate financial statements.

U-Co Industries, Inc. - U-Co Industries, Inc. (the "Industries") is a legally separate, not-for-profit corporation, served by a Board of Trustees appointed by the Union County Board of DD. The Industries, under a contractual agreement with the Union County Board of DD, provides sheltered employment for developmentally disabled or handicapped adults in Union County. The Union County Board of DD provides the Industries with staff to administer and supervise training programs, facilities, transportation, supplies, equipment and other funds as necessary for operation of the Industries. Based on the significant services and resources provided by the County to the Industries, the Industries is presented separately as a component unit of Union County. U-Co Industries operates on a fiscal year ending June 30. Separately issued financial statements can be obtained from U-Co Industries, Inc., 835 E. Fifth Street, Marysville, Ohio 43040.

As counties are structured in Ohio, the County Auditor and County Treasurer, respectively, serve as fiscal officer and custodian of funds for various agencies, Boards and commissions. As fiscal officer the County Auditor certifies the availability of cash and appropriations prior to the processing of payments and purchases. As the custodian of all public funds, the County Treasurer invests public monies held on deposit in the County Treasury.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

In the case of the separate agencies, Boards and commissions listed below, the County serves as fiscal agent and custodian, but is not accountable; therefore the operations of the following PCU's have been excluded from the County's BFS, but the funds held on behalf of these PCU's in the County Treasury are included in the agency funds within the BFS.

Union County General Health District  
Union County Soil and Water Conservation District  
The Union County Council for Families  
Central Ohio Youth Center  
Marysville/Union County Joint Recreation District

#### *JOINTLY GOVERNED ORGANIZATIONS*

##### Central Ohio Youth Center

The Central Ohio Youth Center is a jointly governed organization involving Union, Champaign, Delaware, and Madison Counties. The Center provides facilities for the training, treatment and rehabilitation of delinquent, dependent, abused or neglected children and was established under Section 2151.34 of the Ohio Revised Code. The operation of the Center is controlled by a joint Board of Trustees whose membership consists of two appointees of the Union County Commissioners, and one appointee from Champaign, Delaware and Madison Counties. Each county's ability to influence the operations of the Center is limited to their representation on the board of trustees. Appropriations are adopted by the joint board of trustees who exercise control over the operation, maintenance and construction of the Center. Union County serves as the fiscal agent. Each county is charged for their share of the operating costs of the Center based on the number of individuals from their County in attendance. In 2009, Union County contributed \$399,907 for the Center's operations which represents 25.13 percent of total contributions. Additional information may be obtained by writing to the Central Ohio Youth Center, 18100 St. Rt. 4, Marysville, Ohio 43040.

##### North Central Ohio Solid Waste Management District

Union County participates in a jointly governed solid waste management district, along with Allen, Champaign, Hardin, Madison and Shelby Counties. The District was established following the requirements of House Bill 592. The Board of Directors consists of County Commissioners from each County. Each county's ability to influence the operations of the District is limited to its representation on the Board of Directors. The original funding for the District was contributed by each county based on its population compared to the total population of all participating counties. For Union County, this represented 10 percent of total contributions. It is the intent of the District to be totally self-supporting and not require any funding from the participating counties. In 2009, no contribution was required of Union County. Allen County, being the largest of the six counties, is the fiscal agent of the District. Additional information may be obtained by writing to the North Central Ohio Solid Waste Management District, Suite 301, 212 N. Elizabeth St., Lima, Ohio 45801.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

##### LUC Regional Planning Commission

Union County participates in the LUC Regional Planning Commission which is a statutorily created political subdivision of the State. The Commission is jointly governed among Logan, Union and Champaign Counties, and the cities of Bellefontaine, Marysville, and Urbana. Each member's control over the operation of the Commission is limited to its representation on the Board. The Commission makes studies, maps, plans, recommendations and reports concerning the physical, environmental, social, economic and governmental characteristics, functions and services of the entities involved. In 2009, Union County contributed \$68,894. Additional information may be obtained by writing to the LUC Regional Planning Commission, P.O. Box 141, East Liberty, Ohio 43319.

##### Marysville/Union County Joint Recreation District

The Marysville/Union County Joint Recreation District is a jointly governed organization involving Union County, the City of Marysville and Paris Township. The District was established for the purpose of acquiring, developing, operating and maintaining a sports complex and bicycle/walking trail in Union County. The District's Board of Trustees consists of seven members, three appointed by the County Commissioners, three appointed by the Mayor of Marysville, and one appointed by the Paris Township Trustees. Each entity's ability to influence the operations of the District is limited to its representation on the Board of Trustees. In 2009, Union County contributed \$40,714 to the District's operations. Additional information may be obtained by writing to the Marysville/Union County Joint Recreation District, 125 E. 6th Street, Marysville, Ohio 43040.

##### Tri-County Corrections Board

The Tri-County Corrections Board is a joint venture for the establishment of a central jail facility for the use of Champaign, Madison, and Union Counties. The operation of the jail is controlled by a joint Board whose membership consists of the sheriff, one judge, and one commissioner from each of the participating counties. Each county's ability to influence the operations of the jail is limited to its representation on the Board. Champaign County has been appointed the fiscal agent for the joint venture. In 2009, Union County contributed \$1,403,743. Additional information may be obtained by writing to the Tri-County Corrections Board, 1512 U.S. Rt. 68, Urbana, Ohio 43078.

##### Marysville-Union County Port Authority

The Marysville-Union County Port Authority is a joint agreement between the City of Marysville, Ohio and Union County to promote transportation, economic development, housing, recreation, education, governmental operation, culture, research and the creation and preservation of jobs and employment opportunities. The City of Marysville Mayor (with the advice and consent of Council of the City) and the Union County Board of Commissioners appoint three members each, with a joint appointment from the City and County.



## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

##### West Central Ohio Network

The West Central Ohio Network (West Con) is a jointly governed organization among Darke, Miami, Auglaize, Mercer, Logan, Shelby, Preble, Hardin and Union counties. West Con was created to serve as the administrator and fiscal agent of Supported Living funds for the Board of Developmental Disabilities (DD Board) of each of the participating counties. The degree of control exercised by any participating government is limited to its representation on the Board of Directors (the Board) of West Con. The Board consists of one delegate, who is the Superintendent, from each of the participating DD Boards. During 2009, the county contributed \$1,015,725 to West Con. Financial information can be obtained from West Con, Executive Director, 315 East Court Street, Sidney, Ohio 45365.

##### *JOINT VENTURES*

##### Health Partners, Ltd.

During 1996, the Hospital and two other area health care entities formed Health Partners, Ltd. of which the Hospital has a 33 1/3% ownership interest. This corporation was formed to provide management services to the clinic of a major area corporation. In 1996, the Hospital contributed \$100,000 to Health Partners through the Union County Hospital Association ("UCHA"). During 2009, the Hospital received distributions from Health Partners totaling \$89,393. Additional information may be obtained by writing to Health Partners, Ltd., 19900 St. Rt. 739, Marysville, Ohio 43040.

##### Marysville Ohio Surgery Center, LLC

During 2003, the Hospital and other area health providers formed Marysville Ohio Surgery Center, LLC, of which the Hospital has a 23.81 percent ownership interest. The organization was formed to promote health care and provide outpatient surgical services in the area serviced. During 2003, the Hospital contributed \$159,000 through UCHA. The Hospital received \$91,261.

##### Marysville Ohio Medical Properties, LLC

During 2004, the Hospital and other area health providers formed Marysville Ohio Medical Properties, LLC, of which the Hospital has a 25.97 percent ownership interest. The organization was formed as the property owner for the Marysville Ohio Surgery Center facility. During 2003, the Hospital contributed \$130,000 through UCHA. During 2009, the Hospital received \$9,091.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

##### *INSURANCE PURCHASING POOLS*

###### The County Risk Sharing Authority, Inc.

The County Risk Sharing Authority, Inc., (CORSAs) 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 programs. 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.

###### The County Commissioners Association of Ohio Service Corporation

The County is participating in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The County Commissioners Association of Ohio Service Corporation (CCAOSC) was established through the County Commissioners Association of Ohio (CCAO) as a group purchasing pool. A group executive committee is responsible for calculating annual rate contributions and rebates, approving the selection of a third party administrator, reviewing and approving proposed third party fees, fees for risk management services and general management fees, determining ongoing eligibility of each participant, and performing any other acts and functions which may be delegated to it by the participating employers. The group executive committee consists of seven members. Two members are the president and treasurer of CCAOSC; the remaining five members are representatives of the participants. These five members are elected for the ensuing year by the participants at a meeting held in the month of December each year. No participant can have more than one member of the group executive committee in any year, and each elected member shall be a County Commissioner.

###### County Employee Benefits Consortium of Ohio

The County participates with the County Employee Benefits Consortium of Ohio, Inc. (CEBCO), an Ohio not-for-profit corporation with membership open to Ohio political subdivisions to collectively pool resources to purchase employee benefits. The County pays, on a monthly basis, the annual actuarially determined funding rate. Components of the funding rate include the claims fund contribution, incurred but not reported claims, a claim contingency reserve fund, as well as the fixed costs of the consortium.

The business and affairs of the consortium are managed by a board of not less than nine or more than fifteen directors that exercise all powers of the consortium. Two thirds of the directors are County Commissioners of member Counties and one third are employees of the member Counties. Each member of the consortium is entitled to one vote. At all times, one director is required to be a member of the board of directors of the CCAO and another is required to be a board member of the County Risk Sharing Authority, Inc. (CORSAs).

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

Union County Memorial Hospital applies the provisions of Governmental Accounting Standards Board Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting", as amended. The Hospital has elected to apply the provisions of all relevant pronouncements of the Financial Accounting Standards Board (FASB), including those issued after November 30, 1989, that do not conflict with or contradict GASB pronouncements.

#### **B. Basis of Presentation**

***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 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 for the business-type activities of the County. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. The policy of the County is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the County.

***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 proprietary 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.

#### **C. Fund Accounting**

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

***Governmental Funds*** - Governmental funds are those through which most governmental functions typically 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 purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major governmental funds:

*General* - This is the primary operating fund of the County. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

County Board of Developmental Disabilities (DD) - 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.

Motor Vehicle and Gas Tax - This fund accounts for revenues derived from the sale of motor vehicle licenses, gasoline taxes, interest, and a portion of the restricted sales tax. Expenditures are restricted by State law and sales tax ballot language to county road and bridge repair and improvement programs.

Other governmental funds of the County are used to account for (a) the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs; (b) financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds; and (c) grants and other resources whose use is restricted to a particular purpose.

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

**Enterprise Funds** - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The County has presented the following major proprietary fund:

Memorial Hospital of Union County - This fund accounts for the operation of the Hospital. The cost of operating the Hospital is primarily financed through user patent services. Although not a legally separate entity, funds are not co-mingled with the County's treasury, but consolidated for annual reporting.

The other enterprise funds of the County are used to account for the sanitary sewer district and enterprise building and development. These funds are nonmajor funds whose activities have been aggregated and presented in a single column in the BFS.

**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 therefore not available to support the County's own programs. The County has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The County's fiduciary funds are agency funds which are used to account for property taxes, special assessments, and other "pass through" monies to be distributed to local governments other than the County.

#### **D. Measurement Focus**

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

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

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

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

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

#### **E. Basis of Accounting**

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

***Revenues - Exchange and Nonexchange Transactions*** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current 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 of year end.

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenues from sales taxes are recognized in the year in which the sales are made (See Note 7). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). 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 a modified accrual basis, revenue from all other nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: sales tax, interest, federal and State grants and subsidies, State-levied locally shared taxes (including motor vehicle license fees and gasoline taxes), fees and rentals.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

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

Property taxes for which there is an enforceable legal claim as of December 31, 2009, but which were levied to finance year 2010 operations, and other revenues received in advance of the year for which they were intended to finance, have been recorded as unearned revenue. Special assessments not received within the available period, grants and entitlements received before the eligibility requirements are met, and delinquent property taxes due at December 31, 2009, are recorded as deferred revenue on the governmental fund financial statements.

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

***Expense/Expenditures*** - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

#### **F. Budgetary Data**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, other than agency funds, are legally required to be budgeted and appropriated. The level of budgetary control is at the object level within each department. Although the legal level of budgetary control was established at the object level within each department level of expenditures, the County has elected to present budgetary statement comparisons at the fund and function levels of expenditures. Budgetary modifications at the legal level of budgetary control may only be made by resolution of the County Commissioners.

Budgetary information for the Memorial Hospital of Union County enterprise fund and U-Co Industries and Airport (component units) are not reported because they are not included in the entity for which the "appropriated budget" is adopted and they do not maintain separate budgetary records.

***Tax Budget*** - A budget of estimated cash receipts and disbursements is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. The purpose of the tax budget is to reflect the need for existing (or increased) tax rates.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

**Estimated Resources** - The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized property tax rates and reviews revenue estimates. The Commission certifies its actions to the County by September 1. As part of this certification, the County receives the official certificate of estimated resources, which states the projected revenue of each fund.

On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31. Further amendments may be made during the year if the County Auditor determines that revenue to be collected will be greater than or less than the prior estimates and the Budget Commission finds the revised estimates to be reasonable. The amounts set forth in the budgetary statements represent estimates from the first (original budget) and final (final budget) amended certificates issued during 2009.

**Appropriations** - A temporary appropriations resolution to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriations resolution must be passed by April 1 of each year for the period January 1 to December 31. The appropriations resolution may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified.

The allocation of appropriations among departments and objects within a fund (the legal level of budgetary control) may be modified during the year by a resolution of the County Commissioners. Several supplemental appropriation resolutions were legally enacted by the County Commissioners during the year. In the budgetary statements, the original budgeted amounts represent the original budgeted appropriations that covered the entire year of 2009. The final budgeted figures reflect the original budgeted amounts plus all budgetary amendments and supplemental appropriations that were legally enacted during 2009.

**Lapsing of Appropriations** - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding year and is not reappropriated.

#### G. Cash and Investments

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

During 2009, investments were limited to federal agency securities and investments in State Treasury Asset Reserve of Ohio (STAR Ohio). Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

The County has invested funds in STAR Ohio during 2009. 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 shares price which is the price the investment could be sold for on December 31, 2009.

## **UNION COUNTY, OHIO**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009**

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

Under existing Ohio statutes, all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the general fund during 2009 amounted to \$1,000,812 which includes \$842,845 assigned from other County funds.

Cash and cash equivalents that are held separately within departments of the County and by Memorial Hospital, or held separately for the County by fiscal agents and not held with the County Treasurer are recorded as "cash in segregated accounts" or "cash with fiscal and escrow agents", respectively (including restricted amounts).

Cash and cash equivalents of the Airport Authority (component unit) are held by the County Treasurer and are included in the County's cash management pool. They are recorded as "equity in pooled cash and investments".

Cash and cash equivalents of U-Co Industries (component unit) are held by the component unit and are recorded as "cash and cash equivalents in segregated accounts".

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents. Interest is distributed by the County Treasurer to the general fund; the motor vehicle gasoline tax, treasurer prepaid interest, federal CHIP, other enterprise funds, other capital project funds and the Airport Authority component unit. Interest revenue earned by these funds and the Airport Authority during 2009 amounted to \$1,029,311 and \$242, respectively. Interest was received directly by the Union County Memorial Hospital enterprise fund and U-Co Industries (component unit) in the amount of \$158,249 and \$29,530, respectively.

An analysis of the County's investment account at year end is provided in Note 4.

#### **H. Inventories of Materials and Supplies**

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market. Inventories are recorded on a first-in, first-out basis. Inventories are accounted for using the purchase method.

On the fund financial statements, reported material and supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

Inventory consists of expendable supplies held for consumption for the governmental funds and medical and office supplies and pharmaceutical products for the Hospital.

#### **I. Capital Assets**

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



# **UNION COUNTY, OHIO**

## **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of \$2,000, and \$1,500 for the Hospital. 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 capital assets is also capitalized for the proprietary funds.

All reported capital assets are depreciated except for land, infrastructure and construction in process. 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 replacements. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land improvements	20 years	20 - 24 years
Buildings and improvements	6 - 40 years	6 - 50 years
Sewer lines	N/A	50 years
Equipment	5 - 10 years	5 - 10 years
Furniture and fixtures	10 years	10 years
Vehicles	5 - 8 years	5 - 8 years
Property under capital lease	N/A	5 - 15 years

The County's infrastructure consists of roads and bridges. County roads and bridges (infrastructure reported in the governmental activities column of the statement of net assets) are presented using the modified approach and therefore these assets are not depreciated. In addition, expenditures made by the County to preserve existing roads or bridges are expensed rather than capitalized. Only expenditures for additions or improvements are capitalized. Additional disclosures about the condition assessment and maintenance cost regarding the County's roads and bridges appear in the required supplementary information.

### **J. 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 that 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 for all County departments including Union County Memorial Hospital, are accrued as a liability using the vesting method. An accrual for sick leave is made to the extent it includes those employees who are currently eligible to receive termination benefits, as well as those employees expected to become eligible 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 termination policy. The County records a liability for accumulated unused sick leave for employees who are at least forty-five years of age and having ten or more years of service with the County.

## **UNION COUNTY, OHIO**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009**

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

##### **K. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2009, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

On the fund financial statements, reported prepayments are equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

##### **L. Accrued Liabilities and Long-term Obligations**

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

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

##### **M. Interfund Transactions**

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

During the normal course of operations, the County has numerous transactions between funds. Transfers represent movement of resources from a fund receiving revenue to a fund through which those resources will be expended and are recorded as other financing sources (uses) in governmental funds and as transfers in proprietary funds. Interfund transactions that would be treated as revenues and expenditures/expenses if they involved organizations external to the County are treated similarly when involving other funds of the County.

Outstanding balances between funds for goods and services rendered are reported as "due from/to other funds." These amounts are eliminated in the statement of net assets, except for any residual balances outstanding between the governmental activities and business-type activities, which are reported in the government-wide financial statements as "internal balances".

##### **N. Fund Balance Reserves**

Reserved fund balances indicate that a portion of fund equity is not available for current appropriation or use. The unreserved portions of fund equity reflected in the governmental funds are available for use within the specific purposes of the funds.

The County reports amounts representing encumbrances outstanding, prepayments, materials and supplies inventories and loans receivable.

## **UNION COUNTY, OHIO**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009**

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

##### **O. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes consist primarily of programs to enhance the public safety and for general government operations.

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

##### **P. Unamortized Bond Issuance Costs/Bond Premium and Discount/Accounting Gain or Loss**

On government-wide financial statements, issuance costs are deferred and amortized over the term of the bonds using the straight-line method. Unamortized bond issuance costs are recorded as a separate line item on the statement of net assets.

Bond premiums are deferred and amortized over the term of the bonds using the straight line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds.

For advanced refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as an addition to or reduction of the face amount of the new debt. On the governmental fund financial statements, issuance costs and bond premiums are recognized in the current period.

A reconciliation between the bonds face value and the amount reported on the statement of net assets is presented in Note 12.A.

##### **Q. 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 the County Commissioners and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2009.

##### **R. Estimates**

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

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

##### S. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services, license fees, and tap in fees from the sewer and building development departments.

Union County Memorial Hospital serves patients who generally reside in the local area. These services primarily are paid by third-party payors including Medicare, Medicaid, and commercial insurance carriers. Charges to patients are recorded as operating revenue at established billing rates as services are rendered. Allowances are currently provided for uncollectible accounts and for contractual adjustments, representing the difference between established billing rates and reimbursement rates paid by third-party payors. Estimates for contractual adjustments are recorded in the period in which services are provided and are based on preliminary estimates with the final adjustment made in the period in which settlement is made. The Hospital maintains a policy whereby patients in need of medical services are treated without regard to their ability to pay for such services (charity care). Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue.

Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

#### NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

##### A. Deficit Fund Balances

Fund balances at December 31, 2009 included the following individual fund deficits:

<u>Nonmajor governmental funds</u>	<u>Deficit</u>
Law library	\$ 3,147
VAWA grant	501
VOCA stimulus	4,355
<u>Nonmajor enterprise fund</u>	
Building and development	8,910

These funds complied with Ohio State law, which does not permit a cash basis deficit at year end. The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances in the nonmajor governmental funds and nonmajor enterprise fund are the result of recording adjustments for accrued liabilities. These deficit balances will be eliminated as resources become available to liquidate the accrued liabilities.

##### B. Change in Accounting Principles

For 2009, the County has implemented GASB Statement No. 52, "Land and Other Real Estate Held as Investments by Endowments", GASB Statement No. 55, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments", GASB Statement No. 56 "Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards", and GASB Statement No. 57 "Other Postemployment Benefit (OPEB) Measurements by Agent Employers and Agent Multiple-Employers".

## **UNION COUNTY, OHIO**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009**

#### **NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

GASB Statement No. 52 improves the quality of financial reporting by requiring endowments to report their land and other real estate investments at fair value, creating consistency in reporting among similar entities that exist to invest resources for the purpose of generating income. The implementation of GASB Statement No. 52 did not have an effect on the financial statements of the County.

GASB Statement No. 55 incorporates the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the GASB's authoritative literature. The implementation of GASB Statement No. 55 did not have an effect on the financial statements of the County.

GASB Statement No. 56 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance presented in the American Institute of Certified Public Accountants' (AICPA) Statements on Auditing Standards. The implementation of GASB Statement No. 56 did not have an effect on the financial statements of the County.

GASB Statement No. 57 establishes standards for the measurement and financial reporting of actuarially determined information by agent employers with individual-employer OPEB plans that have fewer than 100 total plan members and by the agent multiple-employer OPEB plans in which they participate. The implementation of GASB Statement No. 57 did not have an effect on the financial statements of the County.

#### **NOTE 4 - DEPOSITS AND INVESTMENTS**

##### **Primary Government**

Monies held by the County are classified by State statute into two categories. Active monies are public monies determined to be necessary to meet current demand upon the County treasury. Active monies must be maintained either as cash in the County treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Monies held by the County which are not considered active are classified as inactive. Inactive monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit including, but not limited to, passbook accounts;

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

6. No-load money market mutual funds consisting exclusively of obligations described in items 1 or 2 above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio);
8. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
9. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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 monies deposited with the institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the County, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

#### **A. Cash on Hand**

At year end, the County had \$4,225 in undeposited cash on hand which is included on the financial statements of the County as part of "equity in pooled cash and investments".

#### **B. Deposits with Financial Institutions**

At December 31, 2009, the carrying amount of all County deposits was \$59,658,193. As of December 31, 2009, \$56,491,541 of the County's bank balance of \$33,670,393 was exposed to custodial risk as discussed below, while \$2,470,228 was covered by the FDIC and \$25,291,376 was covered by securities held by the pledging institution's trust department and in the County's name.

Custodial credit risk 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. As permitted by Ohio Revised Code, the County's deposits are collateralized by a pool of eligible securities deposited with Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the depository bank and pledged as a pool of collateral against all public deposits held by the depository. The County has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the County to a successful claim by the FDIC.

# UNION COUNTY, OHIO

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

### NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

#### C. Investments

As of December 31, 2009, the County had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>				
		<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>	<u>Greater than 24 months</u>
FHLB	\$ 1,796,934	\$ -	\$ -	\$ -	\$ -	\$ 1,796,934
Investment in joint venture	555,791	-	-	-	-	555,791
STAR Ohio	111,847	111,847	-	-	-	-
Total	<u>\$ 2,464,572</u>	<u>\$ 111,847</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,352,725</u>

The weighted average maturity of investments is 2.71 years.

*Interest Rate Risk:* The Ohio Revised Code general limits security purchases to those that mature within five years of the settlement date. Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The County's investment policy addresses interest rate risk by requiring the consideration of market conditions and cash flow requirements in determining the term of an investment.

*Credit Risk:* STAR Ohio carries a rating of AAAm by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard service rating. The County's investments in federal agency securities carry a rating of AAA by Standard & Poor's and Aaa by Moody's.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the County's name. The County has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

*Concentration of Credit Risk:* The County's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. The following table includes the percentage of each investment type held by the County at December 31, 2009:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
FHLB	\$ 1,796,934	72.91
Investment in joint venture	555,791	22.56
STAR Ohio	111,847	4.53
Total	<u>\$ 2,464,572</u>	<u>100.00</u>

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

##### D. Reconciliation of Cash and Investments to the Statement of Net Assets

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net assets as of December 31, 2009:

###### Cash and investments per note

Carrying amount of deposits	\$ 59,658,193
Cash on hand	4,225
Investments	<u>2,464,572</u>
Total	<u>\$ 62,126,990</u>

###### Cash and investments per statement of net assets

Governmental activities	\$ 24,842,391
Business-type activities	29,693,978
Component unit - Airport	458,882
Agency funds	<u>7,131,739</u>
Total	<u>\$ 62,126,990</u>

##### E. Component Unit

At December 31, 2009, the UCO Industries component unit's bank balance was \$1,433,442, of which \$941,013 was covered by the FDIC.

The component units cash balance at December 31, 2009 is reported as "cash and cash equivalents in segregated accounts" on the statement of net assets.

#### NOTE 5 - INTERFUND TRANSACTIONS

- A. Interfund transfers for the year ended December 31, 2009, consisted of the following, as reported on the fund financial statements:

###### Transfers to nonmajor governmental funds from:

General fund	\$ 966,492
Motor vehicle/gas tax	94,652
Sewer fund	<u>2,056</u>
Total	<u>\$ 1,063,200</u>

###### Transfers to sewer fund from:

General fund	<u>\$ 12,807</u>
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Transfers are used to (1) move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. All transfers were in compliance with Ohio Revised Code Sections 5705.14, 5705.15, and 5705.16.



## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

Interfund transfers between governmental funds are eliminated on the government-wide financial statements. Interfund transfers between governmental activities and business-type activities are reported as transfers on the statement of activities.

- B.** Due from due to other funds consisted of the following at December 31, 2009, as reported on the fund financial statements:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General	Nonmajor governmental	\$ 50,000
Nonmajor governmental	Nonmajor governmental	2,000
Total		<u>\$ 52,000</u>

These loans are expected to be repaid in the next year. Due to due from amounts between governmental funds are eliminated on the government-wide financial statements.

#### NOTE 6 - PROPERTY TAXES

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

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2009 public utility property taxes became a lien December 31, 2008, are levied after October 1, 2009, and are collected in 2010 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

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

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

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 6 - PROPERTY TAXES - (Continued)

The County Treasurer collects property taxes on behalf of all taxing districts in the County. The County Auditor periodically remits to the taxing districts their portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2009 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by unearned revenue since the current taxes were not levied to finance 2009 operations and the collection of delinquent taxes has been offset by deferred revenue since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is deferred.

The full tax rate for all County operations for the year ended December 31, 2009 was \$10.85 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2009 property tax receipts were based are as follows:

#### Real Property

Residential	\$ 840,322,240
Agricultural	146,787,000
Commercial/Industrial/Mineral	250,577,070

#### Public Utility

Real	236,030
Personal	<u>52,115,040</u>

Total Assessed Value	<u><u>\$ 1,290,037,380</u></u>
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#### NOTE 7 - PERMISSIVE SALES AND USE TAX

The County Commissioners by resolution imposed a one 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 the amount of the taxes to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of each month. A warrant payable to the County is to be made within five days of the certification.

In 2008, a supplemental sales tax increase of one quarter of one percent (.25%) was passed by ballot issue, effective July 1, 2008. Of the sales tax increase, 50% is allocated to the improvement and construction of county roads and bridges; and 50% for direct senior services including meals on wheels, home health care and transportation.

Proceeds of the tax are credited to the general fund, the motor vehicle/gas tax fund, and the senior services fund. On the governmental fund financial statements, only amounts that are measurable and available at year end are accrued as revenue. Sales and use tax revenue for 2009 amounted to \$7,042,555 for the general fund, \$969,416 for the motor vehicle/gas tax fund and \$969,416 for the senior services fund. The 2008 voter approved sales and use tax restricted use revenue for 2009 was \$1,938,832. On the statement of activities the full amount of the receivable is recognized as revenue.

**UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 8 - RECEIVABLES**

Receivables at December 31, 2009, consisted of taxes, accounts (billings for user charged services), special assessments, accrued interest, loans and intergovernmental receivables arising from grants, notes entitlements and shared revenue. All intergovernmental receivables have been classified as “due from other governments” on the financial statements. Receivables have been recorded to the extent that they are measurable at December 31, 2009.

A summary of the principal items of receivables reported on the statement of net assets follows:

**Governmental activities:**

Sales taxes	\$ 1,446,780
Real estate and other taxes	12,374,078
Accounts	92,047
Special assessments	91,580
Accrued interest	110,593
Due from other governments	5,773,695
Loans	55,458

**Business-type activities:**

Accounts	9,115,544
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The Hospital’s receivables were calculated as follows:

**Memorial Hospital**

Gross patient accounts receivable	\$ 18,535,642
Less allowance for:	
Uncollectable accounts	(3,429,334)
Contractual adjustments	<u>(7,507,865)</u>
Net total patient accounts receivable	7,598,443
Physicians advances receivable	1,429,914
Other receivables	<u>86,377</u>
Total accounts receivable	<u><u>\$ 9,114,734</u></u>

# **UNION COUNTY, OHIO**

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

### **NOTE 8 - RECEIVABLES - (Continued)**

A summary of the principal items of “due from other governments” as reported on the fund financial statements follows:

<u>General fund</u>	<u>Amount</u>
Homestead and rollback	\$ 227,402
Local government	391,500
Grants	<u>595,630</u>
Total	<u>1,214,532</u>
 <u>County Board of DD</u>	
Grants	18,492
Homestead and rollback	<u>326,641</u>
Total	<u>345,133</u>
 <u>Motor vehicle and gas tax</u>	
Gasoline excise tax	1,144,517
Motor vehicle license tax	<u>927,469</u>
Total	<u>2,071,986</u>
 <u>Nonmajor governmental funds</u>	
Federal CHIP	46,030
Common pleas court special projects	7,750
Convention and tourist bureau	20,636
Sheriff policing rotary	942
Dare community education	25,254
Youth services subsidy grant	50,202
911 emergency	57,621
Local emergency planning	15,800
Juvenile tobacco	7,629
VOCA grant	21,793
VOCA stimulus	19,977
Road and bridge	1,919
ADAMH	614,730
Community support services	128,619
Public assistance	579,026
Co-Ordination transportation	42,568
Child support enforcement agency	38,265
Child services	73,737
Adult basic literacy grant	55,841
WIA	129,946
Department of transportation capital projects	<u>203,759</u>
Total nonmajor governmental funds	<u>2,142,044</u>
Total governmental funds	<u>\$ 5,773,695</u>
 <u>Agency funds</u>	
Tax collections	<u>\$ 1,820,522</u>

# **UNION COUNTY, OHIO**

## **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009**

### **NOTE 8 - RECEIVABLES - (Continued)**

A summary of the changes in loans receivable during 2009 follows:

	<u>Rate</u>	<u>12/31/2008</u>	<u>Repayments</u>	<u>12/31/2009</u>
<b><u>General fund:</u></b>				
Union County Airport Authority	3.80%	\$ 81,674	\$ (26,216)	\$ 55,458
Total general fund		<u>\$ 81,674</u>	<u>\$ (26,216)</u>	<u>\$ 55,458</u>

Receivables have been disaggregated on the face of the financial statements. The only receivables not expected to be collected within the subsequent year are the special assessments which are collected over the life of the assessments and loans which will be collected over various terms of the loan agreements.

### **NOTE 9 - CAPITAL ASSETS**

A. Capital asset activity for the governmental activities for the year ended December 31, 2009, was as follows:

<b><u>Governmental activities:</u></b>	<u>Balance 12/31/08</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance 12/31/09</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 934,813	\$ 50,433	\$ (3,200)	\$ 982,046
Infrastructure	<u>50,776,148</u>	<u>1,922,606</u>	<u>-</u>	<u>52,698,754</u>
Total capital assets, not being depreciated	<u>51,710,961</u>	<u>1,973,039</u>	<u>(3,200)</u>	<u>53,680,800</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	1,457,218	-	(2,780)	1,454,438
Buildings	28,875,954	18,262	(5,300)	28,888,916
Equipment	4,496,232	95,050	(181,040)	4,410,242
Furniture and fixtures	904,473	44,204	(10,765)	937,912
Vehicles	<u>5,526,648</u>	<u>138,086</u>	<u>(181,409)</u>	<u>5,483,325</u>
Total capital assets, being depreciated	<u>41,260,525</u>	<u>295,602</u>	<u>(381,294)</u>	<u>41,174,833</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(269,700)	(53,755)	753	(322,702)
Buildings	(12,977,827)	(506,424)	2,054	(13,482,197)
Equipment	(3,141,990)	(388,302)	41,642	(3,488,650)
Furniture and fixtures	(571,218)	(68,841)	-	(640,059)
Vehicles	<u>(4,340,748)</u>	<u>(403,073)</u>	<u>26,505</u>	<u>(4,717,316)</u>
Total accumulated depreciation	<u>(21,301,483)</u>	<u>(1,420,395)</u>	<u>70,954</u>	<u>(22,650,924)</u>
Total capital assets being depreciated, net	<u>19,959,042</u>	<u>(1,124,793)</u>	<u>(310,340)</u>	<u>18,523,909</u>
Governmental activities capital assets, net	<u>\$ 71,670,003</u>	<u>\$ 848,246</u>	<u>\$ (313,540)</u>	<u>\$ 72,204,709</u>

**UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 9 - CAPITAL ASSETS - (Continued)**

Depreciation expense was charged to functions/programs of the governmental activities as follows:

**Governmental activities:**

General government:

Legislative and executive	\$ 624,887
Judicial	57,591
Human services	66,743
Public works	236,061
Public safety	299,111
Health	<u>136,002</u>
Total depreciation expense - governmental activities	<u>\$ 1,420,395</u>

# **UNION COUNTY, OHIO**

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

### **NOTE 9 - CAPITAL ASSETS - (Continued)**

- B.** A summary of the business-type activities capital assets for the year ended December 31, 2009 is as follows:

	Balance			Balance
<b><u>Business-type activities:</u></b>	<u>12/31/08</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/09</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 1,974,735	\$ 4,500,000	\$ -	\$ 6,474,735
Construction in progress	882,814	1,649,452	(1,056,394)	1,475,872
<i>Total capital assets, not being depreciated</i>	<u>2,857,549</u>	<u>6,149,452</u>	<u>(1,056,394)</u>	<u>7,950,607</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	2,281,811	1,198,734	(5,015)	3,475,530
Buildings and improvements	42,393,300	446,880	-	42,840,180
Equipment	22,029,397	1,060,073	(406,296)	22,683,174
Property under capital lease	4,196,613	-	(16,911)	4,179,702
Furniture and fixtures	36,156	-	-	36,156
Vehicles	164,587	-	(49,912)	114,675
Water and sewer lines	175,607	47,761	-	223,368
<i>Total capital assets, being depreciated</i>	<u>71,277,471</u>	<u>2,753,448</u>	<u>(478,134)</u>	<u>73,552,785</u>
Less: accumulated depreciation:				
Land improvements	(747,323)	(125,249)	-	(872,572)
Buildings and improvements	(16,799,181)	(1,450,472)	28,245	(18,221,408)
Equipment	(16,450,687)	(1,266,353)	118,083	(17,598,957)
Property under capital lease	(3,734,604)	(56,349)	-	(3,790,953)
Furniture and fixtures	(20,156)	(3,000)	-	(23,156)
Vehicles	(128,133)	(11,466)	49,912	(89,687)
Water and sewer lines	(122,597)	(7,453)	-	(130,050)
<i>Total accumulated depreciated</i>	<u>(38,002,681)</u>	<u>(2,920,342)</u>	<u>196,240</u>	<u>(40,726,783)</u>
<i>Total capital assets, being depreciated, net</i>	<u>33,274,790</u>	<u>(166,894)</u>	<u>(281,894)</u>	<u>32,826,002</u>
<i>Business-type activities capital assets, net</i>	<u>\$ 36,132,339</u>	<u>\$ 5,982,558</u>	<u>\$ (1,338,288)</u>	<u>\$ 40,776,609</u>

Depreciation expense was charged to enterprise funds of the County as follows:

### **Business-type activities:**

Memorial Hospital	\$ 2,897,307
Building development	11,270
Sewer	11,765
<i>Total depreciation expense - business-type activities</i>	<u>\$ 2,920,342</u>

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 10 - CAPITAL LEASES - LESSEE DISCLOSURE

The County has entered into capitalized leases for land, building, equipment, and furniture and fixtures. Each lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards Board No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. For governmental funds, new capital leases are reflected in the accounts "capital outlay" and "inception of capital lease" in the funds which will be making the lease payments. Capital lease payments are reflected as debt service expenditures in the financial statements for the governmental funds and as a reduction of the liability in the enterprise funds. The Memorial Hospital fund capital assets consisting of land, buildings, equipment, furniture and fixtures have been capitalized in the fund in the amount of \$4,179,702.

These amounts represent the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded in the enterprise funds. Principal payments in 2009 totaled \$22,061 in the Memorial Hospital fund.

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2009:

<u>Year Ending</u> <u>December 31,</u>	<u>Amount</u>
2010	\$ 11,439
Total future minimum lease payments	11,439
Less: amount representing interest	(117)
Present value of net minimum lease payments	<u>\$ 11,322</u>

#### NOTE 11 - OTHER EMPLOYEE BENEFITS

##### A. Compensated Absences

County employees earn vacation and sick leave at varying rates depending on length of service, standard work week, and department policy. All accumulated, unused vacation time is paid upon separation from the County. County employees who have ten or more years of service are paid upon eligible retirement (under OPERS and STRS Ohio guidelines) for one-fourth of the value of their accumulated, unused sick leave up to a maximum of thirty days.

##### B. Employee Health Insurance

The County provides employee co-pay medical/surgical benefits through Anthem, a preferred provider organization (PPO) selected by the County Employees Benefits Consortium of Ohio (CEBCO). CEBCO's rates are tiered for single, two party, and family households. The County's portion is paid from the fund from which the employee's salaries are paid. Under the fully insured program, there is no deductible for PPO network providers, and a \$300/\$600 per year single/family deductible for non-network providers.

Union County Memorial Hospital provides medical, surgical, dental, and vision benefits through a self insurance program. Under the program, Hospital employees share in the cost of their insurance coverage. Their portion of the cost is determined by the plan selected, single or family, and the co-pay associated with that plan. Claims under the plan are administered by the Hospital's third-party administrator.



# UNION COUNTY, OHIO

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

### NOTE 12 - LONG-TERM OBLIGATIONS

#### A. Governmental Activities Long-Term Obligations

During 2009, the following changes occurred in the County's governmental activities long-term obligations:

	Interest Rate	Balance 12/31/08	Additions	Reductions	Balance 12/31/09	Amount Due in One Year
<b>Governmental activities:</b>						
<u>General obligation bonds:</u>						
1997 airport	4.20% - 5.40%	\$ 315,000	\$ -	\$ (30,000)	\$ 285,000	\$ 30,000
1998 building renovation refunding bonds	3.60% - 4.85%	1,765,000	-	(1,765,000)	-	-
2007 airport	4.50%	365,000	-	(35,000)	330,000	35,000
2009 various purpose refunding	2.25% - 4.50%	-	6,470,000	(405,000)	6,065,000	620,000
Total general obligation bonds		<u>2,445,000</u>	<u>6,470,000</u>	<u>(2,235,000)</u>	<u>6,680,000</u>	<u>685,000</u>
<u>Sales tax revenue bonds</u>						
1998 sheriff facility	3.90% - 4.90%	1,745,000	-	(1,745,000)	-	-
2002 London Avenue building	2.20% - 5.00%	<u>2,675,000</u>	<u>-</u>	<u>(140,000)</u>	<u>2,535,000</u>	<u>150,000</u>
Total sales tax revenue bonds		<u>4,420,000</u>	<u>-</u>	<u>(1,885,000)</u>	<u>2,535,000</u>	<u>150,000</u>
<u>Other long-term obligations</u>						
Main Street bond anticipation note	3.50%	3,000,000	-	(3,000,000)	-	-
1993 mortgage loan	7.50%	45,336	-	(20,375)	24,961	21,794
Compensated absences		<u>1,283,804</u>	<u>1,314,167</u>	<u>(1,185,475)</u>	<u>1,412,496</u>	<u>1,074,878</u>
Total other long-term obligations		<u>4,329,140</u>	<u>1,314,167</u>	<u>(4,205,850)</u>	<u>1,437,457</u>	<u>1,096,672</u>
Total governmental activities		<u>\$ 11,194,140</u>	<u>\$ 7,784,167</u>	<u>\$ (8,325,850)</u>	<u>10,652,457</u>	<u>\$ 1,931,672</u>
Add: Unamortized premium on bond issue:						86,827
Less: Unamortized deferred charges on refunding:						(32,945)
Total reported on statement of net assets						<u>\$ 10,706,339</u>

All general obligation bonds are supported by the full faith and credit of Union County. General obligation airport bonds and building renovation bonds are presented as a liability in the governmental type activities and are payable from unvoted property tax revenues to the extent that other resources are not available to meet annual principal and interest expenditures.

#### 1998 building renovation bonds

The building renovation refunding bonds, with an original issue of \$4,110,000, were issued to advance refund the County's 1992 general obligation bonds as well as to provide the County additional funds for improvements. The refunding bonds defeased in-substance \$1,955,000 in general obligation bonds.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)

On June 1, 2009, the County defeased the 1998 building renovation refunding bonds by placing a portion of the proceeds of the 2009 various purpose refunding bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the County's financial statements. At December 31, 2009, \$1,490,000 of this debt was outstanding.

##### 1998 sheriff facility bonds

The 1998 sheriff facility bonds were issued to provide funds to build a new sheriff facility. These bonds mature on December 1, 2018 and bear interest rates ranging from 3.9% to 4.9%. These bonds are payable from sales tax revenues.

On June 1, 2009, the County defeased the 1998 sheriff facility bonds by placing a portion of the proceeds of the 2009 various purpose refunding bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the County's financial statements. At December 31, 2009, \$1,605,000 of this debt was outstanding.

##### 2009 various purpose refunding bonds

On June 1, 2009, the County issued general obligation bonds (2009 various purpose refunding bonds) to advance refund the callable portion of the of the 1998 building renovation bonds (callable principal \$1,765,000), to advance refund the callable portion of the 1998 sheriff facility bonds (callable principal \$1,745,000) and to provide funds to retire the Main Street bond anticipation note (\$3,000,000). The issuance proceeds of \$3,545,100 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt.

The refunding issue is comprised of serial bonds, par value \$6,470,000. The bonds bear interest rates ranging from 2.25% to 4.50% and mature on December 1, 2024. These bonds are general obligation bonds for which the full faith and credit of the County is pledged for repayment.

The reacquisition price exceeded the net carrying amount of the old debt by \$35,100. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt. This advance refunding was undertaken to reduce total debt service payments over the next nine years by \$500,515 and resulted in an economic gain of \$343,300.

##### 2002 London Avenue building bonds

The London Avenue Building sales tax receipt bonds require principal payments from December 1, 2005 through December 1, 2012. The bonds maturing after December 1, 2012 are subject to redemption at the option of the County, either in whole or in part, in such order as the County shall determine, on any date on or after December 1, 2012, at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption.

<u>Redemption Dates</u>	<u>Redemption Prices</u>
December 1, 2012 and thereafter	100 percent

# **UNION COUNTY, OHIO**

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

### **NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)**

#### Mental Health Recovery Board mortgage

The Mental Health and Recovery Board of Union County (ADAMH) entered into a mortgage loan agreement for the acquisition of housing for homeless and at risk of being homeless persons. The twenty-year mortgage loan is presented as a liability and is payable from un-voted property tax revenues to the extent that other resources, in the form of grants and rent charges, are not available to meet principal and interest expenditures. Principal and interest payments are reflected as principal retirement and interest expenditure in the ADAMH special revenue fund.

Compensated absences - The compensated absences liability will be paid from the fund from which the employees' salaries are paid. The fund primarily responsible for payment of compensated absences is the general fund for governmental activities.

- B.** The annual requirements to amortize governmental activities long-term obligations outstanding as of December 31, 2009, are as follows:

Year Ended December 31,	General Obligation Bonds			Sales Tax Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2010	\$ 685,000	\$ 221,701	\$ 906,701	\$ 150,000	\$ 119,605	\$ 269,605
2011	710,000	204,570	914,570	155,000	113,380	268,380
2012	515,000	186,749	701,749	160,000	106,715	266,715
2013	530,000	173,242	703,242	165,000	99,835	264,835
2014	540,000	158,090	698,090	175,000	92,493	267,493
2015 - 2019	2,485,000	509,271	2,994,271	1,005,000	331,342	1,336,342
2020 - 2024	<u>1,215,000</u>	<u>167,625</u>	<u>1,382,625</u>	<u>725,000</u>	<u>73,750</u>	<u>798,750</u>
Total	<u>\$ 6,680,000</u>	<u>\$ 1,621,248</u>	<u>\$ 8,301,248</u>	<u>\$ 2,535,000</u>	<u>\$ 937,120</u>	<u>\$ 3,472,120</u>

Year Ended December 31,	Mortgage Loan		
	Principal	Interest	Total
2010	\$ 21,794	\$ 1,017	\$ 22,811
2011	<u>3,167</u>	<u>25</u>	<u>3,192</u>
Total	<u>\$ 24,961</u>	<u>\$ 1,042</u>	<u>\$ 26,003</u>

# UNION COUNTY, OHIO

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

### NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)

#### C. Business-Type Activities Long-Term Obligations

During 2009, the following changes occurred in the County's business-type activities long-term obligations:

	Interest Rate	Balance 12/31/08	Additions	Reductions	Balance 12/31/09	Amount Due in One Year
<b>Business-type activities:</b>						
<u>General obligation bonds:</u>						
1999 Memorial hospital	2.50% - 5.55%	\$ 415,000	\$ -	\$ (415,000)	\$ -	\$ -
2003 Memorial hospital	2.50% - 5.55%	830,000	-	(25,000)	805,000	25,000
2005 Memorial hospital	2.50% - 5.55%	9,295,000	-	(215,000)	9,080,000	635,000
2007 Memorial hospital refunding	N/A	9,190,000	-	(175,000)	9,015,000	180,000
2009 Memorial hospital	4.72%	-	4,000,000	-	4,000,000	122,697
Total general obligation bonds		19,730,000	4,000,000	(830,000)	22,900,000	962,697
<u>Notes payable:</u>						
Note payable - hospital	N/A	596,556	-	(38,715)	557,841	40,814
Note payable - hospital - 2006	N/A	2,860,297	-	(53,700)	2,806,597	57,422
Total notes payable		3,456,853	-	(92,415)	3,364,438	98,236
<u>Other long-term obligations:</u>						
Compensated absences - hospital	N/A	2,297,117	352,921	-	2,650,038	730,430
Compensated absences - other	N/A	99,832	13,706	(43,735)	69,803	43,735
OWDA Loan #4973 - sewer	N/A	-	376,588	(12,565)	364,023	25,130
Capital leases - hospital	N/A	33,383	-	(22,061)	11,322	11,322
Total other long-term obligations		2,430,332	743,215	(78,361)	3,095,186	810,617
Total business-type activities		\$ 25,617,185	\$ 4,743,215	\$ (1,000,776)	\$ 29,359,624	\$ 1,871,550

All general obligation bonds are supported by the full faith and credit of Union County. General obligation hospital bonds are presented as a liability in the business-type activities and are payable from unvoted property tax revenues to the extent that operating resources of the Hospital are not available to meet annual principal and interest expenditures.

#### 1999 Memorial Hospital bonds

The Union County Memorial Hospital Refunding Bonds, with an original issue of \$11,000,000, were issued to advance refund the Hospital's 1990 general obligation bonds as well as to provide for the construction of a long-term care facility and construction of emergency room improvements. The bonds are presented as a liability in the enterprise fund and are payable from un-voted property tax revenues to the extent that operating resources of the Hospital are not available to meet annual principal and interest expenditures. The refunding bonds defeased in-substance \$865,000 in general obligation bonds. At December 31, 2009, none of this debt was still outstanding.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)

The Memorial Hospital general obligation bonds include serial and term bonds. The term bonds have annual mandatory sinking fund redemption requirements and there are optional redemption provisions for the serial bonds. The term bonds mature on December 1, 2014 (\$1,850,000), 2019 (\$2,420,000), and 2024 (\$3,135,000) at a redemption price equal to 100% of the principal plus accrued interest to the redemption date. The serial bonds maturing on or after December 1, 2009, are subject to early redemption, at the sole option of the County. In 2005, \$8,195,000 was refunded by the 2005 bonds.

<u>Redemption Dates</u>	<u>Redemption Prices</u>
December 1, 2008 through November 30, 2010	101 percent
December 1, 2010 and thereafter	100 percent

#### 2003 Memorial Hospital bonds

The Memorial Hospital bonds require principal payments from December 1, 2004 through December 1, 2033. The bonds maturing after December 1, 2013 are subject to redemption at the option of the County, either in whole or in part, in such order as the County shall determine, on any date on or after December 1, 2013, at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption.

#### 2005 Memorial Hospital refunding bonds

The Union County Memorial Hospital refunding bonds, with an original issue of \$9,850,000, were issued to advance refund the Hospital's 1996 and 1999 general obligation bonds. The bonds are presented as a liability in the enterprise fund and are payable from un-voted property tax revenues to the extent that operating resources of the Hospital are not available to meet annual principal and interest expenditures. The refunding bonds defeased in-substance \$1,655,000 of the 1996 general obligation bonds and \$8,195,000 of the 1999 general obligations bonds. The aggregate reduction in debt service between the refunding and refunded debt is \$143,317 for the 1996 bonds and \$577,260 for the 1999 bonds. The present value of the combined annual savings created by this refunding amounts to \$361,839.

<u>Redemption Dates - 1996 Refunding</u>	<u>Redemption Prices</u>
December 1, 2007 and thereafter	101 percent
<u>Redemption Dates - 1999 Refunding</u>	<u>Redemption Prices</u>
December 1, 2009 and thereafter	101 percent

#### 2007 Memorial Hospital refunding bonds

The Union County Memorial Hospital refunding bonds, with an original issue of \$9,750,000, were issued to advance refund the Hospital's 2003 general obligation bonds and pay off the Hospital's 2006 tax general obligation notes. The refunding bonds defeased in-substance \$4,360,000 of the 2003 general obligation bonds and paid off \$3,635,000 in tax general obligation notes.

#### 2009 Memorial Hospital bonds

During 2009, the Union County Memorial Hospital issued \$4,000,000 of Build America Bonds. These bonds bear an interest rate of 4.72% and mature on January 1, 2015. The bonds were issued to finance the acquisition of property.

# **UNION COUNTY, OHIO**

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

### **NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)**

Compensated absences - The compensated absences liability will be paid from the fund from which the employees' salaries are paid. The funds primarily responsible for payment of compensated absences are the general fund (governmental activities) and Memorial Hospital fund (business-type activities).

Capital lease obligations - will be paid from the fund that maintains custody of the related assets. See Note 10 for more detail.

#### OWDA Loan

The County has entered into debt financing arrangements with the Ohio Water Development Authority (OWDA) to fund construction projects. The amounts due to the OWDA are payable from sewer revenues. The loan agreements function similar to a line-of-credit agreement. At December, 31, 2009, the County has outstanding borrowings of \$364,023. The loan is not closed as of December 31, 2009, therefore, no amortization schedule is presented.

- D.** The annual requirements to amortize business-type activities long-term obligations outstanding as of December 31, 2009, are as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Memorial Hospital Debt</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 1,050,444	\$ 1,070,237	\$ 2,120,681
2011	1,008,097	1,058,883	2,066,980
2012	3,667,998	885,183	4,553,181
2013	1,014,201	885,453	1,899,654
2014	1,058,617	830,086	1,888,703
2015 - 2019	7,881,051	2,681,330	10,562,381
2020 - 2024	4,749,030	1,689,409	6,438,439
2025 - 2029	3,460,000	904,748	4,364,748
2030 - 2033	<u>2,375,000</u>	<u>256,480</u>	<u>2,631,480</u>
Total	<u>\$ 26,264,438</u>	<u>\$ 10,261,809</u>	<u>\$ 36,526,247</u>

#### **E. Legal Debt Margin**

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 one percent of the total assessed valuation of the County. The code further provides that the total voted and un-voted net debt of the County less the same exempt debt should not exceed a sum equal to three percent of the first \$100,000,000 of the assessed valuation, plus one and one-half percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus two and one-half percent of such valuation in excess of \$300,000,000.

The effects of the debt limitations described above at December 31, 2009 are an overall debt limit of \$24,259,915 and an un-voted debt limit of \$6,421,593.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 13 - CONDUIT DEBT OBLIGATIONS

During 1999, the County served as the issuer of \$2,000,000 in Pleasant Valley Joint Fire District serial and term bonds. The proceeds were used by the Pleasant Valley Joint Fire District to fund the construction of a fire house. These bonds do not constitute a general obligation, debt or bonded indebtedness of the County. Neither is the full faith and credit to taxing power of the County pledged to make repayment. As of December 31, 2009, \$1,285,000 of conduit debt remained outstanding.

#### NOTE 14 - FEDERAL FOOD STAMP PROGRAM

The County's Department of Jobs and Family Services distributes federal food stamps through the department as well as through contracting issuance centers to entitled recipients within Union County. The receipt and issuance of these stamps have the characteristics of federal "grants", however, the Department of Jobs and Family Services merely acts in an intermediary capacity.

In 2006, the Ohio Department of Jobs and Family Services implemented the "Direction Card". The Direction Card is used by beneficiaries to access their food stamp benefits. This is a "debit" type card that uses the software application known as the Electronic Payment Processing Information and Control System (EPPIC).

#### NOTE 15 - NET PATIENT SERVICE REVENUE

Union County Memorial Hospital provides to certain patients covered by various third party payor arrangements that provide for payments to the Hospital at amounts different than its established rates. Gross patient service revenue and the allowances to reconcile to net patient service revenue for the year ended December 31, 2009, are as follows:

Gross patient service revenue	<u>\$ 136,340,707</u>
Less third party allowances:	
Contractual allowances	(59,401,192)
Provision for bad debt	(5,282,600)
Charity care	<u>(2,565,232)</u>
 Total allowances	 <u>(67,249,024)</u>
Net patient service revenue	<u><u>\$ 69,091,683</u></u>

#### NOTE 16 - CONTRACTUAL COMMITMENTS

The County had the following outstanding contractual commitments as of December 31, 2009:

<u>Contractor</u>	<u>Contract Amount</u>	<u>Outstanding Balance</u>
MAR - KING Construction Inc.	\$ 54,695	\$ 766
Poggemeyer Design Group Inc.	6,500	483
URS Corporation	22,990	2,499
CH2M Hill Inc.	160,000	53,047
Stantec	6,882	2,775
Stantec	28,797	22,932

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 17 - RISK MANAGEMENT

##### Property and Liability Insurance

The County is exposed to various risks of loss related to torts, theft or damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2009, the County contracted with the County Risk Sharing Authority (CORSAs) for property, general liability, commercial fleet, liability employee's benefit, data processing equipment, 911 equipment, County Engineer contractor equipment, valuable paper's additional, theft/disappearance/destruction for inside and outside, crime coverage, forgery and alteration of checks, and umbrella insurance. Settlements have not exceeded coverage for each of the past three years.

##### Property

- Blanket; all risks of direct physical loss or damage to property (\$100,000,000) annual aggregate pool limit for flood and earthquake

##### Liability

- |                                    |                             |
|------------------------------------|-----------------------------|
| • Automobile                       | \$1,000,000 each occurrence |
| • Uninsured/Underinsured Motorists | \$1,000,000 each occurrence |
| • General                          | \$1,000,000 each occurrence |
| • Stop Gap                         | \$1,000,000 each occurrence |
| • Law Enforcement                  | \$1,000,000 each occurrence |
| • Errors and Omissions             | \$1,000,000 each occurrence |

##### Crime

- |  |                             |
|--|-----------------------------|
| • Employee Dishonesty/Faithful Performance | \$1,000,000 each occurrence |
| • Money and Securities (inside)            | \$1,000,000 each occurrence |
| • Money and Securities (outside)           | \$1,000,000 each occurrence |
| • Money Orders and Counterfeit Currency    | \$1,000,000 each occurrence |
| • Depositor's Forgery                      | \$1,000,000 each occurrence |

##### Boiler and Machinery

- \$100,000,000 each accident

Deductible: \$2,500 each on every loss and/or claim and or occurrence.

The Mental Health and Recovery Board has property and liability insurance with Philadelphia Insurance Company for eight complexes. Building and personal property coverage ranges from \$2,000 to \$810,000 with \$250 deductibles. Each complex has a \$1,000,000 general liability policy.

The Board of Developmental Disabilities has a professional liability insurance policy with coverage of \$1,000,000 per occurrence, and \$3,000,000 in the aggregate.

The Union County Airport Authority has a property insurance policy with CORSAs and a liability insurance policy through Old Republic Insurance. The airport premises has a \$5,000,000 limit. Airport hangars have a \$1,000,000 limit.



## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 17 - RISK MANAGEMENT - (Continued)

For 2009, the County participated in the County Commissioners Association of Ohio Service Corporation, a worker's compensation group rating plan (the Plan), an insurance purchasing pool (See Note 2). The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The workers' compensation experience of the participating counties is calculated as one experience and a common premium rate is applied to all counties in the Plan. Each county pays its workers' compensation premium to the State based on the rate for the Plan rather than the County's individual rate. In order to allocate the savings derived by the formation of the Plan, and to maximize the number of participants in the Plan, the Plan's executive committee annually calculates the total savings which accrued to the Plan through its formation. This savings is then compared to the overall savings percentage of the Plan. The Plan's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. Participation in the Plan is limited to counties that can meet the Plan's selection criteria. The firm of Comp Management, Inc., provides administrative, cost control, and actuarial services to the Plan. Each year, the County pays an enrollment fee to the Plan to cover the costs of administering the program.

The County may withdraw from the Plan if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the County is not relieved of the obligation to pay any amounts owed to the Plan prior to withdrawal, and any County leaving the Plan allows the representative of the Plan to access loss experience for three years following the last year of participation.

The Union County Memorial Hospital is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; medical malpractice; and employee health, dental, and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Union County Memorial Hospital self-insures for employee medical coverage up to \$50,000 per individual with stop loss policy for claims in excess of \$100,000 per employee or total claims in excess of \$3,968,000. Claims charged to operations when incurred were approximately \$3,873,000 and \$3,787,000 for the years ended December 31, 2009 and 2008 respectively. The Hospital also self-insures for worker's compensation. The Hospital has a \$500,000 per claim stop loss policy with a private insurance carrier for worker's compensation.

The Hospital is insured against medical malpractice claims under a claims-made-based policy. The policy covers claims resulting from accidents that occurred during the policy terms, regardless of when the claims are reported to the insurance carrier. Under the terms of the policy, The Hospital bears the risk of the ultimate costs of the individual claim exceeding \$1,000,000 or aggregate claims exceeding \$3,000,000 for claims asserted in the policy year. In addition, the Hospital has an umbrella policy with an additional \$5,000,000 in coverage.

# **UNION COUNTY, OHIO**

## **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009**

### **NOTE 17 - RISK MANAGEMENT - (Continued)**

The liability for unpaid claims costs is determined by actuarial estimates of the amounts needed to pay prior and current-year claims. The \$410,710 claims liability is reported as part of the accrued wages and benefits in the Memorial Hospital enterprise fund at December 31, 2009, and is based on the requirements of Governmental Accounting Standards Board Statement No. 30, which requires that a liability for claims be reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Hospital's claims liability amount in 2009 and the prior two years are as follows:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2007	\$ 368,160	\$ 4,341,045	\$ 4,313,745	\$ 395,460
2008	395,460	3,801,050	3,787,000	409,510
2009	409,510	3,874,200	3,873,000	410,710

### **NOTE 18 - PENSION PLANS**

#### **A. Ohio Public Employees Retirement System**

Plan Description - The County participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the traditional pension plan.

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

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 18 - PENSION PLANS - (Continued)

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2009, member and contribution rates were consistent across all three plans. While members in the State and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Plan. The 2009 member contribution rates were 10.00% for members in State and local classifications. Public safety and law enforcement members contributed 10.10%. The County's contribution rate for 2009 was 14.00%, except for those plan members in law enforcement or public safety, for whom the County's contribution was 17.63% of covered payroll.

The County's contribution rate for pension benefits for 2009 was 7.00% from January 1 through March 31, 2009 and 8.50% from April 1 through December 31, 2009, except for those plan members in law enforcement and public safety. For those classifications, pension contributions were 10.63% from January 1 through March 31, 2009 and 12.13% from April 1 through December 31, 2009. The County's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2009, 2008 and 2007 were \$4,061,434, \$3,474,611 and \$3,940,947, respectively; 98.41% has been contributed for 2009 and 100% has been contributed for 2008 and 2007.

#### **B. State Teachers Retirement System**

Plan Description - Certified teachers, employed by the school for Developmental Disabilities and the Central Ohio Youth Center, participate in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.50% 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 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, 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 DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years 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 DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

## **UNION COUNTY, OHIO**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009**

#### **NOTE 18 - PENSION PLANS - (Continued)**

Funding Policy - For 2009, plan members were required to contribute 10.00% of their annual covered salaries. The County was required to contribute 14.00%; 13.00% was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The County's required contributions for pension obligations to STRS Ohio for the years ended December 31, 2009, 2008, and 2007 were \$114,996 \$111,111 and \$92,782, respectively; 93.93% has been contributed for 2009 and 100 percent for years 2008 and 2007.

#### **NOTE 19 - POSTRETIREMENT BENEFIT PLANS**

##### **A. Ohio Public Employees Retirement System**

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

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

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

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

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2009, local government employers contributed 14.00% of covered payroll (17.63% for public safety and law enforcement). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for 2009 was 7.00% from January 1 through March 31, 2009 and 5.50% from April 1 through December 31, 2009.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 19 - POSTRETIREMENT BENEFIT PLANS - (Continued)

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

The County's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2009, 2008 and 2007 were \$2,851,019, \$3,285,872 and \$2,507,511, respectively; 95.75% has been contributed for 2009 and 100% has been contributed for 2008 and 2007.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates for state and local employers increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

#### B. State Teachers Retirement System

**Plan Description** - The County contributes to the cost sharing, multiple employer defined benefit Health Plan (the "Plan") administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

**Funding Policy** - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. All benefit recipients, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2009, STRS Ohio allocated employer contributions equal to 1.00% of covered payroll to the Health Care Stabilization Fund. The County's contributions for health care for the years ended December 31, 2009, 2008 and 2007 were \$8,846, \$3,644 and \$13,983, respectively; 93.93% has been contributed for 2009 and 100 percent for 2008 and 2007.

#### NOTE 20 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of GAAP, the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements. The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund and major special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis); and,

# **UNION COUNTY, OHIO**

## **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009**

### **NOTE 20 - BUDGETARY BASIS OF ACCOUNTING - (Continued)**

(c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to a reservation of fund balance for that portion of outstanding encumbrances not already recognized as payables (GAAP basis), and

(d) Investments are reported at fair value (GAAP basis) rather than cost (budget basis).

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

### **Net Change in Fund Balances**

	<u>Major Governmental Funds</u>		
	<u>General</u>	<u>DD</u>	<u>Motor Vehicle and Gas Tax</u>
Budget basis	\$ (1,413,181)	\$ 1,274,371	\$ 359,241
Net adjustment for revenue accruals	262,147	340,085	(52,914)
Net adjustment for expenditure accruals	(384,039)	640,677	(96,726)
Encumbrances (budget basis)	<u>170,220</u>	<u>11,114</u>	<u>161,254</u>
GAAP basis	<u>\$ (1,364,853)</u>	<u>\$ 2,266,247</u>	<u>\$ 370,855</u>

### **NOTE 21 - RELATED PARTY TRANSACTIONS**

During 2009, Union County provided facilities; certain equipment, transportation and salaries for administration, implementation and supervision of programs to U-Co Industries, Inc. U-Co Industries, Inc., a discretely presented component unit of Union County reported \$235,449 for such contributions. U-Co Industries, Inc. recorded non-operating revenues at cost or fair market value as applicable, to the extent the contribution is related to the vocational purpose of the workshop.

During 2009, the County provided the Union County YMCA with use of a County-owned gymnasium free of charge. The estimated value of rent is less than \$1,000 annually.

During 2009, the County provided rent-free office space to Children, Inc. Children, Inc. constructed a building on County-owned land, adjacent to the Union County DD Board. The value of annual rent is estimated at \$85,000.

During 2009, the County provided the Union County Council for Families and Children First with use of office space at the London Avenue facility free of charge. The estimated value of rent is less than \$4,860 annually.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 22 - CONTINGENT LIABILITIES

The County has received federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the County Commissioners believe such disallowances, if any, will be immaterial. Several other claims and lawsuits are pending against the County. In the opinion of the County Prosecuting Attorney, any potential liability would not have a material effect on the financial statements. Union County Memorial Hospital is involved in various lawsuits and claims that arise in the normal course of business. In the opinion of management, these claims, individually and in aggregate, are not expected to result in a material adverse effect on the Hospital's financial position or results. Reimbursement for Medicare or Medicaid patients is subject to audit and final settlements by the respective intermediaries. Although these audits may result in some changes in these amounts, they are not expected to have a material effect on the financial statements.

#### NOTE 23 - U-CO INDUSTRIES, INC.

##### A. Summary of Significant Accounting Policies

U-CO Industries, Inc. (the "Organization") was organized to give the developmentally disabled citizens of Union County an opportunity for sheltered employment while educating and training these citizens for a position in the competitive job market. To ensure a full spectrum of employment opportunities for these citizens, U-CO industries, Inc. employs other disabled citizens that are not developmentally disabled. The Organization contracts with local businesses and federal agencies for various jobs that can be performed within the production capabilities of the Organization.

Basis of Presentation - The financial statements of the Organization have been prepared in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-For-Profit Organizations." Under SFAS No. 117, the Organization is required to report, where applicable, information regarding its financial position and activities according to three classes of net assets: unrestricted net assets temporarily restricted net assets and permanently restricted net assets. When a restriction is met in the same reporting period, the support is recorded as unrestricted in the statement of activities and changes in net assets. The Organization currently has only unrestricted net assets.

Property and Equipment - Property and equipment are carried at cost less accumulated depreciation. Depreciation is provided over the statutory lives of the related assets as allowed by the Internal Revenue Service. Maintenance and repairs are charged to operations when incurred. Renewals and betterments of a nature considered to materially extend the useful lives of the assets are capitalized. When assets are retired or otherwise disposed of, the assets and related allowances for depreciation are eliminated from the accounts and any resulting gain or loss is reflected in income.

Basis of Accounting - The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Cash Equivalents - For purposes of the statement of cash flows, the Organization considers amounts on hand, in demand deposits and certificates of deposit that are readily available to be cash and cash equivalents.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 23 - U-CO INDUSTRIES, INC. - (Continued)

Accounts Receivable, trade - Accounts receivable consist of amounts due from customers for trade activities. The Organization provides for probable losses on accounts receivable using the allowance method. The Allowance is determined based on management's experience and collection efforts. The Organization had immaterial balances in the allowance of doubtful accounts as of June 30, 2009 and 2008.

Inventory - Inventory is stated at the lower of cost or market, determined on the first-in, first out (FIFO) method.

Property, Equipment and Depreciation - Property and equipment are stated at cost, if purchased, or at fair value if donated. Major expenditures for property and equipment which substantially increase useful lives of property and equipment are capitalized. Maintenance, repairs and minor renewals are expensed as incurred. Depreciation has been provided using the straight-line method over the estimated useful lives of the assets.

Donated Services - Donated services are recognized as support in accordance with SFAS No. 116, "Accounting for Contributions Received and Contribution Made," if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Federal Income Tax - The Organization is tax exempt under Section 501(c)(3) of the Internal Revenue Code.

Accounting for Uncertainty in Income taxes - The Financial Accounting Standards Board ("FASB") has issued Interpretation No. 48 ("FIN 48"), which clarifies generally acceptable accounting principles for recognition, measurement, presentation and disclosure relating to uncertain tax positions. FIN 48 applies to business enterprises, not-for-profit entities, and pass-through entities, such as S corporations and limited liability companies. As permitted by FIN 48 (as amended), the Organization has elected to defer the application of FIN 48. For financial statements covering periods prior to fiscal year 2010, the Organization evaluates uncertain tax positions in accordance with existing generally accepted accounting principles and makes such accruals and disclosures as might be required there under. The Organization doesn't anticipate that the provisions of FIN 48 will have any significant impact on its financial statements.

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

Revenue Recognition - Product revenue is recognized when the product is shipped and support when contributions are made, which may be when cash is received, unconditional promises are made, or ownership of other assets is transferred to the organization and are measured at their fair values.



# **UNION COUNTY, OHIO**

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

### **NOTE 23 - U-CO INDUSTRIES, INC. - (Continued)**

Fair Value Measurements - The Financial Accounting Standards Board ("FASB") has issued FAS 157, Fair Value Measurements, which establishes a single definition of fair value and a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. FASB Staff Position FAS 157-b delays the effective date of FAS 157 for all nonfinancial assets and nonfinancial liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis, to fiscal years beginning after November 15, 2008. As a result, the Organization has only partially adopted FAS 175 during 2009. Major categories of assets and liabilities that are measured at fair value for which the entity has not applied the provisions of Statement 157 consists of property and equipment.

#### **B. Inventory**

Inventory is comprised of the following as of June 30:

	<u>2009</u>	<u>2008</u>
Raw materials	\$ 329,738	\$ 754,069
Finished goods	77,805	94,487
Inventory obsolescence reserve	<u>(25,000)</u>	<u>-</u>
Total inventory	<u>\$ 382,543</u>	<u>\$ 848,556</u>

#### **C. Note Payable**

During the year ending June 30, 2008, the Organization purchased a new facility in Marysville, Ohio. The Organization was financed with a \$2.5 million bond through Union County that was purchased by Park National Bank. The total financing was reduced by a payment from the Union County Board of Developmental Disabilities (UCBDD) in December 2007. The mortgage note is payable in monthly installments of \$17,027, including interest at 5.08% as of June 30, 2009, through 2017. The building's fair market value was estimated to approximate the note assumed. The note is secured by the land and building.

The minimum principal payments on the note payable at June 30, 2009 due in each of the next five years and thereafter are as follows"

<u>Year Ended</u> <u>December 31,</u>	<u>U-CO Industries Debt</u> <u>Principal</u>
2010	\$ 147,774
2011	155,458
2012	163,542
2013	172,046
2014	180,992
Thereafter	<u>360,489</u>
Total	<u>\$ 1,180,301</u>

**UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 23 - U-CO INDUSTRIES, INC. - (Continued)**

**D. Deferred Lease**

As noted above UCBDD paid a portion of the loan with Park National Bank on behalf of the Organization. The payment is considered a prepaid lease payment by UCBDD. The lease payment will be amortized over ten years based on a ten year lease agreement between UCBDD and the Organization for usage of the new facility. The lease payment is amortized based on monthly installments of \$7,802 through 2017.

The lease payment amortization at June 30, 2009 in each of the next five years and thereafter is as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>U-CO Industries Lease Payment</u>	
	<u>Principal</u>	
2010	\$	93,634
2011		93,634
2012		93,634
2013		93,634
2014		93,634
Thereafter		<u>327,716</u>
Total	\$	<u>795,886</u>

At December 31, 2009, the Union County's financial statements reflect the prepayment of the County's lease in the amount of \$749,074.

**E. Related Party**

The Organization has an ongoing contractual relationship with UCBDD. As part of that relationship, the Organization leases to UCBDD its adult training and day care facility on a year-to-year basis. The Organization also receives payments from UCBDD for utilities and janitorial services. The lease period ends January 31, 2010. The Organization received payments of \$84,355 and \$15,180 during the years ended June 30, 2009 and 2008, respectively.

Labor and rent donated by UCBDD are handled on an in-kind basis. The value of this in-kind support was calculated at \$235,449 and \$565,991 for the years ended June 30, 2009 and 2008, respectively, and is comprised of the following:

<u>Description</u>	<u>2009</u>	<u>2008</u>
In-kind labor	\$ 221,558	\$ 491,111
In-kind rent	<u>13,891</u>	<u>74,880</u>
Total In-kind Support	<u>\$ 235,449</u>	<u>\$ 565,991</u>

## **UNION COUNTY, OHIO**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009**

#### **NOTE 23 - U-CO INDUSTRIES, INC. - (Continued)**

##### **F. Concentration of Risk**

The Organization provides services to businesses in Union County and Central Ohio. Due to the nature of the Organization's business and the specialization of its workforce, the Organization generally conducts most of its business with fewer than ten customers. Credit risk with respect to trade receivables consists of reliance on these businesses as the Organization extends credit to its customers in the ordinary course of its business. One customer in the automotive industry accounted for 99% of the Organization's sales, accounts receivable, and accounts payable for the years ended June 30, 2009 and 2008.

The Organization places its cash in accounts with financial institutions that are insured through the Federal Deposit Insurance Corporation up to \$100,000 as of June 30, 2008 and \$250,000 as of October 3, 2008. At June 30, 2009 and 2008 and at various times during the year the Organization had on deposit funds in excess of insured balances.

##### **G. Board Designated Cash**

Surplus cash has been presented on the statement of financial position as board designated. The Board has determined that this amount is not to fund current operation without the Board's specific approval. In the statement of activities and changes in net assets, transfers represent the change in surplus cash that the Board has designated as Board Designated.

##### **H. Contingencies**

During 1998, the Organization entered into an agreement with the Ohio Department of Developmental Disabilities for the funding of a facility in Marysville. The agreement was amended in June 2008 to assign the contract to the new Square Drive facility. The Organization becomes liable for the remaining obligation for the remaining obligation on a \$273,830 note, if, prior to the expiration of the fifteen year note term, the Organization cease to use the facility for developmentally disabled services. The note obligation is reduced each month beginning October 31, 1998 by \$1,521 (the original principal divided by the total number of months). As of June 30, 2009 and 2008, the Organization was in compliance with the agreement and no obligation has been recorded in the financial statements. The remaining contingent obligation at June 30, 2009 and 2008 was \$77,584 and \$95,840, respectively.

#### **NOTE 24 - UNION COUNTY AIRPORT AUTHORITY**

The Union County Airport Authority (the "Airport Authority") was established according to Section 308.03 of the Ohio Revised Code. The Airport Authority is governed by a six member Board of Trustees appointed by the Union County Commissioners. The County Commissioners budget funds for airport operations and are responsible for the debt and deficits of the Airport Authority. Due to the imposition of will exerted by the County Commissioners as well as the financial burden for the Airport Authority, the Airport Authority is presented separately as a component unit of Union County. The Airport Authority operates on a year ending December 31. The Airport Authority does not issue separate financial statements.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 24 - UNION COUNTY AIRPORT AUTHORITY - (Continued)

##### A. Basis of Accounting

The Airport Authority follows the accrual basis of accounting, whereby revenues and expenses are recognized in the period earned or incurred. The measurement focus is on determination of net income, financial position and cash flows. All transactions are accounted for in a single enterprise fund.

The financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental and financial reporting principles. The Airport Authority also applies Financial Accounting Standards Board (FASB) guidance issued on or before November 30, 1989, provided it does not conflict with or contradict GASB pronouncements. The Airport Authority has the option to also apply FASB guidance issued after November 30, 1989 subject to this same limitation. The Airport Authority has elected not to apply these FASB Statements and Interpretations.

Equipment and Depreciation - Property, plant, and equipment are stated at historical cost (or estimated historical cost) and are updated for the cost of additions and retirements during the year. Depreciation is provided on a straight-line basis over the following estimated useful lives:

<u>Description</u>	<u>Useful Live (In Years)</u>
Land improvements	20
Buildings and improvements	6 - 40
Equipment	5 - 10

A summary of capital assets at December 31, 2009, follows:

Land	\$ 680,685
Depreciable capital assets, net	<u>2,298,902</u>
Net capital assets	<u>2,979,587</u>

##### B. Deposits with Financial Institutions

The Union County Treasurer holds the Airport Authority's cash as custodian for the Airport Authority. The Airport Authority's assets are held in the County's cash and investment pool and valued at the Treasurer's carrying amount.

# **UNION COUNTY, OHIO**

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

### **NOTE 24 - UNION COUNTY AIRPORT AUTHORITY - (Continued)**

#### **C. Airport Long-Term Obligations**

During 2009, the following changes occurred in the Airport activities long-term obligations:

	<u>Interest Rate</u>	<u>Balance 12/31/2008</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding 12/31/2009</u>	<u>Amount Due in One Year</u>
<b><u>General Obligation Loans:</u></b>						
Union county airport authority	3.80%	\$ 81,674	\$ -	\$ (26,126)	\$ 55,548	\$ 27,212
Total Loans		<u>\$ 81,674</u>	<u>\$ -</u>	<u>\$ (26,126)</u>	<u>\$ 55,548</u>	<u>\$ 27,212</u>

The Airport Authority entered into a loan agreement with the County in 2003 with an issue cost of \$220,000. This loan has a 3.80% interest rate and matures in 2011. Principal and interest payments are reflected as principal retirement and interest expenditure in the Airport Authority fund.

The annual requirements to amortize Airport long-term obligations outstanding as of December 31, 2009, are as follows:

<u>Year Ended December 31,</u>	<u>Airport Authority</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 27,212	\$ 2,107	\$ 29,319
2011	<u>28,336</u>	<u>1,073</u>	<u>29,409</u>
Total	<u>\$ 55,548</u>	<u>\$ 3,180</u>	<u>\$ 58,728</u>

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REQUIRED  
SUPPLEMENTARY  
INFORMATION

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## UNION COUNTY, OHIO

### REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 1 – CONDITIONAL ASSESSMENT OF THE COUNTY’S INFRASTRUCTURE

The County reports its roads and bridges infrastructure assets using the modified approach. The following disclosures pertain to the condition assessment and budgeted versus actual expenditure in 2009 for the preservation of these assets.

The Union County Engineer has implemented a ten year program for road repairs and improvements. The plan changes based upon condition inspections, repair and improvement needs, and budget constraints. Factors considered when evaluating a roadway include time since last surface maintenance, current pavement condition, current and future traffic volume, traffic type, pavement width, geometrics, etc. A general overall pavement condition rating is assigned to sections of roadways as a result of annual visual observations. A numerical rating ranging from 0 to 9 is assigned, with 0 being the lowest ranking and 9 being the highest. The practice of the Union County Engineer is to maintain at least 75 % of the mileage of the county highway system at an appraisal rating of 5 or more. The most recent assessment found that 97 percent of the County roads have a numerical rating of 5 or higher.

Each bridge is evaluated annually based on state law and in accordance with Ohio Department of Transportation (ODOT) requirements. Each bridge is given an ODOT sufficiency rating based upon bridge inspection rating factors. The practice of the Union County Engineer is to maintain a bridge system in the County where at least 85 % of the structures have a bridge appraisal rating of 5 or more. The most recent inspections found that 94 percent of the County bridges have a numerical rating of 5 or higher.

The general overall ratings for roads and ODOT sufficiency ratings for centerline miles and bridges are as follows:

<u>Condition</u>	<u>Rating</u>
Failed	0
"Imminent" Failure	1
Critical	2
Serious	3
Poor	4
Fair	5
Satisfactory	6
Good	7
Very Good	8
Excellent	9

# **UNION COUNTY, OHIO**

## REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2009

### **NOTE 1 - CONDITIONAL ASSESSMENT OF THE COUNTY'S INFRASTRUCTURE - (Continued)**

The following summarizes the overall ratings as of December 31, 2009.

	2007		2008		2009	
	Centerline Miles	Percent	Centerline Miles	Percent	Centerline Miles	Percent
Condition Assessment of Fair or Better	442	94%	457	97%	455	98%
Condition Assessment of Less than Fair	27	6%	12	3%	11	2%

	2007		2008		2009	
	Bridges	Percent	Bridges	Percent	Bridges	Percent
Condition Assessment of Fair or Better	311	97%	302	94%	307	96%
Condition Assessment of Less than Fair	9	3%	18	6%	12	4%

The following is a comparison of the County budgeted and actual expenditures for roads and bridges.

Year	Budgeted Expenditures	Actual Expenditures	Difference
2009	\$ 8,294,305	\$ 7,003,742	\$ 1,290,563
2008	8,366,634	8,022,284	344,350
2007	7,654,249	6,888,337	765,912
2006	7,463,784	7,379,103	84,681
2005	5,516,054	4,875,274	640,780

COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Property taxes. . . . .	\$ 3,843,336	\$ 3,616,761	\$ 3,806,119	\$ 189,358
Sales taxes. . . . .	8,134,878	7,680,000	7,164,411	(515,589)
Charges for services. . . . .	1,870,611	1,876,750	1,957,460	80,710
Licenses and permits. . . . .	2,791	2,800	3,134	334
Fines and forfeitures. . . . .	127,581	128,000	134,799	6,799
Intergovernmental. . . . .	2,431,150	2,439,129	2,510,298	71,169
Investment income. . . . .	1,000,118	1,003,400	891,124	(112,276)
Rental income. . . . .	433,577	435,000	393,178	(41,822)
Other. . . . .	512,138	513,819	897,635	383,816
<b>Total revenues. . . . .</b>	<b>18,356,180</b>	<b>17,695,659</b>	<b>17,758,158</b>	<b>62,499</b>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive				
Commissioners				
Personal services. . . . .	259,872	290,150	286,755	3,395
Materials and supplies. . . . .	1,560	2,907	2,268	639
Contractual services. . . . .	251,296	336,063	325,130	10,933
Other. . . . .	61,882	148,469	40,459	108,010
Total commissioners. . . . .	574,610	777,589	654,612	122,977
Environmental engineer - general:				
Personal services. . . . .	65,540	65,540	64,311	1,229
Total environmental engineer. . . . .	65,540	65,540	64,311	1,229
Auditor - general				
Personal services. . . . .	268,132	268,132	264,909	3,223
Materials and supplies. . . . .	20,000	20,000	19,939	61
Contractual services. . . . .	59,300	59,300	54,486	4,814
Other. . . . .	7,650	7,650	3,974	3,676
Total auditor. . . . .	355,082	355,082	343,308	11,774
Treasurer				
Personal services. . . . .	145,998	146,454	146,454	-
Materials and supplies. . . . .	25,900	27,111	25,767	1,344
Contractual services. . . . .	5,900	8,503	8,188	315
Other. . . . .	650	650	360	290
Total treasurer. . . . .	178,448	182,718	180,769	1,949
Prosecutor				
Personal services. . . . .	347,234	408,340	408,340	-
Materials and supplies. . . . .	15,000	15,000	12,000	3,000
Contractual services. . . . .	32,414	32,414	32,412	2
Other. . . . .	146,117	114,890	114,682	208
Total prosecutor. . . . .	540,765	570,644	567,434	3,210

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**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
Risk management				
Personal services . . . . .	\$ 103,176	\$ 103,176	\$ 103,141	\$ 35
Materials and supplies . . . . .	12,266	12,266	5,693	6,573
Contractual services . . . . .	12,255	14,005	11,562	2,443
Capital outlay . . . . .	21,714	23,866	2,163	21,703
Other . . . . .	108,821	110,499	83,495	27,004
Total risk management . . . . .	258,232	263,812	206,054	57,758
Data processing				
Personal services . . . . .	124,000	124,000	123,190	810
Materials and supplies . . . . .	2,000	2,000	361	1,639
Contractual services . . . . .	148,500	148,500	118,994	29,506
Other . . . . .	800	800	190	610
Total data processing . . . . .	275,300	275,300	242,735	32,565
Board of elections				
Personal services . . . . .	270,394	270,419	243,684	26,735
Materials and supplies . . . . .	25,083	25,166	24,962	204
Contractual services . . . . .	58,985	58,985	50,810	8,175
Capital outlay . . . . .	20,000	20,000	12,611	7,389
Other . . . . .	7,708	7,708	7,498	210
Total board of elections . . . . .	382,170	382,278	339,565	42,713
Recorder				
Personal services . . . . .	179,224	184,724	184,571	153
Materials and supplies . . . . .	8,500	4,500	3,183	1,317
Contractual services . . . . .	13,000	11,500	11,170	330
Other . . . . .	2,500	2,500	2,146	354
Total recorder . . . . .	203,224	203,224	201,070	2,154
Maintenance and operations				
Personal services . . . . .	538,082	546,821	545,532	1,289
Materials and supplies . . . . .	134,927	134,927	111,050	23,877
Contractual services . . . . .	1,145,542	1,142,220	922,696	219,524
Other . . . . .	1,197	1,197	845	352
Total maintenance and operations . . . . .	1,819,748	1,825,165	1,580,123	245,042
Board of revisions				
Other . . . . .	300	300	72	228
Total board of revisions . . . . .	300	300	72	228
Assessing property				
Personal services . . . . .	60,000	60,000	57,593	2,407
Total assessing property . . . . .	60,000	60,000	57,593	2,407
Insurance and bonds				
Contractual services . . . . .	217,023	217,234	209,913	7,321
Other . . . . .	3,800	5,340	2,615	2,725
Total insurance and bonds . . . . .	220,823	222,574	212,528	10,046

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**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Bureau of inspection				
Contractual services . . . . .	\$ 78,614	\$ 78,620	\$ 78,620	\$ -
Total bureau of inspection . . . . .	78,614	78,620	78,620	-
County planning				
Other . . . . .	69,000	69,000	68,894	106
Total county planning . . . . .	69,000	69,000	68,894	106
Fringe benefits				
Personal services . . . . .	2,857,819	2,902,386	2,619,591	282,795
Total fringe benefits . . . . .	2,857,819	2,902,386	2,619,591	282,795
Equipment				
Capital outlay . . . . .	276,895	407,445	171,507	235,938
Total equipment . . . . .	276,895	407,445	171,507	235,938
Archives				
Personal services . . . . .	39,385	20,264	19,474	790
Materials and supplies . . . . .	7,300	7,300	5,235	2,065
Contractual services . . . . .	1,600	1,600	592	1,008
Other . . . . .	1,000	1,000	231	769
Total archives . . . . .	49,285	30,164	25,532	4,632
Total general government - legislative and executive . . . . .	8,265,855	8,671,841	7,614,318	1,057,523
Judicial				
Common pleas court				
Personal services . . . . .	233,575	243,523	241,910	1,613
Materials and supplies . . . . .	26,000	26,011	25,889	122
Contractual services . . . . .	34,200	38,200	32,711	5,489
Capital outlay . . . . .	-	1,500	1,415	85
Other . . . . .	193,223	182,012	175,614	6,398
Total common pleas court . . . . .	486,998	491,246	477,539	13,707
Juvenile court				
Personal services . . . . .	404,981	404,981	402,516	2,465
Contractual services . . . . .	33,000	33,000	29,626	3,374
Other . . . . .	2,555	12,512	9,126	3,386
Total juvenile court . . . . .	440,536	450,493	441,268	9,225
Probate court				
Personal services . . . . .	137,118	137,118	136,958	160
Materials and supplies . . . . .	28,000	23,621	23,380	241
Contractual services . . . . .	14,850	14,850	9,729	5,121
Capital outlay . . . . .	-	-	-	-
Other . . . . .	1,250	1,250	790	460
Total probate court . . . . .	181,218	176,839	170,857	5,982

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**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
Clerk of courts				
Personal services . . . . .	\$ 317,712	\$ 317,712	\$ 315,860	\$ 1,852
Materials and supplies . . . . .	48,335	60,189	57,042	3,147
Contractual services . . . . .	9,980	10,957	7,706	3,251
Other . . . . .	4,219	4,713	2,373	2,340
Total clerk of courts . . . . .	<u>380,246</u>	<u>393,571</u>	<u>382,981</u>	<u>10,590</u>
Public defender				
Contractual services . . . . .	405,401	416,850	416,850	-
Other . . . . .	4,000	4,000	438	3,562
Total public defender . . . . .	<u>409,401</u>	<u>420,850</u>	<u>417,288</u>	<u>3,562</u>
Law library				
Personal services . . . . .	45,000	44,700	38,140	6,560
Other . . . . .	2,500	2,800	2,731	69
Total law library . . . . .	<u>47,500</u>	<u>47,500</u>	<u>40,871</u>	<u>6,629</u>
Court of appeals				
Personal services . . . . .	1,000	1,000	-	1,000
Other . . . . .	12,000	12,000	11,502	498
Total court of appeals . . . . .	<u>13,000</u>	<u>13,000</u>	<u>11,502</u>	<u>1,498</u>
Jury commission				
Personal services . . . . .	840	840	840	-
Materials and supplies . . . . .	444	644	601	43
Total jury commission . . . . .	<u>1,284</u>	<u>1,484</u>	<u>1,441</u>	<u>43</u>
County court				
Personal services . . . . .	85,250	86,268	86,268	-
Contractual services . . . . .	4,000	4,000	1,660	2,340
Total county court . . . . .	<u>89,250</u>	<u>90,268</u>	<u>87,928</u>	<u>2,340</u>
Juvenile probation				
Personal services . . . . .	107,787	95,047	90,509	4,538
Other . . . . .	3,000	3,000	2,401	599
Total juvenile probation . . . . .	<u>110,787</u>	<u>98,047</u>	<u>92,910</u>	<u>5,137</u>
JV day reporting				
Personal services . . . . .	8,684	8,740	8,740	-
Materials and supplies . . . . .	375	375	375	-
Contractual services . . . . .	16,940	16,928	16,928	-
Total jv day reporting . . . . .	<u>25,999</u>	<u>26,043</u>	<u>26,043</u>	<u>-</u>
Total general government - judicial . . . . .	<u>2,186,219</u>	<u>2,209,341</u>	<u>2,150,628</u>	<u>58,713</u>
Total general government . . . . .	<u>10,452,074</u>	<u>10,881,182</u>	<u>9,764,946</u>	<u>1,116,236</u>

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**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Public safety				
Coroner				
Personal services . . . . .	\$ 47,862	\$ 47,862	\$ 46,296	\$ 1,566
Materials and supplies . . . . .	1,000	1,400	1,000	400
Contractual services . . . . .	19,538	27,538	20,339	7,199
Capital outlay . . . . .	882	482	126	356
Other . . . . .	1,304	3,304	2,655	649
Total coroner . . . . .	70,586	80,586	70,416	10,170
Sheriff				
Personal services . . . . .	397,429	397,429	388,938	8,491
Materials and supplies . . . . .	17,129	17,129	14,862	2,267
Contractual services . . . . .	76,000	76,000	71,699	4,301
Other . . . . .	86,806	86,806	68,945	17,861
Total sheriff . . . . .	577,364	577,364	544,444	32,920
Law enforcement				
Personal services . . . . .	1,540,532	1,540,533	1,437,769	102,764
Materials and supplies . . . . .	128,180	143,180	138,540	4,640
Contractual services . . . . .	80,217	80,217	72,515	7,702
Other . . . . .	15,000	15,000	8,671	6,329
Total law enforcement . . . . .	1,763,929	1,778,930	1,657,495	121,435
Communication				
Personal services . . . . .	249,473	249,473	212,708	36,765
Materials and supplies . . . . .	700	700	174	526
Contractual services . . . . .	2,552	2,552	2,345	207
Other . . . . .	1,000	1,000	72	928
Total communication . . . . .	253,725	253,725	215,299	38,426
Jail				
Personal services . . . . .	306,054	309,664	284,651	25,013
Materials and supplies . . . . .	14,650	8,150	3,400	4,750
Contractual services . . . . .	1,490,390	1,493,031	1,463,361	29,670
Other . . . . .	2,000	2,000	831	1,169
Total jail . . . . .	1,813,094	1,812,845	1,752,243	60,602
Investigation				
Personal services . . . . .	438,519	444,042	425,231	18,811
Materials and supplies . . . . .	15,000	6,500	5,492	1,008
Contractual services . . . . .	14,000	14,000	12,280	1,720
Other . . . . .	6,600	6,641	5,402	1,239
Total investigation . . . . .	474,119	471,183	448,405	22,778
Community service				
Personal services . . . . .	327,379	327,379	314,473	12,906
Materials and supplies . . . . .	4,000	4,000	1,250	2,750
Contractual services . . . . .	5,060	5,060	4,494	566
Other . . . . .	3,100	3,100	1,270	1,830
Total community service . . . . .	339,539	339,539	321,487	18,052

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**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
Pursuit sheriff				
Other . . . . .	\$ 7,000	\$ 8,351	\$ 7,481	\$ 870
Total pursuit sheriff . . . . .	7,000	8,351	7,481	870
Detention home COYC				
Contractual services . . . . .	425,017	425,017	399,907	25,110
Total detention home COYC . . . . .	425,017	425,017	399,907	25,110
Total public safety . . . . .	5,724,373	5,747,540	5,417,177	330,363
Public works				
Engineer				
Personal services . . . . .	121,064	121,064	120,130	934
Contractual services . . . . .	4,200	4,200	4,137	63
Total engineer . . . . .	125,264	125,264	124,267	997
Total public works . . . . .	125,264	125,264	124,267	997
Health				
Agriculture				
Contractual services . . . . .	1,200	1,200	1,200	-
Total agriculture . . . . .	1,200	1,200	1,200	-
Humane society				
Contractual services . . . . .	76,482	76,482	76,482	-
Total humane society . . . . .	76,482	76,482	76,482	-
Other health department				
Contractual services . . . . .	321,500	331,500	274,550	56,950
Total other health department . . . . .	321,500	331,500	274,550	56,950
Total health . . . . .	399,182	409,182	352,232	56,950
Human services				
Veteran's services				
Personal services . . . . .	190,786	189,786	179,688	10,098
Materials and supplies . . . . .	17,200	7,500	7,017	483
Contractual services . . . . .	125,408	90,963	77,540	13,423
Capital outlay . . . . .	32,950	22,950	20,570	2,380
Other . . . . .	282,263	340,963	303,920	37,043
Total veteran's services . . . . .	648,607	652,162	588,735	63,427
Children's services				
Contractual services . . . . .	200,000	220,640	220,640	-
Other . . . . .	15,000	15,000	15,000	-
Total children's services . . . . .	215,000	235,640	235,640	-
Other endowments				
Other . . . . .	97,144	97,144	74,544	22,600
Total other endowments . . . . .	97,144	97,144	74,544	22,600

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**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONCLUDED)  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
Public assistance				
Other . . . . .	\$ 942,326	\$ 942,326	\$ 858,661	\$ 83,665
Total public assistance. . . . .	942,326	942,326	858,661	83,665
Total human services . . . . .	1,903,077	1,927,272	1,757,580	169,692
Economic development				
Economic development				
Contractual services. . . . .	200,665	200,665	197,135	3,530
Total economic development . . . . .	200,665	200,665	197,135	3,530
Total economic development . . . . .	200,665	200,665	197,135	3,530
Intergovernmental				
Agriculture				
Intergovernmental . . . . .	281,818	281,818	272,268	9,550
Total agriculture . . . . .	281,818	281,818	272,268	9,550
Conservation and recreation				
Intergovernmental . . . . .	249,237	249,237	244,237	5,000
Total conservation and recreation . . . . .	249,237	249,237	244,237	5,000
Historical society				
Intergovernmental . . . . .	25,000	25,000	25,000	-
Total historical society . . . . .	25,000	25,000	25,000	-
Other				
Intergovernmental . . . . .	522,000	60,571	12,000	48,571
Total intergovernmental . . . . .	522,000	60,571	12,000	48,571
Refund and reimbursement				
Intergovernmental . . . . .	-	-	25,198	(25,198)
Total intergovernmental . . . . .	-	-	25,198	(25,198)
Total Intergovernmental . . . . .	1,078,055	616,626	578,703	37,923
Total expenditures. . . . .	19,882,690	19,907,731	18,192,040	1,715,691
Excess of expenditures over revenues . . . . .	(1,526,510)	(2,212,072)	(433,882)	1,778,190
<b>Other financing (uses):</b>				
Transfers out . . . . .	(679,037)	(1,136,099)	(979,299)	156,800
Total other financing (uses) . . . . .	(679,037)	(1,136,099)	(979,299)	156,800
Net change in fund balance . . . . .	(2,205,547)	(3,348,171)	(1,413,181)	1,934,990
<b>Fund balance at beginning of year . . . . .</b>	5,551,929	5,551,929	5,551,929	-
<b>Prior year encumbrances appropriated. . . . .</b>	44,552	44,552	44,552	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 3,390,934</u>	<u>\$ 2,248,310</u>	<u>\$ 4,183,300</u>	<u>\$ 1,934,990</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COUNTY BOARD OF DEVELOPMENTAL DISABILITIES  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Property taxes. . . . .	\$ 5,148,451	\$ 5,148,451	\$ 5,606,339	\$ 457,888
Intergovernmental. . . . .	2,991,549	2,991,549	3,337,386	345,837
Contributions and donations. . . . .	3,000	3,000	4,530	1,530
Other. . . . .	179,000	179,000	180,989	1,989
Total revenues. . . . .	8,322,000	8,322,000	9,129,244	807,244
<b>Expenditures:</b>				
Current:				
Human services				
Personal services . . . . .	3,433,318	3,450,861	3,276,861	174,000
Materials and supplies . . . . .	56,365	56,522	49,457	7,065
Contractual services . . . . .	2,959,918	2,941,918	2,474,316	467,602
Capital outlay. . . . .	54,500	54,500	35,674	18,826
Other. . . . .	4,348,234	4,351,396	2,018,565	2,332,831
Total expenditures . . . . .	10,852,335	10,855,197	7,854,873	3,000,324
Excess (deficiency) of revenues over (under) expenditures . . . . .	(2,530,335)	(2,533,197)	1,274,371	3,807,568
<b>Other financing uses:</b>				
Transfers out . . . . .	(559,906)	(559,906)	-	559,906
Total other financing use. . . . .	(559,906)	(559,906)	-	559,906
Net change in fund balance . . . . .	(3,090,241)	(3,093,103)	1,274,371	4,367,474
Fund balance at beginning of year . . . . .	9,275,399	9,275,399	9,275,399	-
Prior year encumbrances appropriated. . . . .	9	9	9	-
Fund balance at end of year. . . . .	\$ 6,185,167	\$ 6,182,305	\$ 10,549,779	\$ 4,367,474

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MOTOR VEHICLE AND GASOLINE TAX  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Sales tax. . . . .	\$ 850,000	\$ 850,000	\$ 981,528	\$ 131,528
Charges for services. . . . .	700,000	700,000	595,465	(104,535)
Licenses and permits . . . . .	2,000	2,000	1,640	(360)
Intergovernmental. . . . .	4,230,000	4,230,000	4,292,382	62,382
Investment income. . . . .	35,000	35,000	9,351	(25,649)
Other . . . . .	88,000	88,000	64,163	(23,837)
Total revenues . . . . .	5,905,000	5,905,000	5,944,529	39,529
<b>Expenditures:</b>				
Current:				
Public works				
Engineer				
Personal services . . . . .	444,000	444,000	340,888	103,112
Materials and supplies. . . . .	16,114	16,114	10,286	5,828
Contractual services. . . . .	197,825	244,094	142,488	101,606
Capital outlay . . . . .	10,000	10,000	6,849	3,151
Other . . . . .	157,000	155,006	110,147	44,859
Total engineer . . . . .	824,939	869,214	610,658	258,556
Roads				
Personal services . . . . .	1,219,000	1,219,000	1,133,752	85,248
Materials and supplies. . . . .	1,329,072	1,471,765	1,400,272	71,493
Contractual services. . . . .	556,978	573,951	367,724	206,227
Capital outlay . . . . .	250,411	180,822	179,264	1,558
Other . . . . .	430,000	427,994	392,105	35,889
Total roads . . . . .	3,785,461	3,873,532	3,473,117	400,415
Bridges and culverts				
Materials and supplies . . . . .	41,319	22,517	12,745	9,772
Contractual services . . . . .	200,000	200,000	80,388	119,612
Other . . . . .	1,917,000	1,822,348	1,313,728	508,620
Total bridges and culverts . . . . .	2,158,319	2,044,865	1,406,861	638,004
Total expenditures. . . . .	6,768,719	6,787,611	5,490,636	1,296,975
Excess (deficiency) of revenues over (under) expenditures. . . . .	(863,719)	(882,611)	453,893	1,336,504
<b>Other financing sources:</b>				
Transfers out . . . . .	-	(94,652)	(94,652)	-
Total other financing sources . . . . .	-	(94,652)	(94,652)	-
Net change in fund balance . . . . .	(863,719)	(977,263)	359,241	1,336,504
Fund balance at beginning of year . . . . .	918,180	918,180	918,180	-
Prior year encumbrances appropriated. . . . .	116,719	116,719	116,719	-
Fund balance at end of year. . . . .	\$ 171,180	\$ 57,636	\$ 1,394,140	\$ 1,336,504

## UNION COUNTY, OHIO

### INDIVIDUAL FUND SCHEDULES FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

#### **Nonmajor Special Revenue Funds**

The special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or for major capital projects) that are legally restricted to expenditures for specified purposes. Following is a description of all special revenue funds:

##### ***Real Estate Assessment***

To account for State mandated county-wide real estate reappraisals that are funded by charges to the County's political subdivisions.

##### ***Computerized Legal Research***

To account for filing fees collected by the courts used for legal research computerization.

##### ***Delinquent Real Estate Collection***

To account for five percent of all collections of certified delinquent real estate taxes, personal property taxes and manufactured home taxes for the purpose of collecting delinquent real estate taxes.

##### ***Treasurer Prepaid Interest***

To account for interest earned from real estate tax prepayments to be used for the tax repayment program.

##### ***Federal Chip***

To account for grant revenues and distribution for this home repair program.

##### ***Law Library***

Created under HB 420, the law library fund accounts for fees, fines and other sources for the purposes of operating and maintaining a county law library to provide legal research, references and library services.

##### ***Probate Court Conduct of Business***

To account for the fees assessed on marriage licenses pursuant to Section 2101.19(A) of the Ohio Revised Code. This fund is used by the probate court to pay for costs incurred by the court.

##### ***Indigent Guardianship***

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

##### ***Probate and Juvenile Special Projects***

To account for fees collected by the probate and juvenile courts used for special projects

##### ***Common Pleas Special Projects***

A special projects fund established by the Court of Common Pleas to perpetuate the efficient operation of the court and to account for the requisite court fees charged under provisions established in Ohio Revised Code Section 2303.201.

##### ***Clerk of Courts Computerization***

To account for fees collected by the Clerk of Courts used for computerization of the court system.

##### ***Probate and Juvenile Court Computer***

To account for fees collected by the probate and juvenile courts used for computerization.

##### ***Probate and Juvenile Court Computer Research***

To account for fees collected by the probate and juvenile courts used for legal research computerization.

##### ***Juvenile Court Indigent Offenders***

To account for State monies used for the treatment and rehabilitation of indigent offenders.

##### ***Certificate Title Administration***

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

## UNION COUNTY, OHIO

### INDIVIDUAL FUND SCHEDULES FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

#### **Nonmajor Special Revenue Funds - (Continued)**

##### ***Dispute Resolution***

A fund established by the Court of Common Pleas to perpetuate mediation in the areas of civil litigation, domestic relations and criminal victim and perpetrator issue reconciliation, and to account for the requisite court fees established under provisions of Ohio Revised Code 2302.202.

##### ***Economic Development***

To account for joint revenues between the County and the City of Marysville to maintain a director of economic development.

##### ***Convention and Tourist Bureau***

To account for monies collected and distributed related to the "County Lodging Tax".

##### ***DUI***

To account for fines collected through the courts from offenders operating motor vehicles under the influence of alcohol or drugs. These monies are used for enforcement and education programs.

##### ***Forfeitures***

A fund established to account for revenues derived from the seizure of assets as a result of criminal activities for the purposes of supporting law enforcement activities.

##### ***Sheriff CCW Rotary***

To account for the collection and distribution of fees associated with the issuance of concealed handgun licenses.

##### ***Law Enforcement Grants***

A combination of competitive grants, based on availability and need, that may or may not be received in a given year.

##### ***Sheriff Policing Rotary***

To account for contract fees collected for services which include patrols, dispatching, and the shooting range.

##### ***DARE Community Education***

To account for grants, fundraising and expenditure activity for various education programs including DARE and Safety Town.

##### ***Youth Services Subsidy***

To account for State grant monies received from the Ohio Department of Youth Services and used for placement of children, diversion program-juvenile delinquency prevention, and other related activities.

##### ***9-1-1 Emergency***

To account for the 9-1-1 emergency phone system for the County, funded by a county-wide property tax.

##### ***Local Emergency Planning***

To account for State monies and local revenues used to operate the County emergency program and increase community awareness of emergency plans.

##### ***Juvenile Tobacco***

To account for revenues and expenditures with the juvenile court smoking cessation program.

##### ***Law Enforcement Memorial***

To account for contribution and grant money received for the construction of a Union County Law Enforcement Memorial

##### ***Juvenile Special Projects***

To account for court costs collected and expenditure activity for various court projects as determined necessary by the court.

##### ***VOCA Grant***

Funds established to account for federal Victims of Crime Act (VOCA) grant awards to assist primary and secondary victims of crime to stabilize their lives, and understand and participate in the criminal justice system.

##### ***VAWA Grant***

Fund established to account for Violence Against Women Act (VAWA) grant awards to strengthen the criminal justice system's response to violence against women and enhance services to victims of sexual assault, domestic violence and stalking.

## UNION COUNTY, OHIO

### INDIVIDUAL FUND SCHEDULES FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

#### **Nonmajor Special Revenue Funds - (Continued)**

##### ***VOCA Stimulus***

Funds established to account for federal Victims of Crime Act (VOCA) stimulus monies to assist primary and secondary victims of crime to stabilize their lives, and understand and participate in the criminal justice system.

##### ***Road and Bridge***

To account for revenues derived from court fines. Monies are used for a law enforcement officer's salary, scales, fleet insurance, and traffic control signs.

##### ***Ditch Rotary***

To pay for equipment, materials, and labor related to the general maintenance of water courses within the County.

##### ***Ditch Maintenance***

To account for special assessment revenues which are used to provide irrigation ditches and maintain existing ditches.

##### ***Dog and Kennel***

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

##### ***ADAMH***

To account for a county-wide property tax levy and federal and State grants used to fund the costs of various services related to alcohol and drug dependencies and mental health consultation and support.

##### ***Preschool Grant***

To account for grant expenses associated with preschool for the mentally retarded.

##### ***Community Support Services***

To account for grant revenue of ODMH and HUD funds and all related expenses. This fund also contains activity related to the Wings Enrichment Center and housing rentals for the disabled.

##### ***Public Assistance***

To account for various federal and State grants as well as transfers from the general fund used to provide public assistance to general relief recipients and for certain public social services.

##### ***Coordination Transportation***

To provide transportation services to seniors or disadvantaged citizens.

##### ***Child Support Enforcement Agency***

To account for poundage fees on child support payments and other local, State and federal revenues used to administer the County Child Support Enforcement Agency.

##### ***Children Services***

To account for various monies received from federal, State, and local grants used for children's support programs, including: emergency care, medical costs, counseling, foster care, parental counseling and training and education costs.

##### ***Adult Basic Literacy Education Grant***

To account for State and federal grants and local revenues used to pay for adult basic literacy education.

##### ***Senior Services***

To account for revenues and expenditures related to Union County Senior Services.

##### ***Workplace Investment Act***

To account for revenues and expenditures associated with the Workforce Investment Act of 1998. This was included in the Public Assistance fund prior to 2004.

##### ***Collaborative Family Risk***

To account for revenues and expenditures associated with FFT and MST Programs.

## UNION COUNTY, OHIO

### INDIVIDUAL FUND SCHEDULES FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

#### **Nonmajor Debt Service Funds**

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

##### ***Bond Retirement***

To account for the retirement of debt.

##### ***Sales Tax Debt***

To account for activity related to debt issued specifically for construction of a new sheriff's facility and renovation of the London Avenue property. The County's general fund transfers permissive sales tax to support repayment of this debt.

#### **Nonmajor Capital Project Funds**

The capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). Following is a description of the capital projects funds.

##### ***Capital Improvements***

To account for various capital improvements to County facilities and other assets.

##### ***Federal Grant and Recapture CDBG***

To account for federal grant monies received for payments to individuals/companies for community development block grant reinvestments projects

##### ***Ditch Equipment Building***

To account for special assessments and/or note proceeds used for activities related to the construction of ditches.

##### ***DD Capital***

To account for various capital improvements at the DD school and workshop.

##### ***Sheriff's Facility Construction***

To account for various capital improvements to sheriff facilities and other assets.

##### ***AG Center***

To account for building renovation costs.

##### ***London Ave. Government Building***

To account for funds used to purchase and refurbish an office building.

##### ***Boylan and Phelps Ditch***

To account for funds used for activities related to the construction of ditches.

##### ***Main Street Building***

To account for funds used to purchase and renovate a building for archives and office space.

##### ***Lower Green JT Ditch***

To account for funds used for activities related to the construction of the lower green JT ditch.

##### ***Capital Project Issue II***

To account for funds received for Issue II certified projects.



**UNION COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2009

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>				
Equity in pooled cash and cash investments. . . . .	\$ 5,673,001	\$ 209,378	\$ 1,217,763	\$ 7,100,142
Cash and cash equivalents in segregated accounts. . . . .	252,131	-	269,785	521,916
Receivables (net of allowance for uncollectibles):				
Sales taxes . . . . .	147,288	-	-	147,288
Real estate and other taxes . . . . .	1,554,675	-	-	1,554,675
Accounts. . . . .	35,899	-	-	35,899
Accrued interest . . . . .	1,204	-	-	1,204
Due from other governments . . . . .	1,938,285	-	203,759	2,142,044
Special assessments . . . . .	91,580	-	-	91,580
Prepayments. . . . .	25,052	-	-	25,052
Materials and supplies inventory . . . . .	9,503	-	-	9,503
Due from other funds. . . . .	2,000	-	-	2,000
Total assets . . . . .	<u>\$ 9,730,618</u>	<u>\$ 209,378</u>	<u>\$ 1,691,307</u>	<u>\$ 11,631,303</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 596,733	\$ -	\$ -	\$ 596,733
Accrued wages and benefits . . . . .	213,315	-	-	213,315
Due to other funds. . . . .	52,000	-	-	52,000
Due to other governments . . . . .	133,569	-	-	133,569
Deferred revenue . . . . .	1,323,680	-	-	1,323,680
Unearned revenue . . . . .	1,479,973	-	203,759	1,683,732
Total liabilities . . . . .	<u>3,799,270</u>	<u>-</u>	<u>203,759</u>	<u>4,003,029</u>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	3,996	-	3,900	7,896
Reserved for prepayments . . . . .	25,052	-	-	25,052
Reserved for materials and supplies inventory. . . . .	9,503	-	-	9,503
Reserved for debt service . . . . .	-	209,378	-	209,378
Undesignated, reported in:				
Special revenue funds. . . . .	5,892,797	-	-	5,892,797
Capital projects funds. . . . .	-	-	1,483,648	1,483,648
Total fund balances. . . . .	<u>5,931,348</u>	<u>209,378</u>	<u>1,487,548</u>	<u>7,628,274</u>
Total liabilities and fund balances . . . . .	<u>\$ 9,730,618</u>	<u>\$ 209,378</u>	<u>\$ 1,691,307</u>	<u>\$ 11,631,303</u>

**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>				
Property taxes . . . . .	\$ 1,353,855	\$ -	\$ -	\$ 1,353,855
Sales taxes . . . . .	969,416	-	-	969,416
Charges for services . . . . .	2,253,637	-	-	2,253,637
Licenses and permits . . . . .	126,537	-	-	126,537
Fines and forfeitures . . . . .	53,357	-	-	53,357
Intergovernmental . . . . .	10,859,018	-	1,662,694	12,521,712
Special assessments . . . . .	96,296	-	22,082	118,378
Investment income . . . . .	5,095	-	1,137	6,232
Rental income . . . . .	135,475	-	-	135,475
Contributions and donations . . . . .	2,446	-	-	2,446
Other. . . . .	426,018	82,719	-	508,737
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues . . . . .	16,281,150	82,719	1,685,913	18,049,782
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	3,622,522	-	-	3,622,522
Judicial . . . . .	322,476	-	-	322,476
Public safety. . . . .	1,426,937	-	-	1,426,937
Public works. . . . .	176,779	-	169,036	345,815
Health . . . . .	3,440,383	-	-	3,440,383
Human services . . . . .	6,463,303	-	-	6,463,303
Economic development . . . . .	189,599	-	-	189,599
Capital outlay. . . . .	38,868	-	1,667,160	1,706,028
Debt service:				
Principal retirement . . . . .	20,375	3,610,000	-	3,630,375
Interest and fiscal charges . . . . .	2,225	419,407	19	421,651
Bond issuance costs . . . . .	-	176,378	-	176,378
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Total expenditures . . . . .	15,703,467	4,205,785	1,836,215	21,745,467
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures . . . . .	577,683	(4,123,066)	(150,302)	(3,695,685)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Other financing sources (uses):</b>				
Sale of refunding bonds . . . . .	-	6,470,000	-	6,470,000
Premium on refunding bonds . . . . .	-	90,222	-	90,222
Payment to refunding bond escrow agent . . . . .	-	(3,317,285)	(227,815)	(3,545,100)
Transfers in . . . . .	-	893,392	169,808	1,063,200
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Total other financing sources (uses). . . . .	-	4,136,329	(58,007)	4,078,322
	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balances . . . . .	577,683	13,263	(208,309)	382,637
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<b>Fund balances at beginning of year . . . . .</b>	5,347,951	196,115	1,695,857	7,239,923
<b>Increase in reserve for inventory . . . . .</b>	5,714	-	-	5,714
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<b>Fund balances at end of year . . . . .</b>	<u>\$ 5,931,348</u>	<u>\$ 209,378</u>	<u>\$ 1,487,548</u>	<u>\$ 7,628,274</u>

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**UNION COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2009

	<b>Real Estate Assessment</b>	<b>Computerized Legal Research</b>	<b>Delinquent Real Estate Collection</b>	<b>Treasurer Prepaid Interest</b>
<b>Assets:</b>				
Equity in pooled cash and cash investments . . . .	\$ 506,716	\$ 32,761	\$ 210,095	\$ 63,717
Cash and cash equivalents in segregated accounts.	-	-	-	-
Receivables (net of allowance for uncollectible):				
Sales taxes. . . . .	-	-	-	-
Real estate and other taxes . . . . .	-	-	-	-
Accounts . . . . .	-	202	-	-
Accrued interest . . . . .	-	-	-	1,166
Due from other governments . . . . .	-	-	-	-
Special assessments . . . . .	-	-	-	-
Prepayments. . . . .	1,028	-	-	-
Materials and supplies inventory . . . . .	-	-	-	-
Due from other funds. . . . .	-	-	-	-
Total assets. . . . .	<u>\$ 507,744</u>	<u>\$ 32,963</u>	<u>\$ 210,095</u>	<u>\$ 64,883</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 51	\$ -	\$ -	\$ -
Accrued wages and benefits . . . . .	13,037	-	6,615	630
Due to other funds . . . . .	-	-	-	-
Due to other governments. . . . .	7,986	-	2,166	391
Deferred revenue. . . . .	-	-	-	-
Unearned revenue . . . . .	-	-	-	-
Total liabilities. . . . .	<u>21,074</u>	<u>-</u>	<u>8,781</u>	<u>1,021</u>
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	-	-	-	-
Reserved for prepayments. . . . .	1,028	-	-	-
Reserved for materials and supplies inventory . . .	-	-	-	-
Unreserved:				
Undesignated (deficit), reported in:				
Special revenue funds . . . . .	485,642	32,963	201,314	63,862
Total fund balances (deficit). . . . .	<u>486,670</u>	<u>32,963</u>	<u>201,314</u>	<u>63,862</u>
Total liabilities and fund balances . . . . .	<u>\$ 507,744</u>	<u>\$ 32,963</u>	<u>\$ 210,095</u>	<u>\$ 64,883</u>

<b>Federal Chip</b>	<b>Law Library</b>	<b>Probate Court Conduct of Business</b>	<b>Indigent Guardianship</b>	<b>Probate and Juvenile Special Projects</b>	<b>Common Pleas Special Projects</b>
\$ 62,786	\$ -	\$ 2,814	\$ 3,431	\$ 11,819	\$ 91,931
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	26	405	240	8,012
38	-	-	-	-	-
46,030	-	-	-	-	7,750
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 108,854</u>	<u>\$ -</u>	<u>\$ 2,840</u>	<u>\$ 3,836</u>	<u>\$ 12,059</u>	<u>\$ 107,693</u>
\$ 4,875	\$ -	\$ -	\$ -	\$ -	\$ 42
-	2,358	-	-	-	-
-	-	-	-	-	-
-	789	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>4,875</u>	<u>3,147</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42</u>
-	-	-	-	-	560
-	-	-	-	-	-
-	-	-	-	-	-
<u>103,979</u>	<u>(3,147)</u>	<u>2,840</u>	<u>3,836</u>	<u>12,059</u>	<u>107,091</u>
<u>103,979</u>	<u>(3,147)</u>	<u>2,840</u>	<u>3,836</u>	<u>12,059</u>	<u>107,651</u>
<u>\$ 108,854</u>	<u>\$ -</u>	<u>\$ 2,840</u>	<u>\$ 3,836</u>	<u>\$ 12,059</u>	<u>\$ 107,693</u>

- - Continued

**UNION COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2009

	<b>Clerk of Courts Computerization</b>	<b>Probate and Juvenile Court Computer</b>	<b>Probate and Juvenile Court Computer Research</b>	<b>Juvenile Court Indigent Offenders</b>
<b>Assets:</b>				
Equity in pooled cash and cash investments . . . .	\$ 15,307	\$ 22,677	\$ 3,863	\$ 1,333
Cash and cash equivalents in segregated accounts.	-	-	-	-
Receivables (net of allowance for uncollectible):				
Sales taxes. . . . .	-	-	-	-
Real estate and other taxes . . . . .	-	-	-	-
Accounts . . . . .	1,250	787	156	26
Accrued interest . . . . .	-	-	-	-
Due from other governments . . . . .	-	-	-	-
Special assessments . . . . .	-	-	-	-
Prepayments. . . . .	-	-	-	-
Materials and supplies inventory . . . . .	-	-	-	-
Due from other funds. . . . .	-	-	-	-
Total assets. . . . .	<u>\$ 16,557</u>	<u>\$ 23,464</u>	<u>\$ 4,019</u>	<u>\$ 1,359</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 1,018	\$ -	\$ -	\$ -
Accrued wages and benefits . . . . .	-	-	-	-
Due to other funds . . . . .	-	-	-	-
Due to other governments. . . . .	-	-	-	-
Deferred revenue. . . . .	-	-	-	-
Unearned revenue . . . . .	-	-	-	-
Total liabilities. . . . .	<u>1,018</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	-	-	-	-
Reserved for prepayments. . . . .	-	-	-	-
Reserved for materials and supplies inventory . . .	-	-	-	-
Unreserved:				
Undesignated (deficit), reported in:				
Special revenue funds . . . . .	15,539	23,464	4,019	1,359
Total fund balances (deficit). . . . .	<u>15,539</u>	<u>23,464</u>	<u>4,019</u>	<u>1,359</u>
Total liabilities and fund balances . . . . .	<u>\$ 16,557</u>	<u>\$ 23,464</u>	<u>\$ 4,019</u>	<u>\$ 1,359</u>

<b>Certificate Title Administration</b>	<b>Dispute Resolution</b>	<b>Economic Development</b>	<b>Convention and Tourist Bureau</b>	<b>DUI</b>	<b>Forfeitures</b>
\$ 117,766	\$ 74,439	\$ 52,544	\$ 201,686	\$ 6,826	\$ 5,799
-	-	-	-	252,131	-
-	-	-	-	-	-
-	-	-	-	-	-
17,350	3,370	-	-	300	-
-	-	-	-	-	-
-	-	-	20,636	-	-
-	-	-	-	-	-
16	274	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 135,132</u>	<u>\$ 78,083</u>	<u>\$ 52,544</u>	<u>\$ 222,322</u>	<u>\$ 259,257</u>	<u>\$ 5,799</u>
\$ 351	\$ -	\$ -	\$ -	\$ -	\$ -
4,708	4,415	4,256	-	-	-
-	-	-	-	-	-
2,842	2,622	2,589	-	88	-
-	-	-	-	300	-
-	-	-	-	-	-
<u>7,901</u>	<u>7,037</u>	<u>6,845</u>	<u>-</u>	<u>388</u>	<u>-</u>
-	2,957	-	-	-	-
16	274	-	-	-	-
-	-	-	-	-	-
<u>127,215</u>	<u>67,815</u>	<u>45,699</u>	<u>222,322</u>	<u>258,869</u>	<u>5,799</u>
<u>127,231</u>	<u>71,046</u>	<u>45,699</u>	<u>222,322</u>	<u>258,869</u>	<u>5,799</u>
<u>\$ 135,132</u>	<u>\$ 78,083</u>	<u>\$ 52,544</u>	<u>\$ 222,322</u>	<u>\$ 259,257</u>	<u>\$ 5,799</u>

- - Continued

**UNION COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2009

	<b>Sheriff CCW Rotary</b>	<b>Law Enforcement Grants</b>	<b>Sheriff Policing Rotary</b>	<b>DARE Community Education</b>
<b>Assets:</b>				
Equity in pooled cash and cash investments . . . .	\$ 30,875	\$ 39,098	\$ 90,223	\$ 41,053
Cash and cash equivalents in segregated accounts.	-	-	-	-
Receivables (net of allowance for uncollectible):				
Sales taxes. . . . .	-	-	-	-
Real estate and other taxes . . . . .	-	-	-	-
Accounts . . . . .	134	-	2,342	-
Accrued interest . . . . .	-	-	-	-
Due from other governments . . . . .	-	-	942	25,254
Special assessments . . . . .	-	-	-	-
Prepayments. . . . .	-	-	-	21
Materials and supplies inventory . . . . .	-	-	-	-
Due from other funds. . . . .	-	-	-	-
Total assets. . . . .	<u>\$ 31,009</u>	<u>\$ 39,098</u>	<u>\$ 93,507</u>	<u>\$ 66,328</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 896	\$ -	\$ 2,482	\$ -
Accrued wages and benefits . . . . .	-	-	-	-
Due to other funds . . . . .	-	-	-	-
Due to other governments. . . . .	-	40	70	-
Deferred revenue. . . . .	-	-	2,843	25,254
Unearned revenue . . . . .	-	-	-	-
Total liabilities. . . . .	<u>896</u>	<u>40</u>	<u>5,395</u>	<u>25,254</u>
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	-	157	-	-
Reserved for prepayments. . . . .	-	-	-	21
Reserved for materials and supplies inventory . . .	-	-	-	-
Unreserved:				
Undesignated (deficit), reported in:				
Special revenue funds . . . . .	30,113	38,901	88,112	41,053
Total fund balances (deficit). . . . .	<u>30,113</u>	<u>39,058</u>	<u>88,112</u>	<u>41,074</u>
Total liabilities and fund balances . . . . .	<u>\$ 31,009</u>	<u>\$ 39,098</u>	<u>\$ 93,507</u>	<u>\$ 66,328</u>



<b>Youth Services Subsidy</b>	<b>9-1-1 Emergency</b>	<b>Local Emergency Planning</b>	<b>Juvenile Tobacco</b>	<b>Law Enforcement Memorial</b>	<b>Juvenile Special Projects</b>
\$ 53,787	\$ 1,376,696	\$ 58,398	\$ 455	\$ 297	\$ 27,460
-	-	-	-	-	-
-	-	-	-	-	-
-	881,007	-	-	-	-
-	-	-	-	-	749
-	-	-	-	-	-
50,202	57,621	15,800	-	-	7,629
-	-	-	-	-	-
-	10,652	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 103,989</u>	<u>\$ 2,325,976</u>	<u>\$ 74,198</u>	<u>\$ 455</u>	<u>\$ 297</u>	<u>\$ 35,838</u>
\$ 11,408	\$ 105	\$ -	\$ -	\$ -	\$ -
5,321	21,307	261	-	-	1,841
-	-	-	-	-	-
3,309	13,813	166	-	-	1,178
50,202	89,415	15,800	-	-	2,654
-	837,827	-	-	-	-
<u>70,240</u>	<u>962,467</u>	<u>16,227</u>	<u>-</u>	<u>-</u>	<u>5,673</u>
-	-	-	-	-	-
-	10,652	-	-	-	-
-	-	-	-	-	-
<u>33,749</u>	<u>1,352,857</u>	<u>57,971</u>	<u>455</u>	<u>297</u>	<u>30,165</u>
<u>33,749</u>	<u>1,363,509</u>	<u>57,971</u>	<u>455</u>	<u>297</u>	<u>30,165</u>
<u>\$ 103,989</u>	<u>\$ 2,325,976</u>	<u>\$ 74,198</u>	<u>\$ 455</u>	<u>\$ 297</u>	<u>\$ 35,838</u>

- - Continued

**UNION COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2009

	<b>VOCA Grant</b>	<b>VAWA Grant</b>	<b>VOCA Stimulus</b>	<b>Road and Bridge</b>
<b>Assets:</b>				
Equity in pooled cash and cash investments . . . .	\$ 19,585	\$ 4,645	\$ 521	\$ 56,233
Cash and cash equivalents in segregated accounts.	-	-	-	-
Receivables (net of allowance for uncollectible):				
Sales taxes. . . . .	-	-	-	-
Real estate and other taxes . . . . .	-	-	-	-
Accounts . . . . .	-	-	-	-
Accrued interest . . . . .	-	-	-	-
Due from other governments . . . . .	21,793	-	19,977	1,919
Special assessments . . . . .	-	-	-	-
Prepayments. . . . .	44	-	-	-
Materials and supplies inventory . . . . .	1,220	-	-	-
Due from other funds. . . . .	2,000	-	-	-
Total assets. . . . .	<u>\$ 44,642</u>	<u>\$ 4,645</u>	<u>\$ 20,498</u>	<u>\$ 58,152</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 1,041	\$ 311	\$ -	\$ -
Accrued wages and benefits . . . . .	2,537	1,856	3,304	1,995
Due to other funds . . . . .	-	2,000	-	-
Due to other governments. . . . .	2,144	979	1,572	1,189
Deferred revenue. . . . .	19,199	-	19,977	-
Unearned revenue . . . . .	-	-	-	-
Total liabilities. . . . .	<u>24,921</u>	<u>5,146</u>	<u>24,853</u>	<u>3,184</u>
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	261	61	-	-
Reserved for prepayments. . . . .	44	-	-	-
Reserved for materials and supplies inventory . . .	1,220	-	-	-
Unreserved:				
Undesignated (deficit), reported in:				
Special revenue funds . . . . .	18,196	(562)	(4,355)	54,968
Total fund balances (deficit). . . . .	<u>19,721</u>	<u>(501)</u>	<u>(4,355)</u>	<u>54,968</u>
Total liabilities and fund balances . . . . .	<u>\$ 44,642</u>	<u>\$ 4,645</u>	<u>\$ 20,498</u>	<u>\$ 58,152</u>

<u>Ditch Rotary</u>	<u>Ditch Maintenance</u>	<u>Dog and Kennel</u>	<u>ADAMH</u>	<u>Preschool Grant</u>	<u>Community Support Services</u>
\$ 33,139	\$ 274,044	\$ 91,282	\$ 415,607	\$ 21,810	\$ 54,694
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	673,668	-	-
-	-	232	-	-	-
-	-	-	-	-	-
-	-	-	614,730	-	128,619
-	91,580	-	-	-	-
-	-	211	6,332	-	469
-	-	-	1,827	-	-
-	-	-	-	-	-
<u>\$ 33,139</u>	<u>\$ 365,624</u>	<u>\$ 91,725</u>	<u>\$ 1,712,164</u>	<u>\$ 21,810</u>	<u>\$ 183,782</u>
\$ 233	\$ 19,478	\$ 752	\$ 220,008	\$ -	\$ 4,128
-	-	2,286	12,533	-	-
-	-	-	-	-	-
-	-	1,453	8,021	-	-
-	91,580	-	395,741	-	40,000
-	-	-	642,146	-	-
<u>233</u>	<u>111,058</u>	<u>4,491</u>	<u>1,278,449</u>	<u>-</u>	<u>44,128</u>
-	-	-	-	-	-
-	-	211	6,332	-	469
-	-	-	1,827	-	-
<u>32,906</u>	<u>254,566</u>	<u>87,023</u>	<u>425,556</u>	<u>21,810</u>	<u>139,185</u>
<u>32,906</u>	<u>254,566</u>	<u>87,234</u>	<u>433,715</u>	<u>21,810</u>	<u>139,654</u>
<u>\$ 33,139</u>	<u>\$ 365,624</u>	<u>\$ 91,725</u>	<u>\$ 1,712,164</u>	<u>\$ 21,810</u>	<u>\$ 183,782</u>

- - Continued

**UNION COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONCLUDED)  
DECEMBER 31, 2009

	<b>Public Assistance</b>	<b>Coordination Transportation</b>	<b>Child Support Enforcement Agency</b>
<b>Assets:</b>			
Equity in pooled cash and cash investments . . . .	\$ 217,146	\$ 174,637	\$ 131,758
Cash and cash equivalents in segregated accounts.	-	-	-
Receivables (net of allowance for uncollectible):			
Sales taxes. . . . .	-	-	-
Real estate and other taxes . . . . .	-	-	-
Accounts . . . . .	-	-	318
Accrued interest . . . . .	-	-	-
Due from other governments . . . . .	579,026	42,568	38,265
Special assessments . . . . .	-	-	-
Prepayments. . . . .	2,749	813	-
Materials and supplies inventory . . . . .	3,291	36	-
Due from other funds. . . . .	-	-	-
Total assets. . . . .	<u>\$ 802,212</u>	<u>\$ 218,054</u>	<u>\$ 170,341</u>
<b>Liabilities:</b>			
Accounts payable . . . . .	\$ 89,815	\$ 5,226	\$ 6,138
Accrued wages and benefits . . . . .	76,838	22,151	14,763
Due to other funds . . . . .	-	50,000	-
Due to other governments. . . . .	50,329	14,061	9,558
Deferred revenue. . . . .	379,405	42,568	20,005
Unearned revenue . . . . .	-	-	-
Total liabilities. . . . .	<u>596,387</u>	<u>134,006</u>	<u>50,464</u>
<b>Fund Balances:</b>			
Reserved for encumbrances. . . . .	-	-	-
Reserved for prepayments. . . . .	2,749	813	-
Reserved for materials and supplies inventory . . .	3,291	36	-
Unreserved:			
Undesignated (deficit), reported in:			
Special revenue funds . . . . .	<u>199,785</u>	<u>83,199</u>	<u>119,877</u>
Total fund balances (deficit). . . . .	<u>205,825</u>	<u>84,048</u>	<u>119,877</u>
Total liabilities and fund balances . . . . .	<u>\$ 802,212</u>	<u>\$ 218,054</u>	<u>\$ 170,341</u>

<b>Children Services</b>	<b>Adult Basic Literacy Education Grant</b>	<b>Senior Services</b>	<b>Workplace Investment Act</b>	<b>Collaborative Family Risk</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ 198,681	\$ 21,988	\$ 680,877	\$ 10,740	\$ 58,962	\$ 5,673,001
-	-	-	-	-	252,131
-	-	147,288	-	-	147,288
-	-	-	-	-	1,554,675
-	-	-	-	-	35,899
-	-	-	-	-	1,204
73,737	-	55,841	129,946	-	1,938,285
-	-	-	-	-	91,580
150	-	-	2,293	-	25,052
-	-	3,129	-	-	9,503
-	-	-	-	-	2,000
<u>\$ 272,568</u>	<u>\$ 21,988</u>	<u>\$ 887,135</u>	<u>\$ 142,979</u>	<u>\$ 58,962</u>	<u>\$ 9,730,618</u>
\$ 144,144	\$ -	\$ 57,975	\$ 9,636	\$ 16,620	\$ 596,733
-	-	9,514	789	-	213,315
-	-	-	-	-	52,000
-	-	5,242	972	-	133,569
-	-	128,737	-	-	1,323,680
-	-	-	-	-	1,479,973
<u>144,144</u>	<u>-</u>	<u>201,468</u>	<u>11,397</u>	<u>16,620</u>	<u>3,799,270</u>
-	-	-	-	-	3,996
150	-	-	2,293	-	25,052
-	-	3,129	-	-	9,503
<u>128,274</u>	<u>21,988</u>	<u>682,538</u>	<u>129,289</u>	<u>42,342</u>	<u>5,892,797</u>
<u>128,424</u>	<u>21,988</u>	<u>685,667</u>	<u>131,582</u>	<u>42,342</u>	<u>5,931,348</u>
<u>\$ 272,568</u>	<u>\$ 21,988</u>	<u>\$ 887,135</u>	<u>\$ 142,979</u>	<u>\$ 58,962</u>	<u>\$ 9,730,618</u>

**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Real Estate Assessment</b>	<b>Computerized Legal Research</b>	<b>Delinquent Real Estate Collection</b>	<b>Treasurer Prepaid Interest</b>
<b>Revenues:</b>				
Property taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Sales taxes . . . . .	-	-	-	-
Charges for services . . . . .	841,143	2,720	108,028	-
Licenses and permits . . . . .	100	-	-	-
Fines and forfeitures . . . . .	700	-	-	-
Intergovernmental . . . . .	-	-	-	-
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	4,854
Rental income . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	-
Other . . . . .	7,850	-	-	-
Total revenues . . . . .	<u>849,793</u>	<u>2,720</u>	<u>108,028</u>	<u>4,854</u>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	1,444,670	-	154,309	14,481
Judicial . . . . .	-	-	-	-
Public safety. . . . .	-	-	-	-
Public works. . . . .	-	-	-	-
Health. . . . .	-	-	-	-
Human services . . . . .	-	-	-	-
Economic development . . . . .	-	-	-	-
Capital outlay . . . . .	-	-	-	-
Debt service:				
Principal retirement . . . . .	-	-	-	-
Interest and fiscal charges . . . . .	-	-	-	-
Total expenditures . . . . .	<u>1,444,670</u>	<u>-</u>	<u>154,309</u>	<u>14,481</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(594,877)</u>	<u>2,720</u>	<u>(46,281)</u>	<u>(9,627)</u>
<b>Fund balance (deficit)</b>				
at beginning of year . . . . .	1,081,547	30,243	247,595	73,489
Increase (decrease) in reserve for inventory . .	-	-	-	-
<b>Fund balance (deficit)</b>				
at end of year . . . . .	<u>\$ 486,670</u>	<u>\$ 32,963</u>	<u>\$ 201,314</u>	<u>\$ 63,862</u>

<b>Federal Chip</b>	<b>Law Library</b>	<b>Probate Court Conduct of Business</b>	<b>Indigent Guardianship</b>	<b>Probate and Juvenile Special Projects</b>	<b>Common Pleas Special Projects</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	292	4,500	2,460	116,161
-	-	-	-	-	-
-	-	-	-	-	-
162,443	-	-	-	-	-
-	-	-	-	-	-
241	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>162,684</u>	<u>-</u>	<u>292</u>	<u>4,500</u>	<u>2,460</u>	<u>116,161</u>
108,192	-	-	-	-	-
-	3,147	-	2,530	1,231	96,174
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>108,192</u>	<u>3,147</u>	<u>-</u>	<u>2,530</u>	<u>1,231</u>	<u>96,174</u>
54,492	(3,147)	292	1,970	1,229	19,987
49,487	-	2,548	1,866	10,830	87,664
-	-	-	-	-	-
<u>\$ 103,979</u>	<u>\$ (3,147)</u>	<u>\$ 2,840</u>	<u>\$ 3,836</u>	<u>\$ 12,059</u>	<u>\$ 107,651</u>

- - Continued

**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Clerk of Courts Computerization</u>	<u>Probate and Juvenile Court Computer</u>	<u>Probate and Juvenile Court Computer Research</u>	<u>Juvenile Court Indigent Offenders</u>
<b>Revenues:</b>				
Property taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Sales taxes . . . . .	-	-	-	-
Charges for services . . . . .	16,253	9,859	2,075	221
Licenses and permits . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	-	-	-	-
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Rental income . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	-
Other . . . . .	-	-	-	-
Total revenues . . . . .	<u>16,253</u>	<u>9,859</u>	<u>2,075</u>	<u>221</u>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	-	-	-	-
Judicial . . . . .	1,018	5,604	7,615	-
Public safety. . . . .	-	-	-	-
Public works. . . . .	-	-	-	-
Health . . . . .	-	-	-	-
Human services . . . . .	-	-	-	-
Economic development . . . . .	-	-	-	-
Capital outlay. . . . .	38,868	-	-	-
Debt service:				
Principal retirement . . . . .	-	-	-	-
Interest and fiscal charges . . . . .	-	-	-	-
Total expenditures . . . . .	<u>39,886</u>	<u>5,604</u>	<u>7,615</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(23,633)</u>	<u>4,255</u>	<u>(5,540)</u>	<u>221</u>
<b>Fund balance (deficit)</b>				
<b>at beginning of year . . . . .</b>	39,172	19,209	9,559	1,138
<b>Increase (decrease) in reserve for inventory .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance (deficit)</b>				
<b>at end of year. . . . .</b>	<u>\$ 15,539</u>	<u>\$ 23,464</u>	<u>\$ 4,019</u>	<u>\$ 1,359</u>



<b>Certificate Title Administration</b>	<b>Dispute Resolution</b>	<b>Economic Development</b>	<b>Convention and Tourist Bureau</b>	<b>DUI</b>	<b>Forfeitures</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
187,722	47,730	22,534	-	670	-
-	-	-	-	-	-
-	-	-	-	357	-
-	-	-	129,515	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	111,057	-
187,722	47,730	22,534	129,515	112,084	-
-	-	-	-	-	-
122,468	82,689	-	-	-	-
-	-	-	-	5,913	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	99,599	90,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
122,468	82,689	99,599	90,000	5,913	-
65,254	(34,959)	(77,065)	39,515	106,171	-
61,977	106,005	122,764	182,807	152,698	5,799
-	-	-	-	-	-
<u>\$ 127,231</u>	<u>\$ 71,046</u>	<u>\$ 45,699</u>	<u>\$ 222,322</u>	<u>\$ 258,869</u>	<u>\$ 5,799</u>

- - Continued

**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Sheriff CCW Rotary</b>	<b>Law Enforcement Grants</b>	<b>Sheriff Policing Rotary</b>	<b>DARE Community Education</b>
<b>Revenues:</b>				
Property taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Sales taxes . . . . .	-	-	-	-
Charges for services . . . . .	8,740	-	62,247	-
Licenses and permits . . . . .	14,145	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	-	23,561	40,842	1,227
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Rental income . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	-
Other . . . . .	-	-	4,105	29,494
Total revenues . . . . .	<u>22,885</u>	<u>23,561</u>	<u>107,194</u>	<u>30,721</u>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	-	-	-	-
Judicial . . . . .	-	-	-	-
Public safety. . . . .	9,871	38,009	116,561	39,434
Public works. . . . .	-	-	-	-
Health . . . . .	-	-	-	-
Human services . . . . .	-	-	-	-
Economic development . . . . .	-	-	-	-
Capital outlay. . . . .	-	-	-	-
Debt service:				
Principal retirement . . . . .	-	-	-	-
Interest and fiscal charges . . . . .	-	-	-	-
Total expenditures . . . . .	<u>9,871</u>	<u>38,009</u>	<u>116,561</u>	<u>39,434</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>13,014</u>	<u>(14,448)</u>	<u>(9,367)</u>	<u>(8,713)</u>
<b>Fund balance (deficit)</b>				
at beginning of year . . . . .	17,099	53,506	97,479	49,787
Increase (decrease) in reserve for inventory . . . . .	-	-	-	-
<b>Fund balance (deficit)</b>				
at end of year. . . . .	<u>\$ 30,113</u>	<u>\$ 39,058</u>	<u>\$ 88,112</u>	<u>\$ 41,074</u>

<b>Youth Services Subsidy</b>	<b>9-1-1 Emergency</b>	<b>Local Emergency Planning</b>	<b>Juvenile Tobacco</b>	<b>Law Enforcement Memorial</b>	<b>Juvenile Special Projects</b>
\$ -	\$ 784,382	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	11,044
-	-	-	-	-	-
-	-	-	-	-	-
177,617	347,588	27,597	-	-	37,367
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	50	-
-	7,596	-	-	-	-
177,617	1,139,566	27,597	-	50	48,411
-	-	-	-	-	-
-	-	-	-	-	-
197,649	737,710	34,461	-	223	48,386
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
197,649	737,710	34,461	-	223	48,386
(20,032)	401,856	(6,864)	-	(173)	25
53,781	961,653	64,835	455	470	30,140
-	-	-	-	-	-
\$ 33,749	\$ 1,363,509	\$ 57,971	\$ 455	\$ 297	\$ 30,165

- - Continued

**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>VOCA Grant</b>	<b>VAWA Grant</b>	<b>VOCA Stimulus</b>	<b>Road and Bridge</b>
<b>Revenues:</b>				
Property taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Sales taxes . . . . .	-	-	-	-
Charges for services . . . . .	-	38,895	-	-
Licenses and permits . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	43,176
Intergovernmental . . . . .	98,544	-	42,344	-
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Rental income . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	-
Other . . . . .	182	-	-	-
Total revenues . . . . .	<u>98,726</u>	<u>38,895</u>	<u>42,344</u>	<u>43,176</u>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	-	-	-	-
Judicial . . . . .	-	-	-	-
Public safety. . . . .	109,499	42,522	46,699	-
Public works. . . . .	-	-	-	55,159
Health . . . . .	-	-	-	-
Human services . . . . .	-	-	-	-
Economic development . . . . .	-	-	-	-
Capital outlay. . . . .	-	-	-	-
Debt service:				
Principal retirement . . . . .	-	-	-	-
Interest and fiscal charges . . . . .	-	-	-	-
Total expenditures . . . . .	<u>109,499</u>	<u>42,522</u>	<u>46,699</u>	<u>55,159</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(10,773)</u>	<u>(3,627)</u>	<u>(4,355)</u>	<u>(11,983)</u>
<b>Fund balance (deficit)</b>				
<b>at beginning of year . . . . .</b>	30,195	3,126	-	66,951
<b>Increase (decrease) in reserve for inventory .</b>	<u>299</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance (deficit)</b>				
<b>at end of year. . . . .</b>	<u>\$ 19,721</u>	<u>\$ (501)</u>	<u>\$ (4,355)</u>	<u>\$ 54,968</u>

<b>Ditch Rotary</b>	<b>Ditch Maintenance</b>	<b>Dog and Kennel</b>	<b>ADAMH</b>	<b>Preschool Grant</b>	<b>Community Support Services</b>
\$ -	\$ -	\$ -	\$ 569,473	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	112,292	-	-	-
-	-	8,806	-	-	-
-	-	-	1,995,303	20,059	321,561
-	96,296	-	-	-	-
-	-	-	-	-	-
-	-	-	60,927	-	74,548
-	-	2,396	-	-	-
12,985	-	-	76,906	-	-
12,985	96,296	123,494	2,702,609	20,059	396,109
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
24,575	97,045	-	-	-	-
-	-	160,739	2,887,078	18,805	373,761
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	20,375	-	-
-	-	-	2,225	-	-
24,575	97,045	160,739	2,909,678	18,805	373,761
(11,590)	(749)	(37,245)	(207,069)	1,254	22,348
44,496	255,315	124,479	641,604	20,556	117,306
-	-	-	(820)	-	-
\$ 32,906	\$ 254,566	\$ 87,234	\$ 433,715	\$ 21,810	\$ 139,654

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**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONCLUDED)  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Public Assistance</b>	<b>Coordination Transportation</b>	<b>Child Support Enforcement Agency</b>	<b>Children Services</b>
<b>Revenues:</b>				
Property taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Sales taxes . . . . .	-	-	-	-
Charges for services . . . . .	-	635,116	135,227	-
Licenses and permits . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	318	-
Intergovernmental . . . . .	4,374,928	115,394	664,923	1,311,827
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Rental income . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	-
Other . . . . .	119,098	73	14,789	32,571
Total revenues . . . . .	<u>4,494,026</u>	<u>750,583</u>	<u>815,257</u>	<u>1,344,398</u>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	1,900,870	-	-	-
Judicial . . . . .	-	-	-	-
Public safety. . . . .	-	-	-	-
Public works. . . . .	-	-	-	-
Health . . . . .	-	-	-	-
Human services . . . . .	2,282,871	687,215	803,523	1,239,772
Economic development . . . . .	-	-	-	-
Capital outlay. . . . .	-	-	-	-
Debt service:				
Principal retirement . . . . .	-	-	-	-
Interest and fiscal charges . . . . .	-	-	-	-
Total expenditures . . . . .	<u>4,183,741</u>	<u>687,215</u>	<u>803,523</u>	<u>1,239,772</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>310,285</u>	<u>63,368</u>	<u>11,734</u>	<u>104,626</u>
<b>Fund balance (deficit)</b>				
at beginning of year . . . . .	(107,751)	20,699	108,143	23,798
Increase (decrease) in reserve for inventory . . . . .	<u>3,291</u>	<u>(19)</u>	<u>-</u>	<u>-</u>
<b>Fund balance (deficit)</b>				
at end of year. . . . .	<u>\$ 205,825</u>	<u>\$ 84,048</u>	<u>\$ 119,877</u>	<u>\$ 128,424</u>

<b>Adult Basic Literacy Education Grant</b>	<b>Senior Services</b>	<b>Workplace Investment Act</b>	<b>Collaborative Family Risk</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ -	\$ -	\$ -	\$ -	1,353,855
-	969,416	-	-	969,416
-	-	-	-	2,253,637
-	-	-	-	126,537
-	-	-	-	53,357
23,882	271,138	450,718	220,640	10,859,018
-	-	-	-	96,296
-	-	-	-	5,095
-	-	-	-	135,475
-	-	-	-	2,446
-	9,312	-	-	426,018
<u>23,882</u>	<u>1,249,866</u>	<u>450,718</u>	<u>220,640</u>	<u>16,281,150</u>
-	-	-	-	3,622,522
-	-	-	-	322,476
-	-	-	-	1,426,937
-	-	-	-	176,779
-	-	-	-	3,440,383
33,659	858,554	357,091	200,618	6,463,303
-	-	-	-	189,599
-	-	-	-	38,868
-	-	-	-	20,375
-	-	-	-	2,225
<u>33,659</u>	<u>858,554</u>	<u>357,091</u>	<u>200,618</u>	<u>15,703,467</u>
<u>(9,777)</u>	<u>391,312</u>	<u>93,627</u>	<u>20,022</u>	<u>577,683</u>
31,765	291,392	37,955	22,320	5,347,951
-	2,963	-	-	5,714
<u>\$ 21,988</u>	<u>\$ 685,667</u>	<u>\$ 131,582</u>	<u>\$ 42,342</u>	<u>\$ 5,931,348</u>

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**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
REAL ESTATE ASSESSMENT  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services. . . . .	\$ 780,000	\$ 780,000	\$ 841,183	\$ 61,183
Licenses and permits . . . . .	40	40	100	60
Fines and forfeitures. . . . .	300	300	700	400
Other. . . . .	3,000	3,000	7,850	4,850
Total revenues . . . . .	783,340	783,340	849,833	66,493
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive				
Personal services . . . . .	364,400	364,400	329,084	35,316
Materials and supplies. . . . .	11,000	11,000	8,452	2,548
Contractual services. . . . .	429,500	437,499	302,499	135,000
Other . . . . .	842,378	845,690	799,541	46,149
Total expenditures. . . . .	1,647,278	1,658,589	1,439,576	219,013
Net change in fund balance . . . . .	(863,938)	(875,249)	(589,743)	285,506
<b>Fund balance at beginning of year . . . . .</b>	1,083,641	1,083,641	1,083,641	-
<b>Prior year encumbrances appropriated. . . . .</b>	12,818	12,818	12,818	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 232,521</u>	<u>\$ 221,210</u>	<u>\$ 506,716</u>	<u>\$ 285,506</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COMPUTERIZED LEGAL RESEARCH  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 2,800	\$ 2,800	\$ 2,518	\$ (282)
Interest revenue. . . . .	400	400	-	(400)
Total revenues . . . . .	3,200	3,200	2,518	(682)
Net change in fund balance . . . . .	3,200	3,200	2,518	(682)
<b>Fund balance at beginning of year . . . . .</b>	<b>30,243</b>	<b>30,243</b>	<b>30,243</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 33,443</b>	<b>\$ 33,443</b>	<b>\$ 32,761</b>	<b>\$ (682)</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DELINQUENT REAL ESTATE COLLECTION  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 120,000	\$ 120,000	\$ 108,028	\$ (11,972)
Total revenues . . . . .	120,000	120,000	108,028	(11,972)
<b>Expenditures:</b>				
Current:				
General government				
Legislative and executive				
Treasurer				
Personal services . . . . .	54,510	54,716	53,391	1,325
Materials and supplies . . . . .	1,200	1,019	569	450
Contractual services . . . . .	250	250	250	-
Capital outlay . . . . .	1,000	1,000	690	310
Other . . . . .	2,000	14,500	13,581	919
Total treasurer . . . . .	58,960	71,485	68,481	3,004
Prosecutor				
Personal services. . . . .	85,133	85,133	80,131	5,002
Other . . . . .	800	800	658	142
Total prosecutor . . . . .	85,933	85,933	80,789	5,144
Total expenditures . . . . .	144,893	157,418	149,270	8,148
Net change in fund balance. . . . .	(24,893)	(37,418)	(41,242)	(3,824)
<b>Fund balance at beginning of year . . . . .</b>	<b>251,337</b>	<b>251,337</b>	<b>251,337</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 226,444</b>	<b>\$ 213,919</b>	<b>\$ 210,095</b>	<b>\$ (3,824)</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TREASURER PREPAID INTEREST  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Interest . . . . .	\$ 14,000	\$ 14,000	\$ 4,644	\$ (9,356)
Total revenues . . . . .	14,000	14,000	4,644	(9,356)
<b>Expenditures:</b>				
Current:				
General government				
Legislative and executive				
Personal services . . . . .	7,705	13,638	13,517	121
Materials and supplies . . . . .	1,200	1,062	478	584
Total expenditures . . . . .	8,905	14,700	13,995	705
Net change in fund balance. . . . .	5,095	(700)	(9,351)	(8,651)
<b>Fund balance at beginning of year . . . . .</b>	<b>73,004</b>	<b>73,004</b>	<b>73,004</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 78,099</b>	<b>\$ 72,304</b>	<b>\$ 63,653</b>	<b>\$ (8,651)</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FEDERAL CHIP  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 18,000	\$ 771,632	\$ 134,413	\$ (637,219)
Interest . . . . .	-	-	239	239
Total revenues . . . . .	18,000	771,632	134,652	(636,980)
<b>Expenditures:</b>				
Current:				
General government				
Legislative and executive				
Contractual services. . . . .	18,000	521,565	103,318	418,247
Total expenditures . . . . .	18,000	521,565	103,318	418,247
Net change in fund balance. . . . .	-	250,067	31,334	(218,733)
<b>Fund balance at beginning of year . . . . .</b>	31,448	31,448	31,448	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 31,448</u>	<u>\$ 281,515</u>	<u>\$ 62,782</u>	<u>\$ (218,733)</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PROBATE COURT CONDUCT OF BUSINESS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 300	\$ 300	\$ 266	\$ (34)
Total revenues . . . . .	300	300	266	(34)
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Capital outlay . . . . .	300	300	-	300
Total expenditures . . . . .	300	300	-	300
Net change in fund balance . . . . .	-	-	266	266
<b>Fund balance at beginning of year . . . . .</b>	<b>2,548</b>	<b>2,548</b>	<b>2,548</b>	<b>-</b>
<b>Fund balance at end of year. . . . .</b>	<b>\$ 2,548</b>	<b>\$ 2,548</b>	<b>\$ 2,814</b>	<b>\$ 266</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
INDIGENT GUARDIANSHIP  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 4,700	\$ 4,700	\$ 4,095	\$ (605)
Total revenues . . . . .	4,700	4,700	4,095	(605)
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Contractual services . . . . .	4,650	4,650	2,530	2,120
Total expenditures . . . . .	4,650	4,650	2,530	2,120
Net change in fund balance. . . . .	50	50	1,565	1,515
<b>Fund balance at beginning of year . . . . .</b>	<u>1,866</u>	<u>1,866</u>	<u>1,866</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 1,916</u>	<u>\$ 1,916</u>	<u>\$ 3,431</u>	<u>\$ 1,515</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PROBATE AND JUVENILE SPECIAL PROJECTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 2,500	\$ 2,500	\$ 2,220	\$ (280)
Total revenues . . . . .	2,500	2,500	2,220	(280)
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Other. . . . .	3,000	3,000	1,231	1,769
Total expenditures . . . . .	3,000	3,000	1,231	1,769
Net change in fund balance. . . . .	(500)	(500)	989	1,489
<b>Fund balance at beginning of year . . . . .</b>	<u>10,830</u>	<u>10,830</u>	<u>10,830</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 10,330</u>	<u>\$ 10,330</u>	<u>\$ 11,819</u>	<u>\$ 1,489</u>



**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COMMON PLEAS SPECIAL PROJECTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 69,000	\$ 85,000	\$ 108,279	\$ 23,279
Total revenues . . . . .	69,000	85,000	108,279	23,279
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Other. . . . .	148,164	147,430	96,734	50,696
Total expenditures. . . . .	148,164	147,430	96,734	50,696
Net change in fund balance. . . . .	(79,164)	(62,430)	11,545	73,975
<b>Fund balance at beginning of year . . . . .</b>	18,758	18,758	18,758	-
<b>Prior year encumbrances appropriated . . . . .</b>	61,026	61,026	61,026	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 620</u>	<u>\$ 17,354</u>	<u>\$ 91,329</u>	<u>\$ 73,975</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CLERK OF COURTS COMPUTERIZATION  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 14,500	\$ 14,500	\$ 15,003	\$ 503
Total revenues . . . . .	14,500	14,500	15,003	503
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Capital outlay . . . . .	17,000	40,200	39,886	314
Total expenditures. . . . .	17,000	40,200	39,886	314
Net change in fund balance. . . . .	(2,500)	(25,700)	(24,883)	817
<b>Fund balance at beginning of year . . . . .</b>	<u>39,172</u>	<u>39,172</u>	<u>39,172</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 36,672</u>	<u>\$ 13,472</u>	<u>\$ 14,289</u>	<u>\$ 817</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PROBATE AND JUVENILE COURT COMPUTER  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 9,800	\$ 9,800	\$ 9,072	\$ (728)
Total revenues . . . . .	9,800	9,800	9,072	(728)
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Other . . . . .	13,000	13,000	5,604	7,396
Total expenditures . . . . .	13,000	13,000	5,604	7,396
Net change in fund balance. . . . .	(3,200)	(3,200)	3,468	6,668
<b>Fund balance at beginning of year . . . . .</b>	<u>19,209</u>	<u>19,209</u>	<u>19,209</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 16,009</u>	<u>\$ 16,009</u>	<u>\$ 22,677</u>	<u>\$ 6,668</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PROBATE AND JUVENILE COURT COMPUTER RESEARCH  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services. . . . .	\$ 2,000	\$ 2,000	\$ 1,919	\$ (81)
Total revenues . . . . .	2,000	2,000	1,919	(81)
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Other . . . . .	2,000	8,500	7,615	885
Total expenditures. . . . .	2,000	8,500	7,615	885
Net change in fund balance. . . . .	-	(6,500)	(5,696)	804
<b>Fund balance at beginning of year . . . . .</b>	<u>9,559</u>	<u>9,559</u>	<u>9,559</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 9,559</u>	<u>\$ 3,059</u>	<u>\$ 3,863</u>	<u>\$ 804</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
JUVENILE COURT INDIGENT OFFENDERS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ -	\$ -	\$ 195	\$ 195
Total revenues . . . . .	-	-	195	195
Net change in fund balance. . . . .	-	-	195	195
<b>Fund balance at beginning of year . . . . .</b>	<u>1,138</u>	<u>1,138</u>	<u>1,138</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 1,138</u>	<u>\$ 1,138</u>	<u>\$ 1,333</u>	<u>\$ 195</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CERTIFICATE TITLE ADMINISTRATION  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 140,000	\$ 140,000	\$ 184,358	\$ 44,358
Total revenues . . . . .	140,000	140,000	184,358	44,358
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Personal services . . . . .	109,635	113,587	112,433	1,154
Materials and supplies . . . . .	8,600	8,600	5,467	3,133
Contractual services . . . . .	3,840	6,740	4,469	2,271
Capital outlay . . . . .	1,000	1,000	532	468
Other. . . . .	200	200	174	26
Total expenditures . . . . .	123,275	130,127	123,075	7,052
Net change in fund balance. . . . .	16,725	9,873	61,283	51,410
<b>Fund balance at beginning of year . . . . .</b>	56,383	56,383	56,383	-
<b>Prior year encumbrances appropriated . . . . .</b>	100	100	100	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 73,208</u>	<u>\$ 66,356</u>	<u>\$ 117,766</u>	<u>\$ 51,410</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DISPUTE RESOLUTION  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 20,000	\$ 35,000	\$ 44,490	\$ 9,490
Total revenues . . . . .	20,000	35,000	44,490	9,490
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Personal services . . . . .	63,838	64,659	64,654	5
Other . . . . .	48,229	50,642	14,229	36,413
Total expenditures . . . . .	112,067	115,301	78,883	36,418
Net change in fund balance. . . . .	(92,067)	(80,301)	(34,393)	45,908
<b>Fund balance at beginning of year . . . . .</b>	102,640	102,640	102,640	-
<b>Prior year encumbrances appropriated . . . . .</b>	3,235	3,235	3,235	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 13,808</u>	<u>\$ 25,574</u>	<u>\$ 71,482</u>	<u>\$ 45,908</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ECONOMIC DEVELOPMENT  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 21,000	\$ 21,000	\$ 22,534	\$ 1,534
Intergovernmental . . . . .	80,000	80,000	79,046	(954)
Total revenues . . . . .	101,000	101,000	101,580	580
<b>Expenditures:</b>				
Current:				
Economic development				
Materials and supplies . . . . .	97,614	97,614	97,376	238
Total expenditures . . . . .	97,614	97,614	97,376	238
Net change in fund balance. . . . .	3,386	3,386	4,204	818
<b>Fund balance at beginning of year . . . . .</b>	<b>48,340</b>	<b>48,340</b>	<b>48,340</b>	<b>-</b>
<b>Fund balance at end of year. . . . .</b>	<b>\$ 51,726</b>	<b>\$ 51,726</b>	<b>\$ 52,544</b>	<b>\$ 818</b>



**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CONVENTION AND TOURIST BUREAU  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 158,000	\$ 158,000	\$ 108,879	\$ (49,121)
Total revenues . . . . .	<u>158,000</u>	<u>158,000</u>	<u>108,879</u>	<u>(49,121)</u>
<b>Expenditures:</b>				
Current:				
Economic development				
Contractual services . . . . .	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>-</u>
Total expenditures . . . . .	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>-</u>
Net change in fund balance. . . . .	68,000	68,000	18,879	(49,121)
<b>Fund balance at beginning of year . . . . .</b>	<u>182,807</u>	<u>182,807</u>	<u>182,807</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ 250,807</u></u>	<u><u>\$ 250,807</u></u>	<u><u>\$ 201,686</u></u>	<u><u>\$ (49,121)</u></u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DUI  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 1,000	\$ 1,000	\$ 770	\$ (230)
Fines and forfeitures . . . . .	900	900	357	(543)
Total revenues . . . . .	1,900	1,900	1,127	(773)
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services . . . . .	8,912	8,932	7,184	1,748
Materials and supplies. . . . .	2,000	2,000	-	2,000
Contractual services . . . . .	3,500	3,480	-	3,480
Total expenditures . . . . .	14,412	14,412	7,184	7,228
Net change in fund balance. . . . .	(12,512)	(12,512)	(6,057)	6,455
<b>Fund balance at beginning of year . . . . .</b>	<b>12,883</b>	<b>12,883</b>	<b>12,883</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 371</b>	<b>\$ 371</b>	<b>\$ 6,826</b>	<b>\$ 6,455</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FORFEITURES  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Expenditures:</b>				
Current:				
Public safety				
Fines and forfeitures. . . . .	\$ 5,799	\$ 5,799	\$ -	\$ 5,799
Total expenditures . . . . .	5,799	5,799	-	5,799
Net change in fund balance. . . . .	(5,799)	(5,799)	-	5,799
<b>Fund balance at beginning of year . . . . .</b>	<u>5,799</u>	<u>5,799</u>	<u>5,799</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,799</u>	<u>\$ 5,799</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SHERIFF CCW ROTARY  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 9,000	\$ 9,000	\$ 8,686	\$ (314)
Licenses and permits . . . . .	15,000	15,000	14,065	(935)
Total revenues. . . . .	24,000	24,000	22,751	(1,249)
<b>Expenditures:</b>				
Current:				
Public safety				
Materials and supplies . . . . .	3,000	3,000	1,131	1,869
Contractual services . . . . .	22,000	22,000	8,924	13,076
Total expenditures . . . . .	25,000	25,000	10,055	14,945
Net change in fund balance. . . . .	(1,000)	(1,000)	12,696	13,696
<b>Fund balance at beginning of year . . . . .</b>	<b>18,179</b>	<b>18,179</b>	<b>18,179</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 17,179</b>	<b>\$ 17,179</b>	<b>\$ 30,875</b>	<b>\$ 13,696</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
LAW ENFORCEMENT GRANTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 40,000	\$ 40,000	\$ 25,314	\$ (14,686)
Total revenues . . . . .	40,000	40,000	25,314	(14,686)
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services . . . . .	11,523	12,863	3,902	8,961
Materials and supplies . . . . .	29,289	33,189	28,049	5,140
Contractual services. . . . .	39,987	32,547	5,945	26,602
Capital outlay . . . . .	4,500	4,500	222	4,278
Other . . . . .	1,657	3,957	2,457	1,500
Total expenditures . . . . .	86,956	87,056	40,575	46,481
Excess of expenditures over revenues . . . . .	(46,956)	(47,056)	(15,261)	31,795
<b>Other financing sources:</b>				
Transfer in . . . . .	20,000	20,000	-	(20,000)
Total other financing sources. . . . .	20,000	20,000	-	(20,000)
Net change in fund balance. . . . .	(26,956)	(27,056)	(15,261)	11,795
<b>Fund balance at beginning of year . . . . .</b>	52,202	52,202	52,202	-
<b>Prior year encumbrances appropriated . . . . .</b>	2,000	2,000	2,000	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 27,246</u>	<u>\$ 27,146</u>	<u>\$ 38,941</u>	<u>\$ 11,795</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SHERIFF POLICING ROTARY  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 70,000	\$ 70,000	\$ 62,247	\$ (7,753)
Intergovernmental . . . . .	4,500	17,355	39,136	21,781
Other . . . . .	10,000	10,000	3,944	(6,056)
Total revenues . . . . .	84,500	97,355	105,327	7,972
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services . . . . .	7,002	7,002	5,628	(1,374)
Materials and supplies. . . . .	8,000	8,000	2,268	(5,732)
Contractual services. . . . .	80,000	64,000	43,003	(20,997)
Capital outlay . . . . .	44,000	72,855	60,161	(12,694)
Other . . . . .	5,000	5,000	3,735	(1,265)
Total expenditures . . . . .	144,002	156,857	114,795	(42,062)
Net change in fund balance. . . . .	(59,502)	(59,502)	(9,468)	(34,090)
<b>Fund balance at beginning of year . . . . .</b>	99,691	99,691	99,691	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 40,189</u>	<u>\$ 40,189</u>	<u>\$ 90,223</u>	<u>\$ (34,090)</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DARE COMMUNITY EDUCATION  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 19,771	\$ 19,771	\$ 1,227	\$ (18,544)
Other . . . . .	22,500	22,500	29,494	6,994
Total revenues. . . . .	42,271	42,271	30,721	(11,550)
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services . . . . .	19,771	2,396	2,396	-
Materials and supplies . . . . .	11,500	15,500	11,443	4,057
Contractual services . . . . .	19,800	15,800	6,022	9,778
Capital outlay . . . . .	15,700	15,700	939	14,761
Other . . . . .	25,165	42,540	18,656	23,884
Total expenditures. . . . .	91,936	91,936	39,456	52,480
Net change in fund balance. . . . .	(49,665)	(49,665)	(8,735)	40,930
<b>Fund balance at beginning of year . . . . .</b>	<b>49,788</b>	<b>49,788</b>	<b>49,788</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 123</b>	<b>\$ 123</b>	<b>\$ 41,053</b>	<b>\$ 40,930</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
YOUTH SERVICES SUBSIDY  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 303,000	\$ 303,000	\$ 177,617	\$ (125,383)
Total revenues . . . . .	303,000	303,000	177,617	(125,383)
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services. . . . .	126,698	126,704	112,066	14,638
Contractual services . . . . .	70,000	82,500	63,171	19,329
Other . . . . .	8,775	8,775	8,107	668
Total expenditures . . . . .	205,473	217,979	183,344	34,635
Net change in fund balance. . . . .	97,527	85,021	(5,727)	(90,748)
<b>Fund balance at beginning of year . . . . .</b>	<b>59,514</b>	<b>59,514</b>	<b>59,514</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 157,041</b>	<b>\$ 144,535</b>	<b>\$ 53,787</b>	<b>\$ (90,748)</b>



**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
9-1-1 EMERGENCY  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Property taxes . . . . .	\$ 760,870	\$ 760,870	\$ 767,943	\$ 7,073
Intergovernmental . . . . .	329,130	329,130	346,866	17,736
Other . . . . .	-	-	7,596	7,596
Total revenues . . . . .	<u>1,090,000</u>	<u>1,090,000</u>	<u>1,122,405</u>	<u>32,405</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services . . . . .	639,223	639,223	553,919	85,304
Materials and supplies. . . . .	6,500	6,500	4,369	2,131
Contractual services . . . . .	225,225	225,225	130,340	94,885
Contractual services . . . . .	384,695	384,695	45,079	339,616
Contractual services . . . . .	21,500	21,500	2,756	18,744
Total expenditures . . . . .	<u>1,277,143</u>	<u>1,277,143</u>	<u>736,463</u>	<u>540,680</u>
Net change in fund balance . . . . .	(187,143)	(187,143)	385,942	573,085
<b>Fund balance at beginning of year . . . . .</b>	<u>974,315</u>	<u>974,315</u>	<u>974,315</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 787,172</u>	<u>\$ 787,172</u>	<u>\$ 1,360,257</u>	<u>\$ 573,085</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
LOCAL EMERGENCY PLANNING  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 15,800	\$ 27,415	\$ 27,597	\$ 182
Total revenues. . . . .	15,800	27,415	27,597	182
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services. . . . .	5,498	5,705	5,683	22
Materials and supplies . . . . .	1,545	1,545	-	1,545
Contractual services . . . . .	1,545	1,545	306	1,239
Capital outlay . . . . .	25,000	24,976	16,140	8,836
Other. . . . .	18,615	18,615	12,199	6,416
Total expenditures . . . . .	52,203	52,386	34,328	18,058
Net change in fund balance. . . . .	(36,403)	(24,971)	(6,731)	18,240
<b>Fund balance at beginning of year . . . . .</b>	<b>65,129</b>	<b>65,129</b>	<b>65,129</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 28,726</b>	<b>\$ 40,158</b>	<b>\$ 58,398</b>	<b>\$ 18,240</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
JUVENILE TOBACCO  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balance at beginning of year . . . . .	\$ 455	\$ 455	\$ 455	\$ -
Fund balance at end of year . . . . .	<u>\$ 455</u>	<u>\$ 455</u>	<u>\$ 455</u>	<u>\$ -</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
LAW ENFORCEMENT MEMORIAL  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Contributions and donations. . . . .	\$ -	\$ -	\$ 50	\$ 50
Total revenues. . . . .	-	-	50	50
<b>Expenditures:</b>				
Current:				
Public safety				
Contractual services. . . . .	470	470	223	247
Total expenditures . . . . .	470	470	223	247
Net change in fund balance. . . . .	(470)	(470)	(173)	297
<b>Fund balance at beginning of year . . . . .</b>	<b>470</b>	<b>470</b>	<b>470</b>	<b>-</b>
<b>Fund balance (deficit) at end of year. . . . .</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 297</b>	<b>\$ 297</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
JUVENILE SPECIAL PROJECTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 11,200	\$ 11,200	\$ 10,295	\$ (905)
Intergovernmental . . . . .	65,000	65,000	32,392	(32,608)
Total revenues . . . . .	76,200	76,200	42,687	(33,513)
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services. . . . .	39,983	40,115	40,115	-
Other. . . . .	8,000	8,000	7,340	660
Total expenditures . . . . .	47,983	48,115	47,455	660
Net change in fund balance . . . . .	28,217	28,085	(4,768)	(32,853)
<b>Fund balance at beginning of year . . . . .</b>	<b>32,228</b>	<b>32,228</b>	<b>32,228</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 60,445</b>	<b>\$ 60,313</b>	<b>\$ 27,460</b>	<b>\$ (32,853)</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
VOCA GRANT  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 106,544	\$ 106,544	\$ 98,985	\$ (7,559)
Other . . . . .	3,390	3,390	182	(3,208)
Total revenues. . . . .	109,934	109,934	99,167	(10,767)
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services. . . . .	105,342	98,940	94,415	4,525
Materials and supplies . . . . .	1,042	5,153	5,112	41
Contractual services . . . . .	1,000	1,023	1,375	(352)
Capital outlay . . . . .	500	2,950	900	2,050
Other . . . . .	25,010	20,879	5,377	15,502
Total expenditures . . . . .	132,894	128,945	107,179	21,766
Net change in fund balance. . . . .	(22,960)	(19,011)	(8,012)	10,999
<b>Fund balance at beginning of year . . . . .</b>	26,104	26,104	26,104	-
<b>Prior year encumbrances appropriated . . . . .</b>	245	245	245	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 3,389</u>	<u>\$ 7,338</u>	<u>\$ 18,337</u>	<u>\$ 10,999</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
VAWA GRANT  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 33,338	\$ 47,378	\$ 38,895	\$ (8,483)
Other . . . . .	10,000	10,000	-	(10,000)
Total revenues . . . . .	43,338	57,378	38,895	(18,483)
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services. . . . .	39,042	38,942	37,114	1,828
Materials and supplies . . . . .	863	948	947	1
Contractual services . . . . .	800	815	815	-
Other . . . . .	2,633	3,583	2,633	950
Total expenditures . . . . .	43,338	44,288	41,509	2,779
Net change in fund balance. . . . .	-	13,090	(2,614)	(15,704)
<b>Fund balance at beginning of year . . . . .</b>	<b>6,887</b>	<b>6,887</b>	<b>6,887</b>	<b>-</b>
<b>Fund balance at end of year. . . . .</b>	<b>\$ 6,887</b>	<b>\$ 19,977</b>	<b>\$ 4,273</b>	<b>\$ (15,704)</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
VOCA STIMULUS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ -	\$ 42,481	\$ 42,344	\$ (137)
Total revenues . . . . .	-	42,481	42,344	(137)
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services. . . . .	-	29,615	29,278	337
Materials and supplies . . . . .				-
Contractual services . . . . .	-	11,000	10,958	42
Capital outlay . . . . .	-	1,587	1,587	-
Total expenditures. . . . .	-	42,202	41,823	379
Net change in fund balance. . . . .	-	279	521	242
<b>Fund balance at beginning of year . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ 279</u>	<u>\$ 521</u>	<u>\$ 242</u>



**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ROAD AND BRIDGE  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 40,000	\$ 40,000	\$ 46,076	\$ 6,076
Total revenues . . . . .	40,000	40,000	46,076	6,076
<b>Expenditures:</b>				
Current:				
Public works				
Personal services . . . . .	56,830	56,830	54,095	2,735
Materials and supplies. . . . .	30,000	30,000	-	30,000
Total expenditures . . . . .	86,830	86,830	54,095	32,735
Net change in fund balance. . . . .	(46,830)	(46,830)	(8,019)	38,811
<b>Fund balance at beginning of year. . . . .</b>	64,252	64,252	64,252	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 17,422</u>	<u>\$ 17,422</u>	<u>\$ 56,233</u>	<u>\$ 38,811</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DITCH ROTARY  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Other . . . . .	\$ 7,520	\$ 7,520	\$ 12,985	\$ 5,465
Total revenues. . . . .	7,520	7,520	12,985	5,465
<b>Expenditures:</b>				
Current:				
Public works				
Personal services. . . . .	20,749	20,749	8,781	11,968
Materials and supplies . . . . .	6,000	6,000	1,622	4,378
Contractual services . . . . .	12,000	12,000	11,480	520
Other. . . . .	7,200	7,200	2,459	4,741
Total expenditures . . . . .	45,949	45,949	24,342	21,607
Excess of expenditures over revenues . . . . .	(38,429)	(38,429)	(11,357)	27,072
<b>Other financing sources:</b>				
Transfers in . . . . .	7,520	7,520	-	(7,520)
Total other financing sources . . . . .	7,520	7,520	-	(7,520)
Net change in fund balance. . . . .	(30,909)	(30,909)	(11,357)	19,552
<b>Fund balance at beginning of year . . . . .</b>	<b>44,496</b>	<b>44,496</b>	<b>44,496</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 13,587</b>	<b>\$ 13,587</b>	<b>\$ 33,139</b>	<b>\$ 19,552</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DITCH MAINTENANCE  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Special assessments . . . . .	\$ 70,200	\$ 70,200	\$ 96,296	\$ 26,096
Total revenues . . . . .	70,200	70,200	96,296	26,096
<b>Expenditures:</b>				
Current:				
Public works				
Contractual services . . . . .	344,847	344,847	77,568	267,279
Total expenditures. . . . .	344,847	344,847	77,568	267,279
Net change in fund balance . . . . .	(274,647)	(274,647)	18,728	293,375
<b>Fund balance at beginning of year . . . . .</b>	<b>255,316</b>	<b>255,316</b>	<b>255,316</b>	<b>-</b>
<b>Fund balance (deficit) at end of year . . . . .</b>	<b>\$ (19,331)</b>	<b>\$ (19,331)</b>	<b>\$ 274,044</b>	<b>\$ 293,375</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DOG AND KENNEL  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Licenses and permits . . . . .	\$ 100,000	\$ 100,000	\$ 112,292	\$ 12,292
Fines and forfeitures . . . . .	6,000	6,000	8,694	2,694
Contributions and donations . . . . .	2,500	2,500	2,396	(104)
Total revenues . . . . .	108,500	108,500	123,382	14,882
<b>Expenditures:</b>				
Current:				
Health				
Personal services . . . . .	70,403	72,474	69,686	2,788
Materials and supplies . . . . .	6,350	6,050	5,081	969
Contractual services . . . . .	8,695	28,045	25,659	2,386
Other . . . . .	2,745	60,176	59,544	632
Total expenditures . . . . .	88,193	166,745	159,970	6,775
Net change in fund balance . . . . .	20,307	(58,245)	(36,588)	21,657
<b>Fund balance at beginning of year . . . . .</b>	127,793	127,793	127,793	-
<b>Prior year encumbrances appropriated . . . . .</b>	77	77	77	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 148,177</u>	<u>\$ 69,625</u>	<u>\$ 91,282</u>	<u>\$ 21,657</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ADAMH  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Property taxes . . . . .	\$ 525,189	\$ 525,189	\$ 556,870	\$ 31,681
Intergovernmental. . . . .	2,176,906	2,176,906	2,009,523	(167,383)
Rental income. . . . .	30,000	30,000	60,927	30,927
Other. . . . .	64,000	64,000	76,906	12,906
Total revenues . . . . .	2,796,095	2,796,095	2,704,226	(91,869)
<b>Expenditures:</b>				
Current:				
Health				
Personal services. . . . .	350,379	350,379	330,207	20,172
Materials and supplies . . . . .	8,000	8,000	3,123	4,877
Contractual services . . . . .	2,614,000	2,611,000	2,349,762	261,238
Capital outlay . . . . .	5,000	5,000	1,080	3,920
Other. . . . .	20,500	20,500	7,209	13,291
Debt service				
Principal . . . . .	20,500	20,500	20,351	149
Interest. . . . .	2,500	2,500	2,249	251
Total expenditures . . . . .	3,020,879	3,017,879	2,713,981	303,898
Net change in fund balance. . . . .	(224,784)	(221,784)	(9,755)	212,029
<b>Fund balance at beginning of year . . . . .</b>	<b>412,759</b>	<b>412,759</b>	<b>412,759</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 187,975</b>	<b>\$ 190,975</b>	<b>\$ 403,004</b>	<b>\$ 212,029</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PRESCHOOL GRANT  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 25,000	\$ 25,000	\$ 20,059	\$ (4,941)
Total revenues . . . . .	25,000	25,000	20,059	(4,941)
<b>Expenditures:</b>				
Current:				
Health				
Contractual services . . . . .	20,077	20,077	18,805	1,272
Total expenditures. . . . .	20,077	20,077	18,805	1,272
Net change in fund balance. . . . .	4,923	4,923	1,254	(3,669)
<b>Fund balance at beginning of year . . . . .</b>	<u>20,556</u>	<u>20,556</u>	<u>20,556</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 25,479</u>	<u>\$ 25,479</u>	<u>\$ 21,810</u>	<u>\$ (3,669)</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COMMUNITY SUPPORT SERVICES  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 300,000	\$ 300,000	\$ 306,392	\$ 6,392
Rental income . . . . .	60,000	60,000	74,548	14,548
Total revenues . . . . .	360,000	360,000	380,940	20,940
<b>Expenditures:</b>				
Current:				
Health				
Personal services. . . . .	300,000	300,000	276,719	23,281
Materials and supplies . . . . .	110,000	110,000	92,036	17,964
Capital outlay. . . . .	8,000	8,000	-	8,000
Other. . . . .	4,000	4,000	2,057	1,943
Total expenditures . . . . .	422,000	422,000	370,812	51,188
Excess (deficiency) of revenues over (under) expenditures . . . . .	(62,000)	(62,000)	10,128	72,128
<b>Other financing sources:</b>				
Transfers in . . . . .	30,000	30,000	-	(30,000)
Total other financing sources . . . . .	30,000	30,000	-	(30,000)
Net change in fund balance. . . . .	(32,000)	(32,000)	10,128	42,128
<b>Fund balance at beginning of year. . . . .</b>	<b>44,566</b>	<b>44,566</b>	<b>44,566</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 12,566</b>	<b>\$ 12,566</b>	<b>\$ 54,694</b>	<b>\$ 42,128</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PUBLIC ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 4,507,477	\$ 4,507,477	\$ 4,175,307	\$ (332,170)
Other . . . . .	118,000	118,000	124,768	6,768
Total revenues . . . . .	4,625,477	4,625,477	4,300,075	(325,402)
<b>Expenditures:</b>				
Current:				
General government				
Legislative and executive				
DJFS				
Personal services . . . . .	1,218,347	1,248,432	1,187,737	60,695
Materials and supplies . . . . .	42,000	42,000	29,309	12,691
Contractual services. . . . .	697,100	692,985	576,303	116,682
Capital outlay . . . . .	10,000	10,000	100	9,900
Other. . . . .	179,000	183,000	111,463	71,537
Total legislative and executive . . . . .	2,146,447	2,176,417	1,904,912	271,505
Human services				
Public social services				
Personal services . . . . .	965,029	935,059	884,481	50,578
Materials and supplies . . . . .	1,000	1,000	-	1,000
Contractual services. . . . .	1,400,000	1,400,000	1,299,042	100,958
Capital outlay . . . . .	1,000	1,000	-	1,000
Other. . . . .	111,000	111,000	99,509	11,491
Total human services . . . . .	2,478,029	2,448,059	2,283,032	165,027
Total expenditures . . . . .	4,624,476	4,624,476	4,187,944	436,532
Net change in fund balance. . . . .	1,001	1,001	112,131	111,130
<b>Fund balance at beginning of year. . . . .</b>	105,015	105,015	105,015	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 106,016</u>	<u>\$ 106,016</u>	<u>\$ 217,146</u>	<u>\$ 111,130</u>



**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COORDINATION TRANSPORTATION  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 557,600	\$ 557,600	\$ 679,356	\$ 121,756
Intergovernmental . . . . .	143,138	143,138	115,394	(27,744)
Other . . . . .	-	-	73	73
Total revenues . . . . .	<u>700,738</u>	<u>700,738</u>	<u>794,823</u>	<u>94,085</u>
<b>Expenditures:</b>				
Current:				
Human services				
Personal services. . . . .	478,300	567,340	559,845	7,495
Materials and supplies . . . . .	5,000	2,000	1,246	754
Contractual services . . . . .	27,000	22,090	19,709	2,381
Capital outlay . . . . .	10,000	2,500	1,942	558
Other . . . . .	<u>101,500</u>	<u>86,870</u>	<u>85,536</u>	<u>1,334</u>
Total expenditures . . . . .	<u>621,800</u>	<u>680,800</u>	<u>668,278</u>	<u>12,522</u>
Net change in fund balance. . . . .	78,938	19,938	126,545	106,607
<b>Fund balance at beginning of year . . . . .</b>	<u>48,092</u>	<u>48,092</u>	<u>48,092</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 127,030</u>	<u>\$ 68,030</u>	<u>\$ 174,637</u>	<u>\$ 106,607</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CHILD SUPPORT ENFORCEMENT AGENCY  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 154,000	\$ 154,000	\$ 150,517	\$ (3,483)
Intergovernmental . . . . .	604,000	604,000	646,663	42,663
Other . . . . .	15,577	15,577	14,789	(788)
Total revenues. . . . .	<u>773,577</u>	<u>773,577</u>	<u>811,969</u>	<u>38,392</u>
<b>Expenditures:</b>				
Current:				
Human services				
Personal services. . . . .	425,777	427,467	420,239	7,228
Materials and supplies . . . . .	4,000	4,000	3,271	729
Contractual services . . . . .	325,000	367,800	364,794	3,006
Other. . . . .	18,800	10,000	9,055	945
Total expenditures. . . . .	<u>773,577</u>	<u>809,267</u>	<u>797,359</u>	<u>11,908</u>
Net change in fund balance . . . . .	-	(35,690)	14,610	50,300
<b>Fund balance at beginning of year . . . . .</b>	<u>117,148</u>	<u>117,148</u>	<u>117,148</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 117,148</u>	<u>\$ 81,458</u>	<u>\$ 131,758</u>	<u>\$ 50,300</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CHILDREN SERVICES  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 1,270,751	\$ 1,270,751	\$ 1,287,279	\$ 16,528
Other . . . . .	68,000	68,000	32,571	(35,429)
Total revenues . . . . .	1,338,751	1,338,751	1,319,850	(18,901)
<b>Expenditures:</b>				
Current:				
Human services				
Materials and supplies. . . . .	1,276	1,276	-	1,276
Contractual services. . . . .	1,240,475	1,255,475	1,203,770	51,705
Other. . . . .	97,000	82,000	69,949	12,051
Total expenditures. . . . .	1,338,751	1,338,751	1,273,719	65,032
Net change in fund balance. . . . .	-	-	46,131	46,131
<b>Fund balance at beginning of year . . . . .</b>	152,550	152,550	152,550	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 152,550</u>	<u>\$ 152,550</u>	<u>\$ 198,681</u>	<u>\$ 46,131</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ADULT BASIC LITERACY EDUCATION GRANT  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 38,500	\$ 38,500	\$ 23,882	\$ (14,618)
Total revenues . . . . .	38,500	38,500	23,882	(14,618)
<b>Expenditures:</b>				
Current:				
Human services				
Contractual services . . . . .	25,659	33,659	33,658	1
Total expenditures . . . . .	25,659	33,659	33,658	1
Net change in fund balance. . . . .	12,841	4,841	(9,776)	(14,617)
<b>Fund balance at beginning of year . . . . .</b>	23,752	23,752	23,752	-
<b>Prior year encumbrances appropriated . . . . .</b>	8,012	8,012	8,012	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 44,605</u>	<u>\$ 36,605</u>	<u>\$ 21,988</u>	<u>\$ (14,617)</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SENIOR SERVICES  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Sales taxes . . . . .	\$ 980,000	\$ 980,000	\$ 981,528	\$ 1,528
Intergovernmental. . . . .	330,500	330,500	272,440	(58,060)
Other. . . . .	19,000	19,000	9,312	(9,688)
Total revenues . . . . .	1,329,500	1,329,500	1,263,280	(66,220)
<b>Expenditures:</b>				
Current:				
Human services				
Personal services . . . . .	133,600	160,737	156,814	3,923
Materials and supplies. . . . .	15,260	21,525	10,208	11,317
Contractual services. . . . .	766,900	721,057	567,455	153,602
Capital outlay . . . . .	10,000	24,298	18,215	6,083
Other . . . . .	54,890	53,295	51,712	1,583
Total expenditures. . . . .	980,650	980,912	804,404	176,508
Net change in fund balance. . . . .	348,850	348,588	458,876	110,288
<b>Fund balance at beginning of year. . . . .</b>	219,989	219,989	219,989	-
<b>Prior year encumbrances appropriated . . . . .</b>	260	260	260	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 569,099</u>	<u>\$ 568,837</u>	<u>\$ 679,125</u>	<u>\$ 110,288</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
WORKPLACE INVESTMENT ACT  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 279,500	\$ 406,500	\$ 327,842	\$ (78,658)
Total revenues . . . . .	279,500	406,500	327,842	(78,658)
<b>Expenditures:</b>				
Current:				
Human services				
Personal services . . . . .	-	48,473	46,069	2,404
Contractual services . . . . .	84,900	112,100	100,829	11,271
Other . . . . .	194,600	245,927	207,888	38,039
Total expenditures . . . . .	279,500	406,500	354,786	51,714
Net change in fund balance . . . . .	-	-	(26,944)	(26,944)
<b>Fund balance at beginning of year . . . . .</b>	<b>37,684</b>	<b>37,684</b>	<b>37,684</b>	<b>-</b>
<b>Fund balance at end of year. . . . .</b>	<b>\$ 37,684</b>	<b>\$ 37,684</b>	<b>\$ 10,740</b>	<b>\$ (26,944)</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COLLABORATIVE FAMILY RISK  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 224,000	\$ 224,000	\$ 220,640	\$ (3,360)
Total revenues . . . . .	224,000	224,000	220,640	(3,360)
<b>Expenditures:</b>				
Current:				
Human services . . . . .				
Contractual services . . . . .	220,640	286,640	285,898	742
Total expenditures . . . . .	220,640	286,640	285,898	742
Net change in fund balance . . . . .	3,360	(62,640)	(65,258)	(2,618)
<b>Fund balance at beginning of year . . . . .</b>	124,220	124,220	124,220	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 127,580</u>	<u>\$ 61,580</u>	<u>\$ 58,962</u>	<u>\$ (2,618)</u>

**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Bond Retirement</b>	<b>Sales Tax Debt</b>	<b>Total Nonmajor Debt Service Funds</b>
<b>Revenues:</b>			
Other . . . . .	\$ 82,719	\$ -	\$ 82,719
Total revenues . . . . .	<u>82,719</u>	<u>-</u>	<u>82,719</u>
<b>Expenditures:</b>			
Debt service:			
Principal retirement. . . . .	3,470,000	140,000	3,610,000
Interest and fiscal charges . . . . .	251,844	167,563	419,407
Bond issuance costs . . . . .	<u>132,724</u>	<u>43,654</u>	<u>176,378</u>
Total expenditures . . . . .	<u>3,854,568</u>	<u>351,217</u>	<u>4,205,785</u>
Excess of expenditures over revenues . . . . .	<u>(3,771,849)</u>	<u>(351,217)</u>	<u>(4,123,066)</u>
<b>Other financing sources (uses):</b>			
Sale of refunding bonds . . . . .	4,910,000	1,560,000	6,470,000
Premium on refunding bonds . . . . .	71,933	18,289	90,222
Payment to refunding bond escrow agent . . . . .	(1,782,650)	(1,534,635)	(3,317,285)
Transfers in . . . . .	<u>570,192</u>	<u>323,200</u>	<u>893,392</u>
Total other financing sources (uses). . . . .	<u>3,769,475</u>	<u>366,854</u>	<u>4,136,329</u>
Net change in fund balance. . . . .	(2,374)	15,637	13,263
<b>Fund balance at beginning of year . . . . .</b>	<u>2,374</u>	<u>193,741</u>	<u>196,115</u>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ -</u></u>	<u><u>\$ 209,378</u></u>	<u><u>\$ 209,378</u></u>



**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
BOND RETIREMENT  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Other . . . . .	\$ 100,013	\$ 83,794	\$ 82,719	\$ (1,075)
Total revenues. . . . .	100,013	83,794	82,719	(1,075)
<b>Expenditures:</b>				
Debt service:				
Principal retirement . . . . .	-	470,000	3,470,000	(3,000,000)
Interest and fiscal charges . . . . .	-	185,303	251,844	(66,541)
Bond issuance costs. . . . .	-	-	132,724	(132,724)
Total expenditures. . . . .	-	655,303	3,854,568	(3,199,265)
Excess (deficiency) of revenues over (under) expenditures . . . . .	100,013	(571,509)	(3,771,849)	(3,200,340)
<b>Other financing sources (uses):</b>				
Sale of refunding bonds. . . . .	-	-	4,910,000	4,910,000
Premium on refunding bonds. . . . .	-	-	71,933	71,933
Payment to refunding bond escrow agent . . . . .	-	-	(1,782,650)	(1,782,650)
Transfers in . . . . .	359,408	736,262	570,192	(166,070)
Total other financing sources (uses) . . . . .	359,408	736,262	3,769,475	3,033,213
Net change in fund balance. . . . .	459,421	164,753	(2,374)	(167,127)
<b>Fund balance at beginning of year . . . . .</b>	<b>2,374</b>	<b>2,374</b>	<b>2,374</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 461,795</b>	<b>\$ 167,127</b>	<b>\$ -</b>	<b>\$ (167,127)</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SALES TAX DEBT  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Expenditures:</b>				
Debt service				
Principal retirement. . . . .	\$ -	\$ 140,000	\$ 140,000	\$ -
Interest and fiscal charges . . . . .	-	167,563	167,563	-
Bond issuance costs . . . . .	-	-	43,654	(43,654)
Total expenditures . . . . .	-	307,563	351,217	(43,654)
<b>Other financing sources (uses):</b>				
Sale of refunding bonds. . . . .	-	-	1,560,000	1,560,000
Premium on refunding bonds. . . . .	-	-	18,289	18,289
Payment to refunding bond escrow agent . . . . .	-	-	(1,534,635)	(1,534,635)
Transfers in. . . . .	480,000	480,000	323,200	(156,800)
Total other financing sources (uses) . . . . .	480,000	480,000	366,854	(113,146)
Net change in fund balance. . . . .	480,000	172,437	15,637	(156,800)
<b>Fund balance at beginning of year . . . . .</b>	<b>193,741</b>	<b>193,741</b>	<b>193,741</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 673,741</b>	<b>\$ 366,178</b>	<b>\$ 209,378</b>	<b>\$ (156,800)</b>

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**UNION COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS (CONTINUED)  
DECEMBER 31, 2009

	<b>Capital Improvements</b>	<b>Federal Grant and Recapture CDBG</b>	<b>Ditch Equipment Building</b>	<b>DD Capital</b>
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 1,039,178	\$ 3,441	\$ 3,081	\$ 1,701
Cash and cash equivalents in segregated accounts . .	-	-	-	-
Receivables (net of allowance for uncollectibles):				
Due from other governments . . . . .	-	-	-	-
Total assets . . . . .	<u>\$ 1,039,178</u>	<u>\$ 3,441</u>	<u>\$ 3,081</u>	<u>\$ 1,701</u>
<b>Liabilities:</b>				
Unearned revenue . . . . .	-	-	-	-
Total liabilities . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	-	-	-	-
Unreserved, undesignated, reported in:				
Capital projects funds. . . . .	<u>1,039,178</u>	<u>3,441</u>	<u>3,081</u>	<u>1,701</u>
Total fund balances . . . . .	<u>1,039,178</u>	<u>3,441</u>	<u>3,081</u>	<u>1,701</u>
Total liabilities and fund balances . . . . .	<u>\$ 1,039,178</u>	<u>\$ 3,441</u>	<u>\$ 3,081</u>	<u>\$ 1,701</u>

<b>Sheriff's Facility Construction</b>	<b>AG Center</b>	<b>London Ave. Government Building</b>	<b>Boylan and Phelps Ditch</b>	<b>Main Street Building</b>	<b>Lower Green JT Ditch</b>
\$ 3,807	\$ 325	\$ 61,539	\$ 772	\$ 81,837	\$ 22,082
-	-	269,785	-	-	-
-	-	-	-	-	-
<u>\$ 3,807</u>	<u>\$ 325</u>	<u>\$ 331,324</u>	<u>\$ 772</u>	<u>\$ 81,837</u>	<u>\$ 22,082</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	3,900	-	-	-
<u>3,807</u>	<u>325</u>	<u>327,424</u>	<u>772</u>	<u>81,837</u>	<u>22,082</u>
<u>3,807</u>	<u>325</u>	<u>331,324</u>	<u>772</u>	<u>81,837</u>	<u>22,082</u>
<u>\$ 3,807</u>	<u>\$ 325</u>	<u>\$ 331,324</u>	<u>\$ 772</u>	<u>\$ 81,837</u>	<u>\$ 22,082</u>

- - Continued

**UNION COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS (CONCLUDED)  
DECEMBER 31, 2009

	<b>Capital Project Issue II</b>	<b>Total Nonmajor Capital Project Funds</b>
<b>Assets:</b>		
Equity in pooled cash and investments . . . . .	\$ -	\$ 1,217,763
Cash and cash equivalents in segregated accounts . .	-	269,785
Receivables (net of allowance for uncollectibles):		
Due from other governments . . . . .	<u>203,759</u>	<u>203,759</u>
Total assets . . . . .	<u>\$ 203,759</u>	<u>\$ 1,691,307</u>
<b>Liabilities:</b>		
Unearned revenue . . . . .	<u>203,759</u>	<u>203,759</u>
Total liabilities. . . . .	<u>203,759</u>	<u>203,759</u>
<b>Fund Balances:</b>		
Reserved for encumbrances . . . . .	-	3,900
Unreserved, undesignated, reported in:		
Capital projects funds . . . . .	<u>-</u>	<u>1,483,648</u>
Total fund balances . . . . .	<u>-</u>	<u>1,487,548</u>
Total liabilities and fund balances . . . . .	<u>\$ 203,759</u>	<u>\$ 1,691,307</u>

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**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Capital Improvements</b>	<b>Federal Grant and Recapture CDBG</b>	<b>Ditch Equipment Building</b>	<b>DD Capital</b>
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ -	\$ 156,000	\$ -	\$ -
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Total revenues. . . . .	-	156,000	-	-
<b>Expenditures:</b>				
Current:				
Public works. . . . .	-	-	-	-
Capital outlay. . . . .	-	155,999	-	-
Debt service:				
Interest and fiscal charges . . . . .	-	-	-	-
Total expenditures. . . . .	-	155,999	-	-
Excess (deficiency) of revenues over (under) expenditures . . . . .	-	1	-	-
<b>Other financing sources (uses):</b>				
Payment to refunding bond escrow agent . . . . .	-	-	-	-
Transfers in. . . . .	-	-	-	-
Total other financing sources (uses) . . . . .	-	-	-	-
Net change in fund balance . . . . .	-	1	-	-
<b>Fund balance at beginning of year . . . . .</b>	<u>1,039,178</u>	<u>3,440</u>	<u>3,081</u>	<u>1,701</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,039,178</u>	<u>\$ 3,441</u>	<u>\$ 3,081</u>	<u>\$ 1,701</u>



<b>Sheriff's Facility Construction</b>	<b>AG Center</b>	<b>London Ave. Government Building</b>	<b>Boylan and Phelps Ditch</b>	<b>Main Street Building</b>	<b>Lower Green JT Ditch</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	22,082
-	-	332	-	805	-
-	-	332	-	805	22,082
-	-	-	26,228	-	142,808
-	-	-	-	4,467	-
19	-	-	-	-	-
19	-	-	26,228	4,467	142,808
(19)	-	332	(26,228)	(3,662)	(120,726)
(227,815)	-	-	-	-	-
-	-	-	27,000	-	142,808
(227,815)	-	-	27,000	-	142,808
(227,834)	-	332	772	(3,662)	22,082
231,641	325	330,992	-	85,499	-
\$ 3,807	\$ 325	\$ 331,324	\$ 772	\$ 81,837	\$ 22,082
- - Continued					

**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Capital Projects Issue II</b>	<b>Total Nonmajor Capital Project Funds</b>
<b>Revenues:</b>		
Intergovernmental . . . . .	\$ 1,506,694	\$ 1,662,694
Special assessments . . . . .	-	22,082
Investment income . . . . .	-	1,137
	<hr/>	<hr/>
Total revenues . . . . .	1,506,694	1,685,913
	<hr/>	<hr/>
<b>Expenditures:</b>		
Current:		
Public works. . . . .	-	169,036
Capital outlay. . . . .	1,506,694	1,667,160
Debt service:		
Interest and fiscal charges . . . . .	-	19
	<hr/>	<hr/>
Total expenditures. . . . .	1,506,694	1,836,215
	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures . . . . .	-	(150,302)
	<hr/>	<hr/>
<b>Other financing sources (uses):</b>		
Payment to refunding bond escrow agent . . . .		(227,815)
Transfers in. . . . .	-	169,808
	<hr/>	<hr/>
Total other financing sources (uses). . . . .	-	(58,007)
	<hr/>	<hr/>
Net change in fund balance. . . . .	-	(208,309)
	<hr/>	<hr/>
<b>Fund balance at beginning of year . . . . .</b>	-	1,695,857
	<hr/>	<hr/>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ 1,487,548</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CAPITAL IMPROVEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Fund balance at beginning of year . . . . .</b>	<u>\$ 1,039,178</u>	<u>\$ 1,039,178</u>	<u>\$ 1,039,178</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ 1,039,178</u></u>	<u><u>\$ 1,039,178</u></u>	<u><u>\$ 1,039,178</u></u>	<u><u>\$ -</u></u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FEDERAL GRANT FUND AND RECAPTURE CDBG  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ -	\$ 156,000	\$ 156,000	\$ -
Total revenues . . . . .	-	156,000	156,000	-
<b>Expenditures:</b>				
Other . . . . .	-	156,000	156,000	-
Total expenditures . . . . .	-	156,000	156,000	-
Net change in fund balance. . . . .	-	-	-	-
<b>Fund balance at beginning of year. . . . .</b>	<u>3,441</u>	<u>3,441</u>	<u>3,441</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 3,441</u>	<u>\$ 3,441</u>	<u>\$ 3,441</u>	<u>\$ -</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DITCH EQUIPMENT BUILDING  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Fund balance at beginning of year . . . . .</b>	\$ 3,081	\$ 3,081	\$ 3,081	\$ -
<b>Fund balance at end of year . . . . .</b>	<u>\$ 3,081</u>	<u>\$ 3,081</u>	<u>\$ 3,081</u>	<u>\$ -</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DD CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Expenditures:</b>				
Current:				
Human services				
Contractual services . . . . .	\$ 12,000	\$ 12,000	\$ -	\$ 12,000
Capital outlay . . . . .	10,000	10,000	-	10,000
Total expenditures. . . . .	22,000	22,000	-	10,000
<b>Other financing sources:</b>				
Transfers in . . . . .	20,300	20,300	-	(20,300)
Total other financing sources . . . . .	20,300	20,300	-	(20,300)
Net change in fund balance. . . . .	(1,700)	(1,700)	-	(10,300)
<b>Fund balance at beginning of year . . . . .</b>	<u>1,700</u>	<u>1,700</u>	<u>1,700</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,700</u>	<u>\$ (10,300)</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SHERIFF'S FACILITIES CONSTRUCTION  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balance at beginning of year. . . . .	\$ 3,807	\$ 3,807	\$ 3,807	\$ -
Fund balance at end of year . . . . .	<u>\$ 3,807</u>	<u>\$ 3,807</u>	<u>\$ 3,807</u>	<u>\$ -</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
AG CENTER  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balance at beginning of year . . . . .	\$ 325	\$ 325	\$ 325	\$ -
Fund balance at end of year . . . . .	<u>\$ 325</u>	<u>\$ 325</u>	<u>\$ 325</u>	<u>\$ -</u>



**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
LONDON AVE. GOVERNMENT BUILDING  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Interest . . . . .	\$ -	\$ -	\$ 280	\$ 280
Total revenues . . . . .	-	-	280	280
<b>Expenditures:</b>				
Current:				
Capital outlay				
Contractual services . . . . .	40,000	40,000	3,900	36,100
Total expenditures . . . . .	40,000	40,000	3,900	36,100
Net change in fund balance. . . . .	(40,000)	(40,000)	(3,620)	36,380
<b>Fund balance at beginning of year . . . . .</b>	<u>61,254</u>	<u>61,254</u>	<u>61,254</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 21,254</u>	<u>\$ 21,254</u>	<u>\$ 57,634</u>	<u>\$ 36,380</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
BOYLAN AND PHELPS DITCH  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Expenditures:</b>				
Current:				
Public works				
Contractual services . . . . .	\$ -	\$ 27,000	\$ 26,228	\$ 772
Total expenditures. . . . .	-	27,000	26,228	772
<b>Other financing sources:</b>				
Transfers in . . . . .	-	27,000	27,000	-
Total other financing sources. . . . .	-	27,000	27,000	-
Net change in fund balance. . . . .	-	-	772	772
<b>Fund balance at beginning of year. . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 772</u>	<u>\$ 772</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MAIN STREET BUILDING  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Interest. . . . .	\$ -	\$ -	\$ 1,682	\$ 1,682
Total revenues . . . . .	-	-	1,682	1,682
<b>Expenditures:</b>				
Current:				
General government				
Legislative and executive				
Contractual services. . . . .	346,431	322,206	322,206	-
Total expenditures . . . . .	346,431	322,206	322,206	-
Net change in fund balance. . . . .	(346,431)	(322,206)	(320,524)	1,682
<b>Fund balance at beginning of year . . . . .</b>	60,907	60,907	60,907	-
<b>Prior year encumbrances appropriated . . . . .</b>	341,431	341,431	341,431	
<b>Fund balance at end of year. . . . .</b>	<u>\$ 55,907</u>	<u>\$ 80,132</u>	<u>\$ 81,814</u>	<u>\$ 1,682</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
LOWER GREEN JT DITCH  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Special assessments . . . . .	\$ -	\$ -	\$ 22,082	\$ 22,082
Total revenues . . . . .	-	-	22,082	22,082
<b>Expenditures:</b>				
Current:				
Public works				
Contractual services . . . . .	-	142,808	142,808	-
Total expenditures . . . . .	-	142,808	142,808	-
Excess of expenditures over revenues . . . . .	-	(142,808)	(120,726)	22,082
<b>Other financing sources:</b>				
Transfers in . . . . .	-	142,808	142,808	-
Total other financing sources . . . . .	-	142,808	142,808	-
Net change in fund balance . . . . .	-	-	22,082	22,082
<b>Fund balance at beginning of year . . . . .</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22,082</b>	<b>\$ 22,082</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CAPITAL PROJECT ISSUE II  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 203,759	\$ 1,506,694	\$ 1,506,694	\$ -
Total revenues . . . . .	203,759	1,506,694	1,506,694	-
<b>Expenditures:</b>				
Current:				
Capital outlay				
Contractual services . . . . .	203,759	1,506,694	1,506,694	-
Total expenditures. . . . .	203,759	1,506,694	1,506,694	-
Net change in fund balance. . . . .	-	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## UNION COUNTY, OHIO

### INDIVIDUAL FUND SCHEDULES FUND DESCRIPTIONS - PROPRIETARY FUNDS

#### ENTERPRISE FUNDS

The enterprise funds are used to account for the financing of costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis that are financed or recovered primarily through user charges. The following is a description of the enterprise funds:

#### Major Enterprise Funds

##### *Memorial Hospital of Union County*

Although not a legally separate entity, funds are not co-mingled with the County's treasury but consolidated for annual reporting.

#### Nonmajor Enterprise Fund

##### *Sanitary Sewer*

To account for the operations of the sewer collection system within the county.

##### *Building and Development*

To account for fees collected from the general public for building and construction permits.

**UNION COUNTY, OHIO**

COMBINING STATEMENT OF NET ASSETS  
NONMAJOR PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Sanitary Sewer</b>	<b>Building and Development</b>	<b>Total Nonmajor Proprietary Funds</b>
<b>Assets:</b>			
Current assets:			
Equity in pooled cash and investments . . . . .	\$ 1,667,126	\$ 74,671	\$ 1,741,797
Receivables (net of allowance for uncollectibles):			
Accounts. . . . .	810	-	810
Prepayments . . . . .	-	155	155
Total current assets. . . . .	<u>1,667,936</u>	<u>74,826</u>	<u>1,742,762</u>
Noncurrent assets:			
Capital assets:			
Land and construction in progress . . . . .	405,129	-	405,129
Depreciable capital assets, net . . . . .	159,401	23,658	183,059
Total noncurrent assets . . . . .	<u>564,530</u>	<u>23,658</u>	<u>588,188</u>
Total assets. . . . .	<u>2,232,466</u>	<u>98,484</u>	<u>2,330,950</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable . . . . .	45,063	9,766	54,829
Contracts payable . . . . .	19,308	-	19,308
Accrued wages and benefits . . . . .	4,916	14,683	19,599
Due to other governments . . . . .	5,329	20,804	26,133
Current portion of compensated absences payable . . . . .	6,493	37,242	43,735
Current portion of OWDA loans . . . . .	25,130	-	25,130
Total current liabilities . . . . .	<u>106,239</u>	<u>82,495</u>	<u>188,734</u>
Long-term liabilities:			
Compensated absences payable . . . . .	1,169	24,899	26,068
OWDA loans payable . . . . .	338,893	-	338,893
Total long-term liabilities . . . . .	<u>340,062</u>	<u>24,899</u>	<u>364,961</u>
Total liabilities . . . . .	<u>446,301</u>	<u>107,394</u>	<u>553,695</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt . . . . .	187,942	23,658	211,600
Unrestricted (deficit) . . . . .	1,598,223	(32,568)	1,565,655
Total net assets (deficit). . . . .	<u>\$ 1,786,165</u>	<u>\$ (8,910)</u>	<u>\$ 1,777,255</u>

**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS  
NONMAJOR PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Sanitary Sewer</b>	<b>Building and Development</b>	<b>Total Nonmajor Proprietary Funds</b>
<b>Operating revenues:</b>			
Charges for services . . . . .	\$ 224,170	\$ 414,333	\$ 638,503
License and permits . . . . .	300	32,244	32,544
Tap-in fees. . . . .	100	-	100
Special assessments . . . . .	37,859	-	37,859
Other . . . . .	13,047	36,069	49,116
Total operating revenues . . . . .	<u>275,476</u>	<u>482,646</u>	<u>758,122</u>
<b>Operating expenses:</b>			
Personal services . . . . .	77,369	402,652	480,021
Contract services . . . . .	47,151	68,230	115,381
Materials and supplies . . . . .	33,296	1,500	34,796
Depreciation . . . . .	11,765	11,270	23,035
Other . . . . .	3,871	13,017	16,888
Total operating expenses . . . . .	<u>173,452</u>	<u>496,669</u>	<u>670,121</u>
Operating income (loss) . . . . .	<u>102,024</u>	<u>(14,023)</u>	<u>88,001</u>
<b>Nonoperating revenues (expenses):</b>			
Interest revenue. . . . .	11,218	-	11,218
Loss from disposal from fixed assets . . . . .	(2,489)	-	(2,489)
Total nonoperating revenues (expenses). . . . .	<u>8,729</u>	<u>-</u>	<u>8,729</u>
Income before transfers. . . . .	110,753	(14,023)	96,730
Transfers in. . . . .	12,807	-	12,807
Transfers out . . . . .	(2,056)	-	(2,056)
Change in net assets . . . . .	121,504	(14,023)	107,481
<b>Net assets at beginning of year . . . . .</b>	<u>1,664,661</u>	<u>5,113</u>	<u>1,669,774</u>
<b>Net assets (deficit) at end of year . . . . .</b>	<u><u>\$ 1,786,165</u></u>	<u><u>\$ (8,910)</u></u>	<u><u>\$ 1,777,255</u></u>



**UNION COUNTY, OHIO**

COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Sanitary Sewer</b>	<b>Building and Development</b>	<b>Total Nonmajor Proprietary Funds</b>
<b>Cash flows from operating activities:</b>			
Cash received from sales/service charges . . . . .	\$ 224,570	\$ 446,577	\$ 671,147
Cash received from special assessments. . . . .	37,859	-	37,859
Cash received from other operating revenue . . . . .	13,047	36,069	49,116
Cash payments for personal services . . . . .	(129,062)	(375,695)	(504,757)
Cash payments for contract services. . . . .	(3,537)	(63,209)	(66,746)
Cash payments for materials and supplies . . . . .	(32,653)	(2,820)	(35,473)
Cash payments for other expenses. . . . .	(3,871)	(11,147)	(15,018)
Net cash provided by operating activities . . . . .	<u>106,353</u>	<u>29,775</u>	<u>136,128</u>
<b>Cash flows from noncapital financing activities:</b>			
Cash received from transfers . . . . .	12,807	-	12,807
Cash payments for transfers out . . . . .	<u>(2,056)</u>	<u>-</u>	<u>(2,056)</u>
Net cash provided by noncapital financing activities. . . . .	<u>10,751</u>	<u>-</u>	<u>10,751</u>
<b>Cash flows from capital and related financing activities:</b>			
Acquisition of capital assets. . . . .	(424,349)	-	(424,349)
Principal payments on bonds, notes and loans. . . . .	(12,565)	-	(12,565)
Proceeds from loans . . . . .	<u>376,588</u>	<u>-</u>	<u>376,588</u>
Net cash used in capital and related financing activities . . . . .	<u>(60,326)</u>	<u>-</u>	<u>(60,326)</u>
<b>Cash flows from investing activities:</b>			
Cash received from interest. . . . .	<u>13,171</u>	<u>-</u>	<u>13,171</u>
Net cash provided by investing activities . . . . .	<u>13,171</u>	<u>-</u>	<u>13,171</u>
Net increase in cash and investments . . . . .	69,949	29,775	99,724
<b>Cash and investments at beginning of year . . . . .</b>	<u>1,597,177</u>	<u>44,896</u>	<u>1,642,073</u>
<b>Cash and investments at end of year . . . . .</b>	<u><u>\$ 1,667,126</u></u>	<u><u>\$ 74,671</u></u>	<u><u>\$ 1,741,797</u></u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>			
Operating income (loss) . . . . .	\$ 102,024	\$ (14,023)	\$ 88,001
Adjustments:			
Depreciation . . . . .	11,765	11,270	23,035
Changes in assets and liabilities:			
(Increase) in prepayments . . . . .	-	(155)	(155)
Increase in accounts payable . . . . .	44,257	5,726	49,983
Increase in accrued wages and benefits. . . . .	1,129	394	1,523
Increase in due to other governments. . . . .	1,661	2,109	3,770
Increase (decrease) in compensated absences payable. . .	<u>(54,483)</u>	<u>24,454</u>	<u>(30,029)</u>
Net cash provided by operating activities . . . . .	<u><u>\$ 106,353</u></u>	<u><u>\$ 29,775</u></u>	<u><u>\$ 136,128</u></u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SANITARY SEWER  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 220,000	\$ 220,000	\$ 224,170	\$ 4,170
Tap in fees . . . . .	-	-	100	100
Licenses and permits . . . . .	400	400	300	(100)
Special assessment . . . . .	39,000	39,000	37,859	(1,141)
Other . . . . .	850	850	13,047	12,197
Total operating revenues . . . . .	260,250	260,250	275,476	15,226
<b>Operating expenses:</b>				
Personal services . . . . .	144,000	144,000	129,062	14,938
Materials and supplies . . . . .	30,500	35,500	33,273	2,227
Contractual services . . . . .	312,500	434,585	301,063	133,522
Capital outlay . . . . .	9,910	95,320	92,818	2,502
Principal . . . . .	3,200	1,144	12,565	(11,421)
Other . . . . .	4,000	4,000	3,871	129
Total operating expenses . . . . .	504,110	714,549	572,652	141,897
Operating income (loss) . . . . .	(243,860)	(454,299)	(297,176)	157,123
<b>Nonoperating revenues (expenses):</b>				
Transfers in . . . . .	-	-	12,807	12,807
Interest revenue . . . . .	30,500	30,500	12,991	(17,509)
Loan issuance . . . . .	-	297,505	333,350	35,845
Transfers out . . . . .	-	(2,056)	(2,056)	-
Total nonoperating revenues (expenses):	30,500	325,949	357,092	31,143
Net gain (loss) . . . . .	(213,360)	(128,350)	59,916	188,266
<b>Fund equity at beginning of year . . . . .</b>	1,597,176	1,597,176	1,597,176	-
<b>Prior year encumbrances appropriated . . . . .</b>	2,310	2,310	2,310	-
<b>Fund equity at end of year . . . . .</b>	<u>\$ 1,386,126</u>	<u>\$ 1,471,136</u>	<u>\$ 1,659,402</u>	<u>\$ 188,266</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
BUILDING AND DEVELOPMENT  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 547,000	\$ 547,000	\$ 414,333	\$ (132,667)
Licenses and permits . . . . .	32,000	32,000	32,244	244
Other . . . . .	-	-	36,069	36,069
Total operating revenues . . . . .	579,000	579,000	482,646	(96,354)
<b>Operating expenses:</b>				
Personal services . . . . .	427,483	430,223	375,737	54,486
Materials and supplies . . . . .	5,000	5,000	2,820	2,180
Contractual services . . . . .	102,000	110,500	73,209	37,291
Other. . . . .	23,040	21,800	11,145	10,655
Total operating expenses . . . . .	557,523	567,523	462,911	104,612
Net gain . . . . .	21,477	11,477	19,735	8,258
<b>Fund equity at beginning of year. . . . .</b>	44,896	44,896	44,896	-
<b>Prior year encumbrances appropriated . . . . .</b>	40	40	40	-
<b>Fund equity at end of year . . . . .</b>	<u>\$ 66,413</u>	<u>\$ 56,413</u>	<u>\$ 64,671</u>	<u>\$ 8,258</u>

## UNION COUNTY, OHIO

### COMBINING STATEMENTS - FIDUCIARY FUNDS

The agency 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. The following are the County's fiduciary funds:

#### **Agency Funds**

Agency funds are purely custodial (assets equal liabilities) and therefore do not involve the measurement of results of operation. The following are the County's agency funds:

##### ***Tax Collection***

To account for the collection of various property taxes. These taxes are periodically distributed to local governments in the County including Union County itself.

##### ***Central Ohio Youth Center***

To account for monies received and expended for a five county joint juvenile detention center for which the Union County Auditor served as fiscal agent.

##### ***General Health District***

To account for the funds and sub-funds of the Board of Health for which the County Auditor serves as ex-officio fiscal agent.

##### ***Soil and Water Conservation District***

To account for monies received and expended for the Soil and Water Conservation District for which the County Auditor serves as fiscal agent

##### ***Marriage License***

To account for monies collected on each marriage license to be used for a battered spouse program providing by Turing Point and Choices, Inc.

##### ***Indigent Counsel and Restitution***

To account for court monies ordered reimbursed to the County or subdivision for attorney fees related to cases involving indigent clients.

##### ***Domestic Violence***

To account for fees collected on each divorce and dissolution case to be used for a battered spouse program provided by Turning Point and Choices, Inc.

##### ***County Courts***

To account for Clerk of Courts, Probate Court, and Juvenile Court receipts which are distributed to various agencies.

##### ***Alimony and Child Support***

To account for the collection of alimony and child support payments and the distribution of such monies to the court designated agencies.

##### ***Payroll***

To account for the payroll taxes and other related payroll deductions accumulated from all funds for distribution to the appropriate government unit and/or organization.

##### ***Joint Recreation Board***

To account for receipts and expenditures associated with this joint activity among Union County, the City of Marysville and Paris township.

##### ***Housing Trust***

To account for the increased funds collected by the Recorder's office in accordance with House Bill 95.

**UNION COUNTY, OHIO**

**COMBINING STATEMENTS - FIDUCIARY FUNDS**  
(continued)

***Union County Family and Children First***

To account for the revenues and expenditures of the council that administers various social programs within the County.

***Other Agency Funds***

Smaller agency funds operated by the County funded by miscellaneous sources. These funds are listed as follows:

Medical and Dental Insurance  
Ditch  
Humane Society

Ohio Child's Trust  
Ohio Elections Commission  
Help Me Grow

# UNION COUNTY, OHIO

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2009

	Balance 12/31/08	Additions	Reductions	Balance 12/31/09
<b>Tax Collections</b>				
<b>Assets:</b>				
Equity in pooled cash and investments. . . . .	\$ 3,126,012	\$ 87,884,131	\$ 87,463,545	\$ 3,546,598
Receivables:				
Real estate and other taxes . . . . .	61,335,192	85,235,434	61,335,192	85,235,434
Due from other governments . . . . .	4,146,389	1,820,522	4,146,389	1,820,522
Total assets. . . . .	<u>\$ 68,607,593</u>	<u>\$ 174,940,087</u>	<u>\$ 152,945,126</u>	<u>\$ 90,602,554</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 68,607,593	\$ 174,940,087	\$ 152,945,126	\$ 90,602,554
Total liabilities . . . . .	<u>\$ 68,607,593</u>	<u>\$ 174,940,087</u>	<u>\$ 152,945,126</u>	<u>\$ 90,602,554</u>
<b>Central Ohio Youth Center</b>				
<b>Assets:</b>				
Equity in pooled cash and investments. . . . .	\$ 409,391	\$ 2,649,371	\$ 2,891,555	\$ 167,207
Total assets. . . . .	<u>\$ 409,391</u>	<u>\$ 2,649,371</u>	<u>\$ 2,891,555</u>	<u>\$ 167,207</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 409,391	\$ 2,649,371	\$ 2,891,555	\$ 167,207
Total liabilities . . . . .	<u>\$ 409,391</u>	<u>\$ 2,649,371</u>	<u>\$ 2,891,555</u>	<u>\$ 167,207</u>
<b>General Health District</b>				
<b>Assets:</b>				
Equity in pooled cash and investments. . . . .	\$ 2,327,168	\$ 2,769,011	\$ 2,727,789	\$ 2,368,390
Receivables:				
Due from other governments . . . . .	80,584	-	80,584	-
Total assets. . . . .	<u>\$ 2,407,752</u>	<u>\$ 2,769,011</u>	<u>\$ 2,808,373</u>	<u>\$ 2,368,390</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 2,407,752	\$ 2,769,011	\$ 2,808,373	\$ 2,368,390
Total liabilities . . . . .	<u>\$ 2,407,752</u>	<u>\$ 2,769,011</u>	<u>\$ 2,808,373</u>	<u>\$ 2,368,390</u>
<b>Soil &amp; Water Conservation District</b>				
<b>Assets:</b>				
Equity in pooled cash and investments. . . . .	\$ 160,465	\$ 305,067	\$ 407,428	\$ 58,104
Total assets. . . . .	<u>\$ 160,465</u>	<u>\$ 305,067</u>	<u>\$ 407,428</u>	<u>\$ 58,104</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 160,465	\$ 305,067	\$ 407,428	\$ 58,104
Total liabilities . . . . .	<u>\$ 160,465</u>	<u>\$ 305,067</u>	<u>\$ 407,428</u>	<u>\$ 58,104</u>
<b>Marriage License</b>				
<b>Assets:</b>				
Equity in pooled cash and investments. . . . .	\$ 3,179	\$ 4,522	\$ 7,701	\$ -
Total assets. . . . .	<u>\$ 3,179</u>	<u>\$ 4,522</u>	<u>\$ 7,701</u>	<u>\$ -</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 3,179	\$ 4,522	\$ 7,701	\$ -
Total liabilities . . . . .	<u>\$ 3,179</u>	<u>\$ 4,522</u>	<u>\$ 7,701</u>	<u>\$ -</u>

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**UNION COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Balance 12/31/08</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 12/31/09</b>
<b>Indigent Counsel and Restitution</b>				
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 18,278	\$ 15,484	\$ -	\$ 33,762
Total assets. . . . .	<u>\$ 18,278</u>	<u>\$ 15,484</u>	<u>\$ -</u>	<u>\$ 33,762</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 18,278	\$ 15,484	\$ -	\$ 33,762
Total liabilities. . . . .	<u>\$ 18,278</u>	<u>\$ 15,484</u>	<u>\$ -</u>	<u>\$ 33,762</u>
<b>Domestic Violence</b>				
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 3,616	\$ 5,739	\$ 9,355	\$ -
Total assets. . . . .	<u>\$ 3,616</u>	<u>\$ 5,739</u>	<u>\$ 9,355</u>	<u>\$ -</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 3,616	\$ 5,739	\$ 9,355	\$ -
Total liabilities. . . . .	<u>\$ 3,616</u>	<u>\$ 5,739</u>	<u>\$ 9,355</u>	<u>\$ -</u>
<b>County Courts</b>				
<b>Assets:</b>				
Cash and cash equivalents in segregated accounts . .	\$ 438,523	\$ 434,772	\$ 438,523	\$ 434,772
Total assets. . . . .	<u>\$ 438,523</u>	<u>\$ 434,772</u>	<u>\$ 438,523</u>	<u>\$ 434,772</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 438,523	\$ 434,772	\$ 438,523	\$ 434,772
Total liabilities. . . . .	<u>\$ 438,523</u>	<u>\$ 434,772</u>	<u>\$ 438,523</u>	<u>\$ 434,772</u>
<b>Alimony and Child Support</b>				
<b>Assets:</b>				
Cash and cash equivalents in segregated accounts . .	\$ 966	\$ 1,042	\$ 966	\$ 1,042
Total assets. . . . .	<u>\$ 966</u>	<u>\$ 1,042</u>	<u>\$ 966</u>	<u>\$ 1,042</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 966	\$ 1,042	\$ 966	\$ 1,042
Total liabilities. . . . .	<u>\$ 966</u>	<u>\$ 1,042</u>	<u>\$ 966</u>	<u>\$ 1,042</u>
<b>Payroll</b>				
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 90,731	\$ 20,119,148	\$ 20,088,764	\$ 121,115
Total assets. . . . .	<u>\$ 90,731</u>	<u>\$ 20,119,148</u>	<u>\$ 20,088,764</u>	<u>\$ 121,115</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 90,731	\$ 20,119,148	\$ 20,088,764	\$ 121,115
Total liabilities. . . . .	<u>\$ 90,731</u>	<u>\$ 20,119,148</u>	<u>\$ 20,088,764</u>	<u>\$ 121,115</u>

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**UNION COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Balance 12/31/08</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 12/31/09</b>
<b>Joint Recreation Board</b>				
<b>Assets:</b>				
Equity in pooled cash and investments. . . . .	\$ 53,464	\$ 121,040	\$ 144,721	\$ 29,783
Total assets. . . . .	<u>\$ 53,464</u>	<u>\$ 121,040</u>	<u>\$ 144,721</u>	<u>\$ 29,783</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 53,464	\$ 121,040	\$ 144,721	\$ 29,783
Total liabilities . . . . .	<u>\$ 53,464</u>	<u>\$ 121,040</u>	<u>\$ 144,721</u>	<u>\$ 29,783</u>
<b>Housing Trust</b>				
<b>Assets:</b>				
Equity in pooled cash and investments. . . . .	\$ 49,010	\$ 325,606	\$ 308,439	\$ 66,177
Total assets. . . . .	<u>\$ 49,010</u>	<u>\$ 325,606</u>	<u>\$ 308,439</u>	<u>\$ 66,177</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 49,010	\$ 325,606	\$ 308,439	\$ 66,177
Total liabilities . . . . .	<u>\$ 49,010</u>	<u>\$ 325,606</u>	<u>\$ 308,439</u>	<u>\$ 66,177</u>
<b>Union County Family and Children First</b>				
<b>Assets:</b>				
Equity in pooled cash and investments. . . . .	\$ 45,627	\$ 68,621	\$ 100,050	\$ 14,198
Total assets. . . . .	<u>\$ 45,627</u>	<u>\$ 68,621</u>	<u>\$ 100,050</u>	<u>\$ 14,198</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 45,627	\$ 68,621	\$ 100,050	\$ 14,198
Total liabilities . . . . .	<u>\$ 45,627</u>	<u>\$ 68,621</u>	<u>\$ 100,050</u>	<u>\$ 14,198</u>
<b>Medical and Dental Insurance</b>				
<b>Assets:</b>				
Equity in pooled cash and investments. . . . .	\$ 3,301	\$ 69,832,040	\$ 69,617,314	\$ 218,027
Total assets. . . . .	<u>\$ 3,301</u>	<u>\$ 69,832,040</u>	<u>\$ 69,617,314</u>	<u>\$ 218,027</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 3,301	\$ 69,832,040	\$ 69,617,314	\$ 218,027
Total liabilities . . . . .	<u>\$ 3,301</u>	<u>\$ 69,832,040</u>	<u>\$ 69,617,314</u>	<u>\$ 218,027</u>
<b>Ditch</b>				
<b>Assets:</b>				
Equity in pooled cash and investments. . . . .	\$ -	\$ 3,024	\$ 3,024	\$ -
Total assets. . . . .	<u>\$ -</u>	<u>\$ 3,024</u>	<u>\$ 3,024</u>	<u>\$ -</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ -	\$ 3,024	\$ 3,024	\$ -
Total liabilities . . . . .	<u>\$ -</u>	<u>\$ 3,024</u>	<u>\$ 3,024</u>	<u>\$ -</u>

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**UNION COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS (CONCLUDED)  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Balance 12/31/08</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 12/31/09</b>
<b>Humane Society</b>				
<b>Assets:</b>				
Equity in pooled cash and investments. . . . .	\$ -	\$ 275	\$ -	\$ 275
Total assets. . . . .	<u>\$ -</u>	<u>\$ 275</u>	<u>\$ -</u>	<u>\$ 275</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ -	\$ 275	\$ -	\$ 275
Total liabilities . . . . .	<u>\$ -</u>	<u>\$ 275</u>	<u>\$ -</u>	<u>\$ 275</u>
<b>Ohio Child's Trust</b>				
<b>Assets:</b>				
Equity in pooled cash and investments. . . . .	\$ 17,355	\$ 15,000	\$ 12,407	\$ 19,948
Total assets. . . . .	<u>\$ 17,355</u>	<u>\$ 15,000</u>	<u>\$ 12,407</u>	<u>\$ 19,948</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 17,355	\$ 15,000	\$ 12,407	\$ 19,948
Total liabilities . . . . .	<u>\$ 17,355</u>	<u>\$ 15,000</u>	<u>\$ 12,407</u>	<u>\$ 19,948</u>
<b>Ohio Elections Commission</b>				
<b>Assets:</b>				
Equity in pooled cash and investments. . . . .	\$ 290	\$ 1,685	\$ 100	\$ 1,875
Total assets. . . . .	<u>\$ 290</u>	<u>\$ 1,685</u>	<u>\$ 100</u>	<u>\$ 1,875</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	290	1,685	100	1,875
Total liabilities . . . . .	<u>\$ 290</u>	<u>\$ 1,685</u>	<u>\$ 100</u>	<u>\$ 1,875</u>
<b>Help Me Grow</b>				
<b>Assets:</b>				
Equity in pooled cash and investments. . . . .	\$ 12,480	\$ 218,896	\$ 180,910	\$ 50,466
Total assets. . . . .	<u>\$ 12,480</u>	<u>\$ 218,896</u>	<u>\$ 180,910</u>	<u>\$ 50,466</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	12,480	218,896	180,910	50,466
Total liabilities . . . . .	<u>\$ 12,480</u>	<u>\$ 218,896</u>	<u>\$ 180,910</u>	<u>\$ 50,466</u>
<b>All Agency Funds</b>				
<b>Assets</b>				
Equity in pooled cash and investments. . . . .	\$ 6,320,367	\$ 184,338,660	\$ 183,963,102	\$ 6,695,925
Cash and cash equivalents in segregated accounts . .	439,489	435,814	439,489	435,814
Receivables:				
Real estate and other taxes . . . . .	61,335,192	85,235,434	61,335,192	85,235,434
Due from other governments . . . . .	4,226,973	1,820,522	4,226,973	1,820,522
Total assets. . . . .	<u>\$ 72,322,021</u>	<u>\$ 271,830,430</u>	<u>\$ 249,964,756</u>	<u>\$ 94,187,695</u>
<b>Liabilities</b>				
Undistributed monies . . . . .	\$ 72,322,021	\$ 271,830,430	\$ 249,964,756	\$ 94,187,695
Total liabilities. . . . .	<u>\$ 72,322,021</u>	<u>\$ 271,830,430</u>	<u>\$ 249,964,756</u>	<u>\$ 94,187,695</u>

# **UNION COUNTY, OHIO**

## BALANCE SHEET DISCRETELY PREPARED COMPONENT UNIT UNION COUNTY AIRPORT AUTHORITY DECEMBER 31, 2009

	<b>Airport Authority</b>
<b>Assets:</b>	
Equity in pooled cash and investments . . . . .	\$ 458,882
Receivables (net of allowances of uncollectibles):	
Due from other governments . . . . .	11,675
Prepayments. . . . .	725
Total assets . . . . .	<u>471,282</u>
<b>Liabilities:</b>	
Accounts payable . . . . .	19,109
Accrued wages and benefits . . . . .	280
Due to other governments . . . . .	123
Deferred revenue . . . . .	11,675
Total liabilities . . . . .	<u>31,187</u>
<b>Fund balances:</b>	
Unreserved, undesignated . . . . .	440,095
Total net assets. . . . .	<u>\$ 440,095</u>

### RECONCILIATION OF TOTAL AIRPORT AUTHORITY FUND BALANCE TO NET ASSETS OF AIRPORT AUTHORITY COMPONENT UNIT ACTIVITIES

<b>Total Airport Authority Fund Balances</b>	<b>\$ 440,095</b>
<i>Amounts reported for governmental activities in the statement of net assets are different because of the following:</i>	
Capital assets used in governmental type component unit activities are not financial resources and, therefore, are not reported in the funds.	2,979,587
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.	
Intergovernmental receivable	11,675
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the	
General obligation bonds payable	(55,548)
Net Assets of The Union County Airport Authority	<u><u>3,375,809</u></u>

# **UNION COUNTY, OHIO**

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES DISCRETELY PRESENTED COMPONENT UNIT UNION COUNTY AIRPORT AUTHORITY FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Airport Authority</b>
<b>Revenues:</b>	
Intergovernmental . . . . .	\$ 135,763
Investment income . . . . .	242
Rental income . . . . .	171,655
Other. . . . .	1,975
	<hr/>
Total revenues . . . . .	309,635
	<hr/>
<b>Expenditures:</b>	
Current:	
Conservation and recreation . . . . .	332,039
Debt service:	
Principal retirement . . . . .	26,126
Interest and fiscal charges . . . . .	3,193
	<hr/>
Total expenditures . . . . .	361,358
	<hr/>
Net change in fund balance. . . . .	(51,723)
	<hr/>
<b>Fund balance at beginning of year . . . . .</b>	<b>491,818</b>
	<hr/>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 440,095</b>
	<hr/> <hr/>

### RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF AIRPORT AUTHORITY COMPONENT UNIT FUNDS TO STATEMENT OF ACTIVITIES

<b>Net Change in Airport Authority Fund Balances</b>	<b>\$ (51,723)</b>
--	--------------------

*Amounts reported for discretely presented component units on the statement of activities are different because:*

Governmental type component unit 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 depreciation expense exceeds capital outlays.

Capital asset additions	153,087	
Current year depreciation	<u>(174,045)</u>	
Total		(20,958)

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

Intergovernmental revenues	11,675
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Repayment of bond principal is an expenditure in the governmental type component unit funds, but the repayment reduces long-term liabilities on the statement of activities.

26,126

Change in Net Assets of The Airport Authority	<u><u>\$ (34,880)</u></u>
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## **STATISTICAL SECTION**

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**UNION COUNTY, OHIO**  
**STATISTICAL SECTION**

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	<b>222-228</b>
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time	
<b>Revenue Capacity</b>	<b>229-234</b>
These schedules contain information to help the reader assess the affordability of the County's most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	<b>235-241</b>
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.	
<b>Demographic and Economic Information</b>	<b>242-244</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	
<b>Operating Information</b>	<b>245-252</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial reports relates to the services the County provides and the activities it performs.	

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual reports for the relevant year. The County implemented GASB Statement 34 for the year ended December 31, 2003; schedules presenting government wide information include information beginning in that year.

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**UNION COUNTY, OHIO**

**NET ASSETS BY COMPONENT  
LAST SEVEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
<b>Government activities:</b>							
Invested in capital assets, Net of unrelated debt	\$62,877,921	\$61,759,667	\$57,915,110	\$56,089,685	\$50,863,277	\$49,042,618	\$45,104,941
Restricted for:							
Capital projects	1,487,548	1,906,616	1,738,603	1,432,729	1,885,804	1,553,271	3,010,651
Debt service	199,241	196,115	186,530	178,705	103,051	167,311	90,000
Human service programs	12,967,423	10,449,860	8,980,021	6,969,391	6,100,622	4,534,666	4,163,061
Public works programs	3,853,142	3,688,199	3,470,964	3,494,643	3,154,052	2,271,894	2,487,400
Health programs	1,358,434	1,057,715	2,146,086	2,162,353	2,500,644	1,710,375	1,233,090
Other purposes	3,584,543	3,765,806	2,377,575	2,287,368	2,133,744	1,833,401	682,415
Unrestricted	6,871,486	8,837,717	10,423,629	6,844,135	6,365,027	4,958,093	7,815,189
Total governmental activities net assets	<u>\$93,199,738</u>	<u>\$91,661,695</u>	<u>\$87,238,518</u>	<u>\$79,459,009</u>	<u>\$73,106,221</u>	<u>\$66,071,629</u>	<u>\$64,586,747</u>
<b>Business-type activities:</b>							
Invested in capital assets, Net of unrelated debt	\$14,124,261	\$13,508,658	\$11,782,702	\$13,355,372	\$12,958,132	\$14,630,578	\$9,851,629
Restricted	2,753,323	4,928,672	4,318,519	3,648,108	1,914,465	4,827,773	8,933,332
Unrestricted	29,464,612	24,126,401	23,134,777	14,603,007	14,632,020	7,389,812	6,570,941
Total business-type activities net assets	<u>\$46,342,196</u>	<u>\$42,563,731</u>	<u>\$39,235,998</u>	<u>\$31,606,487</u>	<u>\$29,504,617</u>	<u>\$26,848,163</u>	<u>\$25,355,902</u>
<b>Primary government:</b>							
Invested in capital assets, Net of unrelated debt	\$77,002,182	\$75,268,325	\$69,697,812	\$69,445,057	\$63,821,409	\$63,673,196	\$54,956,570
Restricted for:							
Capital projects	1,487,548	2,934,501	1,738,603	1,432,729	1,885,804	1,553,271	3,010,651
Debt service	199,241	199,840	186,530	178,705	103,051	167,311	90,000
Human service programs	12,967,423	10,449,860	8,980,021	6,969,391	6,100,622	4,534,666	4,163,061
Public works programs	3,853,142	3,688,199	3,470,964	3,494,643	3,154,052	2,271,894	2,487,400
Health programs	1,358,434	1,057,715	2,146,086	2,162,353	2,500,644	1,710,375	1,233,090
Other purposes	6,337,866	7,662,868	6,696,094	5,935,476	4,048,209	6,661,174	9,615,747
Unrestricted	36,336,098	32,964,118	33,558,406	21,447,142	20,997,047	12,347,905	14,386,130
Total	<u>\$139,541,934</u>	<u>\$134,225,426</u>	<u>\$126,474,516</u>	<u>\$111,065,496</u>	<u>\$102,610,838</u>	<u>\$92,919,792</u>	<u>\$89,942,649</u>

**Source:** County financial records

**Note:**

2003 was the first year the County implemented GASB Statement No. 34, so comparative information before that date is not available.

**UNION COUNTY, OHIO**

**CHANGES IN NET ASSETS  
LAST SEVEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

<b>Expenses</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
<b>Governmental activities:</b>							
General government:							
Legislative and executive	\$ 12,019,993	\$ 13,793,161	\$ 11,990,209	\$ 11,776,677	\$ 11,058,550	\$ 11,245,559	\$ 9,250,525
Judicial	2,461,340	2,637,145	2,371,200	2,181,237	2,248,594	1,960,691	1,909,165
Public safety	7,150,858	7,161,068	6,735,640	6,270,069	5,631,020	4,709,853	5,625,007
Public works	5,747,722	3,227,196	3,341,555	3,089,442	3,427,498	4,554,528	1,464,972
Health	3,950,543	4,020,931	3,834,944	3,888,031	3,345,809	3,201,395	3,482,836
Human services	15,526,434	16,904,850	13,834,546	14,604,599	12,759,040	11,339,209	11,616,137
Economic development	402,363	365,747	298,297	306,202	333,395	394,680	154,969
Intergovernmental	576,265	519,194	-	-	-	1,782,748	666,332
Interest and fiscal charges	491,417	485,352	328,586	380,135	415,051	451,711	460,618
<i>Total governmental activities expense</i>	<u>48,326,935</u>	<u>49,114,644</u>	<u>42,734,977</u>	<u>42,496,392</u>	<u>39,218,957</u>	<u>39,640,374</u>	<u>34,630,561</u>
<b>Business-type activities:</b>							
Memorial hospital	69,262,201	67,061,083	62,879,762	60,705,526	58,582,150	56,083,372	59,845,387
Nonmajor:							
Sanitary sewer district	175,941	319,305	222,616	1,109,238	1,190,025	872,798	666,119
Water district	-	-	150,000	220,104	585,926	439,051	253,638
Building and development	496,669	679,417	730,837	954,983	920,994	811,553	702,502
<i>Total business-type activities expense</i>	<u>69,934,811</u>	<u>68,059,805</u>	<u>63,983,215</u>	<u>62,989,851</u>	<u>61,279,095</u>	<u>58,206,774</u>	<u>61,467,646</u>
<i>Total primary government expenses</i>	<u>\$118,261,746</u>	<u>\$ 117,174,449</u>	<u>\$ 106,718,192</u>	<u>\$ 105,486,243</u>	<u>\$ 100,498,052</u>	<u>\$ 97,847,148</u>	<u>\$ 96,098,207</u>
<b>Program revenues</b>							
<b>Governmental activities:</b>							
Charges for services:							
General government:							
Legislative and executive	\$ 2,657,714	\$ 2,799,982	\$ 2,747,434	\$ 3,023,987	\$ 3,056,333	\$ 2,843,582	\$ 2,107,002
Judicial	672,310	696,302	636,768	570,134	574,770	580,135	879,666
Public safety	1,038,616	793,587	609,138	871,808	815,211	699,130	560,200
Public works	643,515	800,713	728,309	644,593	618,410	644,370	798,534
Health	256,573	174,411	210,952	179,375	170,132	285,042	151,412
Human services	770,661	1,252,022	1,173,924	1,191,088	1,380,394	1,346,464	1,220,303
Economic development	22,534	21,876	21,239	20,621	20,621	20,620	79,774
Operating grants and contributions							
General government:							
Legislative and executive	175,388	158,828	391,160	636,094	813,542	798,429	552,417
Judicial	-	7,593	64,316	74,447	107,541	110,276	135,611
Public safety	808,188	983,000	582,840	691,322	605,893	554,115	532,082
Public works	4,495,345	4,124,622	-	-	-	-	-
Health	2,459,350	2,882,747	1,155,472	2,551,355	2,400,984	2,480,982	2,235,583
Human services	8,711,064	8,038,000	6,736,671	5,392,309	4,508,522	4,625,488	4,413,779
Economic development	79,809	316,391	-	-	-	-	-
Capital grants and contributions							
General government:							
Legislative and executive	-	140,828	201,015	117,400	234,795	335,590	490,040
Public works	1,474,017	2,900,836	908,125	2,464,802	785,013	1,826,860	1,548,851
Human services	-	-	-	-	-	-	20,144
<i>Total governmental activities program revenues</i>	<u>24,265,084</u>	<u>26,091,738</u>	<u>16,167,363</u>	<u>18,429,335</u>	<u>16,092,161</u>	<u>17,151,083</u>	<u>15,725,398</u>

- (continued)

**UNION COUNTY, OHIO**

CHANGES IN NET ASSETS (CONTINUED)  
LAST SEVEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

<b>Program revenues (continued)</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
Business-type activities:							
Charges for services:							
Memorial hospital	69,091,683	67,410,277	66,910,751	60,142,923	58,674,289	54,589,205	57,212,364
Nonmajor:							
Sanitary sewer district	224,570	264,358	273,086	332,884	1,143,784	954,578	888,221
Water district	-	3,989	6,205	64,231	636,889	586,869	625,295
Building and development	446,577	609,618	730,342	766,433	848,346	798,214	754,349
Capital grants and contributions							
Memorial hospital	1,064,803	370,484	557,971	808,334	543,753	833,980	-
<i>Total business-type activities</i>							
Program revenues	<u>70,827,633</u>	<u>68,658,726</u>	<u>68,478,355</u>	<u>62,114,805</u>	<u>61,847,061</u>	<u>57,762,846</u>	<u>59,480,229</u>
<i>Total primary government</i>							
Program revenues	<u>\$ 95,092,717</u>	<u>\$ 94,750,464</u>	<u>\$ 84,645,718</u>	<u>\$ 80,544,140</u>	<u>\$ 77,939,222</u>	<u>\$ 74,913,929</u>	<u>\$ 75,205,627</u>
<b>Net (expense)/revenue</b>							
Governmental activities	\$ (24,061,851)	\$ (23,022,906)	\$ (26,567,614)	\$ (24,067,057)	\$ (23,126,796)	\$ (22,489,291)	\$ (18,905,163)
Business-type activities	892,822	598,921	4,495,140	(875,046)	567,966	(443,928)	(1,987,417)
<i>Total primary government net expense</i>	<u>\$ (23,169,029)</u>	<u>\$ (22,423,985)</u>	<u>\$ (22,072,474)</u>	<u>\$ (24,942,103)</u>	<u>\$ (22,558,830)</u>	<u>\$ (22,933,219)</u>	<u>\$ (20,892,580)</u>
<b>General revenues and other changes in net assets</b>							
Governmental activities:							
Property taxes	\$ 10,264,681	\$ 10,360,679	\$ 11,915,812	\$ 11,242,702	\$ 11,605,612	\$ 10,018,690	\$ 9,429,703
Sales taxes	8,001,168	9,565,905	9,379,361	7,163,499	7,115,148	6,844,471	8,388,571
Unrestricted grants and contributions	5,452,939	4,312,843	9,597,276	9,108,618	9,157,542	6,239,807	7,232,467
Interest	1,001,949	1,516,355	1,800,912	1,542,329	903,077	527,910	542,185
Other	889,908	1,687,155	1,653,762	1,362,697	1,380,009	1,530,771	1,510,556
Transfers	(10,751)	3,146	-	-	-	-	-
<i>Total governmental activities:</i>	<u>25,599,894</u>	<u>27,446,083</u>	<u>34,347,123</u>	<u>30,419,845</u>	<u>30,161,388</u>	<u>25,161,649</u>	<u>27,103,482</u>
Business-type activities:							
Unrestricted grants and contributions	-	-	-	-	-	-	662,258
Interest	169,467	565,872	931,447	718,364	228,887	102,325	149,025
Gain on sale of capital assets	-	-	-	460,169	-	-	-
Transfers	10,751	(3,146)	-	-	-	-	-
Other	2,705,425	2,166,086	2,202,924	1,798,383	1,859,601	1,772,797	2,163,101
<i>Total business-type activities:</i>	<u>2,885,643</u>	<u>2,728,812</u>	<u>3,134,371</u>	<u>2,976,916</u>	<u>2,088,488</u>	<u>1,875,122</u>	<u>2,974,384</u>
<i>Total primary government</i>	<u>\$ 28,485,537</u>	<u>\$ 30,174,895</u>	<u>\$ 37,481,494</u>	<u>\$ 33,396,761</u>	<u>\$ 32,249,876</u>	<u>\$ 27,036,771</u>	<u>\$ 30,077,866</u>
<b>Change in net assets</b>							
Governmental activities:	\$ 1,538,043	\$ 4,423,177	\$ 7,779,509	\$ 6,352,788	\$ 7,034,592	\$ 2,672,358	\$ 8,198,319
Business-type activities:	3,778,465	3,327,733	7,629,511	2,101,870	2,656,454	1,431,194	986,967
<i>Total primary government</i>	<u>\$ 5,316,508</u>	<u>\$ 7,750,910</u>	<u>\$ 15,409,020</u>	<u>\$ 8,454,658</u>	<u>\$ 9,691,046</u>	<u>\$ 4,103,552</u>	<u>\$ 9,185,286</u>

**Source:** County financial records

**Note:**

2003 was the first year the County implemented GASB Statement No. 34, so comparative information before that date is not available.

**UNION COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED BASIS OF ACCOUNTING)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
<b>General fund</b>						
Reserved	\$ 431,927	\$ 3,548,189	\$ 1,089,106	\$ 743,360	\$ 747,942	\$ 777,801
Unreserved	3,387,401	-	2,377,961	3,665,656	3,089,674	4,443,403
Total general fund	<u>3,819,328</u>	<u>3,548,189</u>	<u>3,467,067</u>	<u>4,409,016</u>	<u>3,837,616</u>	<u>5,221,204</u>
 <b>All other governmental funds</b>						
Reserved	705,270	912,165	856,041	431,965	446,049	684,784
Unreserved, reported in:						
Special revenue funds	5,770,996	5,588,600	5,962,109	6,396,190	8,150,227	10,035,585
Cap. projects fund	3,914,526	3,383,151	2,751,707	2,864,090	1,401,758	1,663,846
Total all other governmental Funds	<u>10,390,792</u>	<u>9,883,916</u>	<u>9,569,857</u>	<u>9,692,245</u>	<u>9,998,034</u>	<u>12,384,215</u>
Total governmental funds	<u>\$14,210,120</u>	<u>\$13,432,105</u>	<u>\$13,036,924</u>	<u>\$14,101,261</u>	<u>\$13,835,650</u>	<u>\$17,605,419</u>

**Source:** County financial records

<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
\$ 845,718	\$ 899,462	\$ 245,743	\$ 525,319
5,090,874	6,775,931	6,288,735	4,947,149
<u>5,936,592</u>	<u>7,675,393</u>	<u>6,534,478</u>	<u>5,472,468</u>
943,813	612,590	425,736	1,121,733
11,284,106	14,084,346	15,283,376	17,822,141
1,303,416	1,675,771	1,695,857	1,483,648
<u>13,531,335</u>	<u>16,372,707</u>	<u>17,404,969</u>	<u>20,427,522</u>
<u>\$19,467,927</u>	<u>\$ 24,048,100</u>	<u>\$ 23,939,447</u>	<u>\$ 25,899,990</u>

**UNION COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Revenues</b>				
Property taxes	\$ 7,318,784	\$ 7,051,514	\$ 9,212,683	\$ 9,439,349
Sales taxes	4,394,280	7,247,373	5,983,016	8,187,253
Charges for services	4,185,063	3,128,084	3,931,159	5,218,750
Licenses and permits	94,907	140,079	208,712	138,446
Fines and forfeitures	120,629	116,038	190,320	112,740
Intergovernmental	13,524,123	14,215,646	13,904,313	16,864,852
Special assessments	26,411	41,108	41,677	57,295
Investment earnings	1,633,319	1,275,488	735,429	542,185
Rental income	-	-	-	-
Other	1,191,178	1,030,973	1,846,861	1,246,172
Total revenues	<u>32,488,694</u>	<u>34,246,303</u>	<u>36,054,170</u>	<u>41,807,042</u>
<b>Expenditures</b>				
General government:				
Legislative and executive	6,301,260	7,001,821	8,514,138	9,283,243
Judicial	1,400,100	1,500,183	1,628,576	1,662,842
Public safety	4,133,505	4,218,505	4,846,121	5,194,829
Public works	6,284,628	3,787,974	3,680,137	4,020,510
Health	2,242,986	2,928,295	3,448,408	3,364,327
Human services	8,318,217	9,814,676	10,618,297	11,483,709
Economic development	99,305	106,860	63,260	235,593
Intergovernmental	638,934	763,909	649,572	663,205
Capital outlay	3,440,648	3,429,797	5,466,427	4,254,021
Debt service				
Principal retirement	375,600	462,927	648,804	542,511
Interest and fiscal charges	370,480	438,696	427,969	454,318
Bond issuance costs	370,480	438,696	427,969	454,318
Total expenditures	<u>33,976,143</u>	<u>34,892,339</u>	<u>40,419,678</u>	<u>41,613,426</u>
Excess of revenues over (under) expenditures	<u>(1,487,449)</u>	<u>(646,036)</u>	<u>(4,365,508)</u>	<u>193,616</u>
<b>Other financing sources (uses)</b>				
Transfers in	2,956,219	6,686,942	2,459,007	3,545,026
Transfers out	(2,956,219)	(6,686,942)	(2,367,987)	(3,540,147)
Sale of capital assets	8,962	-	16,890	253,647
Issuance of bonds/other sources	20,418	-	3,435,000	-
Total other financing sources (uses)	<u>29,380</u>	<u>-</u>	<u>3,542,910</u>	<u>258,526</u>
Net change in fund balance	<u>\$ (1,458,069)</u>	<u>\$ (646,036)</u>	<u>\$ (822,598)</u>	<u>\$ 452,142</u>
Debt service as a percentage of noncapital expenditures	2.4%	2.9%	3.1%	2.9%

**Source:** County financial records

2004	2005	2006	2007	2008	2009
\$ 10,046,282	\$ 11,606,766	\$ 11,160,274	\$ 11,534,140	\$ 11,009,045	\$ 10,966,686
6,803,685	7,084,993	7,120,385	8,369,261	9,433,349	8,981,387
5,652,805	6,097,268	5,635,607	5,343,223	5,761,653	4,836,343
96,808	94,460	180,251	118,402	128,261	131,311
373,099	141,674	164,042	235,629	192,350	561,756
17,595,228	17,154,412	21,396,153	19,777,156	22,584,156	22,747,753
91,147	89,389	88,551	126,962	97,984	118,378
527,910	903,077	1,542,329	1,800,912	1,516,355	1,018,093
-	84,593	521,706	430,510	449,072	526,924
1,705,461	1,508,496	1,319,146	1,484,520	1,713,362	1,542,400
42,892,425	44,765,128	49,128,444	49,220,715	52,885,587	51,431,031
10,949,185	10,554,369	12,236,331	11,043,570	12,270,523	11,414,974
1,799,920	1,930,903	1,989,364	2,170,932	2,461,789	2,475,547
5,560,597	5,694,979	6,386,829	6,596,109	7,054,154	6,852,816
4,554,497	4,266,177	6,979,286	5,539,221	8,189,213	5,895,941
3,040,817	3,292,537	3,896,255	3,694,242	3,806,892	3,819,033
11,460,825	12,859,327	14,265,234	13,873,946	16,835,929	15,427,818
244,776	248,882	305,905	296,826	283,263	959,955
1,176,961	335,732	667,141	638,179	676,156	-
3,354,540	861,815	45,914	391,053	3,109,724	1,706,028
565,363	585,557	611,771	567,807	600,000	3,630,375
460,281	416,828	382,123	325,986	485,352	421,651
460,281	416,828	382,123	325,986	485,352	176,378
43,628,043	41,463,934	48,148,276	45,463,857	56,258,347	52,780,516
(735,618)	3,301,194	980,168	3,756,858	(3,372,760)	(1,349,485)
3,176,210	1,500,530	931,130	1,746,800	1,297,061	1,063,200
(3,169,955)	(1,500,530)	(931,130)	(1,746,800)	(1,293,915)	(1,073,951)
25,512	18,936	537,301	400,000		
-	-	-	42,280	3,000,000	3,015,122
31,767	18,936	537,301	442,280	3,003,146	3,004,371
\$ (703,851)	\$ 3,320,130	\$ 1,517,469	\$ 4,199,138	\$ (369,614)	\$ 1,654,886
2.6%	2.6%	2.4%	2.1%	2.3%	7.5%

# UNION COUNTY, OHIO

## ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN YEARS

Year	Real Property		Personal Property	
	Residential Property	Commercial/Utility Property	General Tangible	Utility
2000	475,679,830	136,991,250	188,527,150	70,435,110
2001	508,203,710	142,941,850	198,335,360	67,930,360
2002	605,098,020	160,071,330	201,889,553	49,373,040
2003	640,161,440	173,541,860	203,292,500	51,063,100
2004	667,252,290	179,445,910	238,986,460	52,013,960
2005	751,898,720	207,204,030	175,853,243	54,180,240
2006	804,078,830	218,700,810	102,984,000	54,697,210
2007	852,330,970	229,413,290	102,984,000	55,416,250
2008	969,568,317	249,268,670	58,786,230	50,922,180
2009	987,109,240	250,813,100	-	52,115,040

### Notes:

Property is assessed every year. The assessed value of real property (including public utility real property) is 35 percent of estimated true 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 true value for railroad property to 88 percent for electric transmission and distribution property. Other tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. This is being phased out with a replacement amount provided by the State through 2010.

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%, 2-1/2%, and homestead exemptions before being billed.

**Source:** Union County Auditor



Total		Assessed Value as a Percentage of Actual Value	Total Direct Tax Rate
Assessed Value	Estimated Actual Value		
871,633,340	2,584,637,297	33.72%	9.1000
917,411,280	2,730,950,917	33.59%	10.6000
1,016,431,943	3,066,342,862	33.15%	10.6000
1,068,058,900	3,212,658,127	33.25%	10.6000
1,137,698,620	3,453,699,426	32.94%	10.6000
1,189,136,233	3,534,583,872	33.64%	10.6000
1,180,460,850	3,413,483,463	34.58%	10.6000
1,240,144,510	3,582,770,897	34.61%	10.6000
1,328,545,397	3,785,200,130	35.10%	10.8500
1,290,037,380	3,596,142,608	35.87%	10.8500

**UNION COUNTY, OHIO**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES  
(RATE PER \$1,000 OF ASSESSED VALUE)  
LAST TEN YEARS**

	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
<u>Union County</u>						
<i>County Unvoted Millage:</i>						
General	3.40	3.40	3.40	3.40	3.40	3.40
<i>County Voted Millage:</i>						
DD	4.70	6.20	6.20	6.20	6.20	6.20
Mental Health	0.50	0.50	0.50	0.50	0.50	0.50
9-1-1	0.50	0.50	0.50	0.50	0.50	0.50
Total County	<u>9.10</u>	<u>10.60</u>	<u>10.60</u>	<u>10.60</u>	<u>10.60</u>	<u>10.60</u>
<u>Union County Health District</u>	1.25	1.25	1.25	1.25	1.25	1.25
<u>School Districts within the County</u>						
Fairbanks LSD	37.30	37.00	37.00	36.80	41.70	41.70
Marysville EVSD	47.56	47.56	47.56	52.56	52.56	52.56
North Union LSD	34.80	34.70	34.70	41.30	41.30	41.30
<u>Overlapping School Districts</u>						
Benjamin Logan LSD	42.95	41.90	41.65	41.65	39.70	39.70
Triad LSD	36.46	36.40	36.15	36.10	28.85	28.85
Jonathon Alder LSD	40.10	40.10	49.00	48.60	48.10	48.10
Hilliard CSD	65.61	65.61	64.44	64.44	74.40	74.40
Dublin CSD	65.22	65.22	64.60	64.60	64.60	64.60
Buckeye Valley LSD	34.40	34.33	33.95	33.52	33.20	33.20
<u>Corporations</u>						
Richwood	11.00	11.00	11.00	11.00	11.00	11.00
Unionville Center	3.95	3.95	3.95	3.95	3.95	3.95
Plain City	6.00	6.00	6.00	6.00	6.00	6.00
Magnetic Springs	5.90	5.90	5.90	5.90	5.90	5.90
Marysville	4.50	4.50	4.50	4.50	4.50	4.50
Milford Center	1.20	1.20	1.20	1.20	1.20	1.20
<u>Joint Vocational Schools</u>						
Tolles Career & Technical Center	1.10	1.10	0.50	0.50	0.50	0.50
Ohio Hi Point JVS	2.00	2.00	2.00	2.00	2.00	2.00
Tri-Rivers JVS	4.40	4.40	4.40	4.40	4.40	4.40
Delaware Co JVS	3.40	3.20	3.20	3.20	3.20	3.20
<u>Township / Fire</u>						
Allen	6.60	6.60	6.60	9.60	9.60	9.60
Claibourne	1.60	1.60	1.60	1.60	1.60	1.60
Darby	3.30	3.30	6.30	6.30	6.50	6.30
Dover	1.40	5.40	5.40	4.90	4.90	4.90
Jackson	1.40	1.40	1.40	1.40	1.40	1.40
Jerome	13.90	13.90	13.90	13.90	13.90	13.90
Leesburg	3.50	3.50	3.50	3.50	3.50	3.50
Liberty	5.40	6.40	6.40	6.40	5.40	5.40
Millcreek	6.95	6.95	6.50	6.50	6.20	6.20
Paris	4.40	5.00	5.00	5.00	5.00	5.00
Taylor	6.20	6.20	6.20	6.20	6.20	6.20
Union	7.55	8.30	8.30	8.30	8.30	8.30
Washington	4.20	4.20	4.20	4.20	4.20	4.20
York	5.40	5.40	5.40	5.40	5.40	5.40

**Note:**

For Darby Twp ,this is what is collected in district 7. For other districts in this Township, the rate is 1.60 with an additional 12.5 mills for the Pleasant Valley Fire District which started to be collected for this district in 1995 tax year.

\* Also, please note that in 2006 tax rates for Claibourne, Jackson and York the rate does not include the 8.90 mills for the Northern Union County Fire District.

\* For 2006 in Washington Township, the rate does not reflect the 4.50 mills for the Southeast Hardin/Northwest Union County Fire District.

The rates represented in this Table represent the original voted rates.

**Source:** Union County Auditor

2006	2007	2008	2009
3.40	3.40	3.40	3.40
6.20	6.20	6.20	6.20
0.50	0.50	0.50	0.50
0.50	0.50	0.75	0.75
10.60	10.60	10.85	10.85
1.25	1.25	1.25	1.25
40.90	45.50	45.50	46.00
54.06	54.06	58.06	58.06
41.40	41.25	39.55	37.70
39.40	39.30	36.80	35.71
28.80	28.75	28.60	28.60
38.60	38.10	38.10	38.10
73.14	75.89	82.79	82.85
72.50	72.50	72.50	80.40
33.06	32.80	34.80	34.95
11.00	11.00	11.00	11.00
3.95	3.95	3.95	3.95
6.00	6.00	6.00	6.00
5.90	5.90	5.90	5.90
4.50	5.20	4.50	5.20
1.20	1.20	1.20	1.20
0.50	1.30	1.30	1.30
2.00	2.00	2.00	2.00
4.40	4.40	4.40	4.40
3.20	3.20	3.20	3.20
9.60	9.60	9.60	9.60
1.60	1.60	1.60	1.60
6.30	6.50	6.30	4.80
4.90	4.90	4.90	4.90
1.40	1.40	1.40	1.40
13.90	13.90	15.10	15.10
3.50	3.50	3.50	3.50
7.15	7.15	7.15	7.15
6.20	6.20	8.20	8.20
5.00	5.00	5.00	5.00
7.70	7.70	7.95	7.95
8.30	8.30	8.30	8.30
4.20	4.20	4.20	4.20
8.90	8.90	8.90	8.90

**UNION COUNTY, OHIO**

PRINCIPAL PROPERTY TAXPAYERS  
REAL ESTATE AND TANGIBLE PERSONAL PROPERTY TAX  
DECEMBER 31, 2009 AND DECEMBER 31, 2000

<b>2009</b>		
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Percentage of Total County Taxable Assessed Value</b>
Honda of America	\$ 77,755,030	6.03%
Ohio Power Company	18,036,950	1.40%
O M Scotts & Sons	15,405,900	1.19%
Union Rural Electric	14,548,870	1.13%
Dayton Power & Light	10,961,880	0.85%
Ohio Edison	5,256,940	0.41%
Nestle USA	5,173,460	0.40%
Vayance Technologies	4,351,820	0.34%
Tartan Ridge LLC	4,158,840	0.32%
Select Sires	3,723,910	0.29%
Total	<u>\$ 159,373,600</u>	<u>12.36%</u>
Total County Assessed Valuation	<u>\$ 1,290,037,380</u>	

<b>2000</b>		
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Percentage of Total County Taxable Assessed Value</b>
Honda of America	\$ 54,459,440	6.25%
Ohio Power Company	23,040,910	2.64%
Dayton Power & Light	12,425,120	1.43%
Union Rural Electric	9,380,990	1.08%
O M Scotts & Sons	9,338,840	1.07%
Ohio Edison	6,903,590	0.79%
United Telephone	5,792,770	0.66%
Columbia Gas	4,928,570	0.57%
Total	<u>\$ 126,270,230</u>	<u>14.49%</u>
Total County Assessed Valuation	<u>\$ 871,633,340</u>	

**Source:** Union County Auditor

**UNION COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS (1)  
LAST TEN YEARS

<b>Collection Year</b>	<b>Total Levy</b>	<b>Collected within the Year of the Levy</b>		<b>Collections of Delinquent Taxes (2)</b>	<b>Total Tax Collections</b>	<b>Percentage of Total Tax Collections to Current Tax Levy</b>
		<b>Amount</b>	<b>Percentage of Levy</b>			
2000	\$5,072,060	\$4,867,039	95.96%	\$165,325	\$5,032,364	99.22%
2001	5,325,092	5,166,294	97.02%	196,345	5,362,639	100.71%
2002	7,062,704	6,519,683	92.31%	204,095	6,723,778	94.23%
2003	7,531,189	6,912,890	91.79%	302,034	7,214,924	95.80%
2004	7,463,029	7,250,351	97.15%	284,305	7,534,656	100.96%
2005	8,684,051	8,130,450	93.63%	304,813	8,435,263	97.14%
2006	9,744,662	8,883,821	91.17%	294,585	9,178,406	94.19%
2007	10,241,038	10,009,698	97.74%	480,983	10,490,681	102.44%
2008	10,707,861	9,969,683	93.11%	649,395	10,619,078	99.17%
2009	12,605,001	11,924,952	94.60%	330,996	12,255,948	97.23%

**Source:** Union County Auditor

- (1) Includes Homestead / Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.
- (2) The County does not identify delinquent tax collections by tax year. The amounts shown represent delinquent taxes collected in that fiscal year regardless of the year of initial levy.

# UNION COUNTY, OHIO

## RATIO OF OUTSTANDING DEBT BY TYPE LAST TEN YEARS

Year	Government Activities					Business-type Activities			
	General Obligation Bonds	Sales Tax Revenue Bonds	Mortgage Loan Debt	Bond Anticipation Note	Capital Leases	General Obligation Bonds	Enterprise/ Hospital Notes	Capital Leases	OWDA Loan
2000	\$ 4,780,000	\$ 2,675,000	\$ 168,038	-	\$ 3,099	\$ 15,989,019	\$ 4,700,000	\$ 1,218,883	\$ -
2001	4,485,000	2,575,000	156,196	-	-	15,251,092	5,516,502	1,516,407	-
2002	3,955,000	5,905,000	142,392	-	-	14,478,164	5,290,208	1,524,095	-
2003	3,655,000	5,675,000	129,881	-	-	18,960,237	8,232,010	954,253	-
2004	3,340,000	5,440,000	114,518	-	-	16,592,310	9,257,395	552,985	-
2005	3,010,000	5,200,000	98,961	-	-	16,749,383	4,776,058	340,734	-
2006	2,665,000	4,950,000	82,190	-	-	16,095,000	7,253,019	106,897	-
2007	6,275,000	4,690,000	64,367	-	-	20,910,000	3,544,239	57,192	-
2008	2,445,000	4,420,000	45,336	3,000,000	-	19,730,000	3,456,853	33,383	-
2009	6,680,000	2,535,000	24,961	-	-	22,900,000	3,364,438	11,322	364,023

**Note:** Details regarding the County's outstanding debt can be found in the notes to the financial statements

(1) See the Schedule of Demographic and Economic Statistics on page 242 for personal income and population data.

**Source:** Union County Auditor

<b>Total Primary Government</b>	<b>Percentage of Personal Income (1)</b>	<b>Per Capita (1)</b>
\$ 29,534,039	2.70%	\$ 722
29,500,197	2.66%	695
31,294,859	2.69%	729
37,606,381	3.03%	860
35,297,208	2.73%	789
30,175,136	2.22%	660
31,152,106	2.19%	667
35,540,798	2.42%	752
33,130,572	2.13%	687
35,879,744	2.31%	734

# UNION COUNTY, OHIO

## RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN YEARS

Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Net General Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt per Capita (2)
2000	\$ 4,780,000	\$ 339,667	\$ 4,440,333	0.17%	\$ 109
2001	4,485,000	811,574	3,673,426	0.13%	87
2002	3,955,000	92,216	3,862,784	0.13%	90
2003	3,655,000	90,000	3,565,000	0.11%	82
2004	3,340,000	157,186	3,182,814	0.09%	71
2005	3,010,000	0	3,010,000	0.09%	66
2006	2,665,000	0	2,665,000	0.08%	57
2007	6,275,000	0	6,275,000	0.18%	133
2008	2,445,000	0	2,445,000	0.06%	51
2009	6,680,000	209,378	6,470,622	0.18%	132

**Note:** Details regarding the County's outstanding debt can be found in the notes to the financial statements

- (1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on pages 229-230 for property value data.
- (2) Population data can be found in the Schedule of Demographic and Economic Statistics on page 242.

**Source:** Union County Auditor



**UNION COUNTY, OHIO**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2009**

<b>Jurisdiction</b>	<b>Debt Outstanding</b>	<b>Percentage Applicable to County (1)</b>	<b>Amount of Direct and Overlapping Debt</b>
The County	\$ 9,239,961	100.00%	\$ 9,239,961
All Villages and Cities wholly within the County	4,690,000	100.00%	4,690,000
City of Dublin	19,140,000	4.19%	801,966
Washington Township-Franklin County	2,049,999	4.06%	83,230
<u>All School Districts</u>			
Dublin City School District	184,953,363	5.44%	10,061,463
Benjamin Logan Local School District	821,283	1.07%	8,788
Buckeye Valley Local School District	23,664,986	0.06%	14,199
Fairbanks School District	10,835,062	92.30%	10,000,762
Jonathan Alder Local School District	22,444,993	41.63%	9,343,851
Marysville Exempted Village School District	93,977,113	100.00%	93,977,113
North Union Local School District	11,230,000	94.60%	10,623,580
Triad Local School District	4,310,994	6.68%	287,974
Tolles Career & Tech. Jt. Vocational School	5,450,000	6.94%	378,230
Solid Waste Authority of Central Ohio	19,975,000	0.29%	57,928
Total Applicable to County			<u>\$ 149,569,045</u>

**Source:** Ohio Municipal Advisory Council and County records.

**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Union County. This process recognizes that, when considering the governments ability to issue and repay long term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the County's taxable assessed value.

**UNION COUNTY, OHIO**

**COMPUTATION OF LEGAL DEBT MARGIN  
LAST TEN YEARS**

	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
Assessed value (a)	\$871,633,340	\$917,411,280	\$1,016,431,943	\$1,068,058,900	\$1,137,698,620
Unvoted debt limit (1% of total assessed)	8,716,333	9,174,113	10,164,319	10,680,589	11,376,986
Debt applicable to limit:					
General obligation bonds	4,780,000	6,841,907	3,955,000	4,970,000	3,215,000
Less: amount set aside for repayment of general obligation debt	339,667	811,574	92,216	90,000	157,186
Total debt applicable to limit	4,440,333	6,030,333	3,862,784	4,880,000	3,057,814
Legal debt margin	<u>\$4,276,000</u>	<u>\$3,143,780</u>	<u>\$6,301,535</u>	<u>\$5,800,589</u>	<u>\$8,319,172</u>
Legal debt margin as a percentage of the unvoted debt limit	49.06%	34.27%	62.00%	54.31%	73.12%
Debt limit					
3.0% of the first \$100,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
1.5% of the next \$200,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
2.5% of amounts assessed in excess of \$300,000,000.	14,290,834	15,435,282	17,910,799	19,201,473	20,942,466
	<u>20,290,834</u>	<u>21,435,282</u>	<u>23,910,799</u>	<u>25,201,473</u>	<u>26,942,466</u>
Debt applicable to limit:					
General obligation bonds	4,780,000	6,841,907	3,955,000	4,970,000	3,215,000
Less: amount set aside for repayment of general obligation debt	339,667	811,574	92,216	90,000	157,186
Total debt applicable to limit	4,440,333	6,030,333	3,862,784	4,880,000	3,057,814
Legal debt margin	<u>\$15,850,501</u>	<u>\$15,404,949</u>	<u>\$20,048,015</u>	<u>\$20,321,473</u>	<u>\$23,884,652</u>
Legal debt margin as a percentage of the unvoted debt limit	78.12%	71.87%	83.85%	80.64%	88.65%

**Source:** Union County Auditor

(a) Beginning in 2007, the debt limit excludes the assessed valuation of tangible personal property tax, as well as railroad and telephone public utility personal property in accordance with Ohio House Bill 530.

2005	2006	2007	2008	2009
\$1,189,136,233	\$1,180,460,850	\$1,240,144,510	\$1,328,545,397	\$1,289,221,460
11,891,362	11,804,609	12,401,445	13,285,454	12,892,215
3,010,000	2,665,000	6,275,000	2,445,000	6,680,000
-	-	-	-	209,378
3,010,000	2,665,000	6,275,000	2,445,000	6,470,622
\$8,881,362	\$9,139,609	\$6,126,445	\$10,840,454	\$6,421,593
74.69%	77.42%	49.40%	81.60%	49.81%
\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
22,228,406	22,011,521	23,503,613	25,713,635	24,730,537
28,228,406	28,011,521	29,503,613	31,713,635	30,730,537
3,010,000	2,665,000	6,275,000	2,445,000	6,680,000
-	-	-	-	209,378
3,010,000	2,665,000	6,275,000	2,445,000	6,470,622
\$25,218,406	\$25,346,521	\$23,228,613	\$29,268,635	\$24,259,915
89.34%	90.49%	78.73%	92.29%	78.94%

**UNION COUNTY, OHIO**

PLEDGED REVENUE BOND COVERAGE  
LAST TEN YEARS

Year	Sales Tax Revenue Bonds					
	Sales Tax Revenue	Retained For General Fund	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2000	\$4,394,280	\$4,166,280	\$228,000	\$95,000	\$129,590	1.02
2001	7,247,373	7,019,373	228,000	100,000	89,416	1.20
2002	5,983,016	5,755,016	228,000	105,000	201,470	0.74
2003	7,908,319	7,429,403	478,916	230,000	259,431	0.98
2004	6,776,434	6,236,434	540,000	235,000	258,484	1.09
2005	7,115,148	6,575,148	536,200	240,000	250,597	1.09
2006	7,163,499	6,669,099	494,400	250,000	232,604	1.02
2007	8,839,988	8,347,988	492,000	260,000	193,065	1.09
2008	8,769,759	8,277,759	492,000	270,000	214,789	1.01
2009	7,164,413	6,841,213	323,200	140,000	167,563	1.05

**Note:** Details regarding the County's outstanding debt can be found in the notes to the financial statements. The amount retained for the general fund represents the total received less the amount required to meet the debt obligation.

**Source:** Union County Auditor

# UNION COUNTY, OHIO

## DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN YEARS

<b>Year</b>	<b>(a) Population</b>	<b>Personal Income</b>	<b>Per Capita Income (b)</b>	<b>Agricultural Acres (c)</b>	<b>Building Permits (d)</b>	<b>Unemployment Rate (e)</b>
2000	40,909	\$1,093,293,025	\$26,725	239,499	521	2.8
2001	42,467	1,111,021,654	26,162	239,268	554	2.7
2002	42,955	1,162,620,030	27,066	239,142	575	3.8
2003	43,733	1,242,935,593	28,421	237,745	616	4.1
2004	44,729	1,293,641,000	28,922	235,022	570	4.9
2005	45,751	1,359,216,459	29,709	233,229	735	4.9
2006	46,702	1,423,523,662	30,481	231,812	578	4.5
2007	47,234	1,467,418,678	31,067	230,729	364	4.5
2008	48,223	1,553,600,391	32,217	231,047	811	5.2
2009	48,903	1,553,452,698	31,766	231,843	485	8.4

### Sources:

(a) Population numbers were obtained from Capital Impact for 1999. The 2000 numbers came from the census. Numbers from 2000 to 2005 were estimates provided by Ohio State University. The source for the 2009 estimate is Population Division, U.S. Census Bureau

(b) Per capita income was estimated from an article published by the Bureau of Economic Analysis.

(c) Source: Union County Auditor.

(d) Source: Union County Engineer.

(e) Data from the Bureau of Labor Statistics

# UNION COUNTY, OHIO

## PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

Employer	2009		
	Employees	Rank	Percentage of Total Employment
Honda of America	6,867	1	58.71%
The Scotts Company	1,250	2	10.69%
Memorial Hospital	697	3	5.96%
Marysville Schools	626	4	5.35%
Union County	478	5	4.09%
Ohio Reformatory for Women	477	6	4.08%
Transportation Research Ctr.	450	7	3.85%
Wal Mart	315	8	2.69%
Environmental Management	280	9	2.39%
Scioto Services	256	10	2.19%
Total Employment within the County	11,696		100.00%

Employer	2000		
	Employees	Rank	Percentage of Total Employment
Honda of America	13,820	1	72.54%
The Scotts Company	1,049	2	5.51%
Honda R & D NA	675	3	3.54%
Union County School	640	4	3.36%
Memorial Hospital	600	5	3.15%
Midwest Express	557	6	2.92%
Ohio Reformatory for Women	500	7	2.62%
Union County	425	8	2.23%
OEM Products Group (formerly Ranco)	400	9	2.10%
G.I. Plastek, Inc. / DecRite	387	10	2.03%
Total Employment within the County	19,053		100.00%

**Source:** Union County Chamber of Commerce

# UNION COUNTY ,OHIO

## FULL TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM LAST TEN YEARS

Function	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<i>General Government</i>										
<i>Legislative and Executive</i>										
Auditor	12	16	13	13	13	13	12	13	14	12
Board of Elections	2	2	2	2	2	4	4	4	4	4
Commissioners Dept.	8	9	9	13	12	10	12	14	15	16
Data Processing	-	-	2	2	2	2	2	2	2	2
Engineers Office	6	6	6	10	7	7	7	7	8	8
Janitor / Maintenance	8	10	11	16	16	16	17	18	18	17
Prosecutor	7	9	9	7	12	12	11	12	12	11
Recorder	5	4	4	4	4	4	4	4	5	4
Treasurer	5	5	5	5	5	5	5	5	5	5
Welfare Administration	20	20	19	19	21	21	20	23	26	21
<i>Judicial</i>										
Clerk of Courts	10	10	10	11	11	11	11	11	11	11
Common Pleas Court	8	8	8	7	7	7	6	6	10	9
Law Library	-	-	-	1	1	1	1	1	1	1
Juvenile Court	10	10	10	12	14	12	13	14	18	15
Probate Court	3	4	5	4	5	5	5	5	5	5
<i>Public Safety</i>										
Coroner	2	2	2	2	2	2	2	2	2	2
Sheriff	55	50	53	56	56	66	65	69	74	68
<i>Public Works</i>										
Co. Engineers Official	1	1	1	1	1	1	1	1	1	1
Road Laborers	26	25	25	25	26	26	25	24	26	32
<i>Health</i>										
Dog Warden	1	1	1	1	1	1	-	1	1	1
Mental Health	3	3	3	3	3	3	3	3	5	3
DD	70	74	79	72	70	68	69	76	76	78
<i>Human Services</i>										
Able	1	1	1	1	2	2	2	2	1	-
Child Support	13	12	12	13	11	9	11	10	11	8
PA Transportation	5	6	6	5	6	7	6	7	12	9
Public Social Service	17	17	17	13	14	14	19	20	20	13
Veterans	4	2	2	3	3	3	3	3	3	4
<i>Sewer</i>										
Sanitary Engineer	4	4	4	4	4	4	2	2	4	7
<i>Building Development</i>										
Building Regulation	8	8	8	10	10	9	9	8	6	9
	<u>314</u>	<u>319</u>	<u>327</u>	<u>335</u>	<u>341</u>	<u>345</u>	<u>347</u>	<u>367</u>	<u>396</u>	<u>376</u>

**Source:** Union County Auditor

**UNION COUNTY, OHIO**

**OPERATING INDICATORS BY FUNCTION  
LAST TEN YEARS**

<b>Function</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
<u><b>General Government</b></u>						
<u><b>Legislative and Executive</b></u>						
<u><b>Commissioners</b></u>						
Number of Resolutions	n/a	n/a	n/a	n/a	n/a	669
Number of Meetings	n/a	n/a	n/a	n/a	n/a	104
<u><b>Auditor</b></u>						
Number of Non Exempt Conveyances	n/a	n/a	n/a	1,696	1,805	1,840
Number of Exempt Conveyances	n/a	n/a	n/a	922	1,033	953
Number of Real Estate Transfers	n/a	n/a	n/a	2,618	2,838	2,793
Number of Checks Issued (budgetary)	n/a	n/a	n/a	22,389	20,334	18,694
<u><b>Treasurer</b></u>						
Number of 1st Half Parcels Billed	n/a	n/a	n/a	23,781	24,538	25,377
Number of Pay-Ins Processed	n/a	n/a	n/a	6,149	6,505	6,856
Return on Portfolio	n/a	n/a	n/a	1.97%	1.88%	3.07%
<u><b>Prosecuting Attorney</b></u>						
Number of Felony Cases Opened	n/a	n/a	n/a	n/a	n/a	329
Number of Cases Prosecuted	n/a	n/a	n/a	n/a	n/a	180
Number of Mortgage Foreclosures Answered	n/a	n/a	n/a	n/a	n/a	229
Number of County Contracts Reviewed	n/a	n/a	n/a	n/a	n/a	121
Number of Township Issues Assisted With	n/a	n/a	n/a	n/a	n/a	82
Number of Nonsupport Cases Opened & Serviced	n/a	n/a	n/a	n/a	n/a	172
Number of Crime Victims Assisted	n/a	n/a	n/a	n/a	n/a	819
Number of new Juvenile Cases	n/a	n/a	n/a	n/a	n/a	443
<u><b>Board of Elections</b></u>						
Number of Registered Voters	25,981	24,598	25,880	26,459	30,200	28,608
Number of Voters-Last General Election	17,288	8,900	12,597	10,675	22,911	11,881
Percentage of Registered Voters	66.54	36.18	48.67	40.35	75.86	41.74
<u><b>Recorder</b></u>						
Number of Deeds Recorded	2,115	2,253	2,527	2,658	2,727	2,756
Number of Mortgages Recorded	3,258	4,628	5,425	6,701	4,883	4,769
<u><b>Buildings and Grounds</b></u>						
Number of Buildings Maintained	n/a	n/a	n/a	n/a	n/a	13
Square Footage of Buildings	n/a	n/a	n/a	n/a	n/a	257,199
<u><b>Data Processing</b></u>						
Number of Users Served	n/a	n/a	n/a	n/a	n/a	326
<u><b>Risk Management</b></u>						
Number of Claims	7	12	11	13	8	13
<u><b>Judicial</b></u>						
<u><b>Common Pleas Court</b></u>						
Number of Cases Filed- Criminal	98	124	147	150	128	180
Number of Cases Filed- Civil	236	295	333	471	460	557
Number of Cases Filed- Divorce/Dissolution	273	255	254	278	246	238
Number of Cases Filed- Domestic Reopens	140	123	165	170	124	155
<u><b>Probate Court</b></u>						
Number of Cases Filed- Civil	259	284	264	282	286	265
Passports Issued	485	539	432	493	513	332
Marriage License Issued	288	314	336	303	328	307
<u><b>Juvenile Court</b></u>						
Number of Cases Filed- Traffic Offenses	486	538	579	462	398	440
Number of Cases Filed- Mediation	202	412	242	271	317	273
Number of Cases Filed- Other	695	721	651	728	743	798
Number of Filings Terminated	n/a	n/a	1,203	1,173	1,138	1,272
<u><b>Clerk of Courts</b></u>						
Titles Issued	n/a	n/a	n/a	n/a	19,982	22,559
Watercraft Titles Issued	n/a	n/a	n/a	n/a	247	269

**Source:** Union County Elected Officials and Department Heads

**N/A:** Information not available. Information will be presented in future CAFR's as it becomes available.



2006	2007	2008	2009
702	684	649	710
103	104	102	102
1,541	1,371	853	974
932	782	1,062	768
2,373	2,153	1,915	1,742
15,856	16,178	20,060	14,974
26,042	25,400	25,526	25,529
7,092	7,429	7,255	7,361
5.19%	5.00%	4.60%	3.75%
259	223	245	276
199	216	202	224
231	272	297	316
62	113	122	275
106	32	34	33
567	457	24	12
923	532	1,238	1,076
375	957	841	921
30,185	30,893	33,114	33,035
17,382	11,300	25,227	15,434
57.58	36.58	76.18	46.72
2,305	2,065	1,627	1,642
4,043	3,329	2,447	3,011
14	15	15	15
279,199	301,199	301,199	301,199
370	370	371	384
11	16	11	4
199	216	202	224
585	545	618	613
244	269	253	241
149	269	211	43
257	7	6	3
309	329	281	146
301	299	314	276
429	367	349	315
305	243	256	297
1,067	1,106	14	6
1,769	1,689	1,644	1,514
23,629	24,385	15,400	15,680
329	325	222	289

- (continued)

# **UNION COUNTY, OHIO**

## **OPERATING INDICATORS BY FUNCTION (Continued)** **LAST TEN YEARS**

<b>Function</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
<u>General Government</u> (continued)						
<u>Public Safety</u>						
<u>Sheriff</u>						
<u>Jail Operation</u>						
Average Daily Jail Census	n/a	n/a	n/a	n/a	n/a	39.6
Prisoners Booked	n/a	n/a	n/a	n/a	n/a	1,464
Prisoners Released	n/a	n/a	n/a	n/a	n/a	1,461
<u>Enforcement</u>						
Number of Incidents Reported	1,405	1,546	1,317	1,250	1,326	1,403
Number of Citations Issued	4,497	3,969	2,904	3,059	3,080	3,915
Number of Papers Served	1,848	2,628	2,047	2,749	2,368	3,212
Number of Telephone Calls	12,321	15,642	15,435	12,546	12,785	16,870
Number of Warrants Served	793	824	1,716	1,337	1,129	1,236
Number of Prisoner Transports	933	1,132	1,155	1,078	1,103	1,185
Number of Sheriff's Appraisals & Sales	35	64	228	154	187	181
Number of Record Checks	n/a	n/a	573	577	666	639
Number of Sex Offender Registrations	n/a	n/a	18	34	46	64
Number of CCW Permits Issued	n/a	n/a	n/a	n/a	348	157
<u>Emergency Medical Services</u>						
Number of Emergency Responses	n/a	614	350	450	474	366
<u>911 Services</u>						
Number of Calls	3,383	3,438	4,430	5,482	6,729	8,110
<u>Coroner</u>						
Number of Cases Investigated	44	37	29	38	36	23
Number of Autopsies Performed	15	21	10	26	23	13
<u>Emergency Management Agency (EMA)</u>						
Number of Emergency Responses	n/a	n/a	n/a	n/a	n/a	14
<u>Public Works</u>						
<u>Engineer</u>						
Miles of Roads Resurfaced	24	18	18	32	29	24
Miles of Roads Widened	8	17	7	13	10	14
Miles of Roads Chip Sealed	85	42	65	62	48	52
Miles of Roads Striped	112	48	106	95	104	104
Number of Bridges Replaced / Improved	4	5	5	5	8	5
Number of Culverts Replaced / Improved	18	44	40	37	38	44
Driveway Permits Issued	271	232	283	434	296	270
Property Transfers Checked	1,949	2,138	2,487	2,862	3,046	3,544
Deed Approvals	1,533	1,539	1,533	1,802	1,824	2,026
<u>Building Development</u>						
Number of Permits Issued	916	1,036	1,140	1,107	943	1,120
Number of Inspections Performed	15,034	15,076	15,997	17,130	16,319	15,606
Correction Notices Written	5,578	5,283	4,890	4,078	4,822	5,157
<u>Sewer District</u>						
Number of Tap-ins	41	48	47	74	91	70
Number of Customers	592	640	687	761	852	922
<u>Water District</u>						
Number of Tap-ins	34	12	57	55	69	56
Number of Customers	2,231	243	300	355	424	480
<u>Health</u>						
<u>Dog Warden</u>						
Calls for Service	n/a	n/a	n/a	n/a	n/a	2,173
Total Dogs to Humane Society	n/a	n/a	n/a	n/a	n/a	578
Citations Issued	n/a	n/a	n/a	n/a	n/a	3

**Source:** Union County Elected Officials and Department Heads

**N/A:** Information not available. Information will be presented in future CAFR's as it becomes available.

2006	2007	2008	2009
38.4	42.8	35.0	44.0
1,644	1,595	1,292	1,312
1,617	1,608	1,306	1,302
1,214	1,393	1,418	1,502
4,416	4,598	3,166	3,087
3,036	2,354	2,436	1,061
19,612	17,260	18,367	17,680
1,335	1,200	975	768
1,346	1,343	1,176	1,381
188	192	240	350
910	1,045	1,178	742
105	123	201	341
99	146	461	451
585	274	236	236
10,674	10,743	13,111	12,861
34	35	30	28
26	27	25	16
31	37	35	57
16	12	35	11
8	4	2	4
28	60	65	83
99	98	175	175
9	8	9	1
39	26	2	5
205	145	96	85
3,082	2,980	2,401	2,098
1,666	1,625	1,263	1,697
944	1,035	811	485
12,417	10,128	8,439	6,257
4,287	3,104	2,081	1,554
1	6	2	0
455	461	466	467
1	n/a	n/a	n/a
-	n/a	n/a	n/a
780	1,429	1,752	1,600
209	522	705	645
-	22	49	41

- (continued)

# UNION COUNTY, OHIO

## OPERATING INDICATORS BY FUNCTION (Concluded) LAST TEN YEARS

Function	2000	2001	2002	2003	2004	2005
<u>Health (continued)</u>						
<u>DD</u>						
Number of Students Enrolled						
Early Intervention Program	54	42	65	73	61	66
Preschool	76	71	74	78	73	88
School Age	-	-	-	-	-	-
Number Employed at Workshop	58	58	56	61	68	70
<u>Mental Health</u>						
Client Count - direct outpatient services	n/a	n/a	n/a	n/a	n/a	1,458
Client Count - other including prevention services	n/a	n/a	n/a	n/a	n/a	4,580
<u>Human Services</u>						
<u>Jobs And Family Services</u>						
Client Count - Visitors to Emplymnt Resource Cntr.	n/a	n/a	n/a	n/a	n/a	7,280
Client Count - Number of Job Club Participants	n/a	n/a	n/a	n/a	n/a	296
Job Club Part. - Successfully Completed Classes	n/a	n/a	n/a	n/a	n/a	84
Client Applications Processed - Food Stamps	n/a	n/a	n/a	n/a	n/a	1,021
Client Applications Processed - OWF	n/a	n/a	n/a	n/a	n/a	729
Client Applications Processed - Medicaid	n/a	n/a	n/a	n/a	n/a	6,458
Number of Open Public Assitance Cases	n/a	n/a	n/a	n/a	n/a	2,037
Average Number of Cerified Daycare Providers.	n/a	n/a	n/a	n/a	n/a	38
<u>Children's Services</u>						
Number of Placements	n/a	n/a	n/a	n/a	n/a	55
Number of Investigations	n/a	n/a	n/a	n/a	n/a	472
Number of Information and Referrals	n/a	n/a	n/a	n/a	n/a	398
<u>Child Support Enforcement Agency</u>						
Number of Open Cases	n/a	n/a	n/a	n/a	n/a	2,573
Number of new Cases	n/a	n/a	n/a	n/a	n/a	229
Percentage Collected	n/a	n/a	n/a	n/a	n/a	81.57%
<u>Veteran Services</u>						
Number of Clients Served	1,159	1,244	1,246	852	946	695
Amount of Benefits paid to Residents (\$000)	124	143	154	104	136	111
Number of Veterans Transported	724	1,035	1,002	985	1,433	1,244
<u>Union County Agency Transportation Service</u>						
Number of One-Way Passenger Trips	n/a	n/a	n/a	n/a	n/a	19,001
Total Vehicle Miles	n/a	n/a	n/a	n/a	n/a	220,628
Total Vehicle Hours	n/a	n/a	n/a	n/a	n/a	15,951
<u>Council on Aging</u>						
Number of Function Attendees	n/a	n/a	n/a	n/a	n/a	2,057
Monthly Newsletter Circulation	n/a	n/a	n/a	n/a	n/a	1,848
<u>ABLE</u>						
Number of Students who Enroll in the Pgm.	n/a	n/a	n/a	n/a	49	73
Number of Students Earning their GED	n/a	n/a	n/a	n/a	20	28
No. of Students -Trans. to Post Secondary	n/a	n/a	n/a	n/a	3	14
<u>Economic Development</u>						
Commercial / Industrial Projects	n/a	n/a	n/a	n/a	n/a	40
Estimated Number of Jobs Created	n/a	n/a	n/a	n/a	n/a	400
Estimated Number of Site/Building Inquiries	n/a	n/a	n/a	n/a	n/a	30
Economic Development Grants Receivec	n/a	n/a	n/a	n/a	n/a	2
Retention Visits	n/a	n/a	n/a	n/a	n/a	14

**Source:** Union County Elected Officials and Department Heads

**N/A:** Information not available. Information will be presented in future CAFR's as it becomes available

2006	2007	2008	2009
88	59	49	55
82	103	118	121
-	-	-	-
58	47	85	86
1,637	2,023	1,590	1,348
5,083	10,165	8,740	12,217
7,010	5,102	8,013	11,097
218	168	162	196
54	39	24	58
1,480	1,580	1,474	2,100
884	653	538	820
10,221	10,824	10,410	11,237
1,946	2,100	2,218	2,504
51	46	44	35
77	96	89	82
513	492	565	525
569	374	877	494
2,570	2,165	2,272	2,799
208	505	362	362
77.79%	78.57%	78.18%	78.18%
551	327	5,342	5,554
89	49	193	286
1,540	1,359	1,182	1,365
17,493	22,276	18,819	27,375
208,450	232,930	251,440	423,596
16,590	18,540	20,014	687,827
2,938	4,933	3,950	11,433
2,119	2,108	2,669	2,991
70	51	37	169
24	17	16	53
2	1	2	29
48	28	32	19
400	90	90	53
32	30	23	3
3	4	5	5
18	21	178	178

**UNION COUNTY, OHIO**

CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN YEARS  
(AMOUNTS EXPRESSED IN THOUSANDS)

<b>Function</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
General government							
Legislative and executive							
Land & improvements	\$ 330	\$ 249	\$ 598	\$ 585	\$ 1,097	\$ 1,495	\$ 1,411
Buildings	14,386	17,021	15,712	14,120	15,835	15,734	16,112
Equipment	1,083	941	1,004	1,036	1,730	1,206	1,180
Furniture & fixtures	214	174	179	171	223	247	244
Vehicles	94	100	117	98	126	108	137
Judicial							
Land & improvements	-	-	20	20	20	20	20
Buildings	-	-	4,776	4,808	4,808	4,808	4,808
Equipment	308	212	271	293	240	290	390
Furniture & fixtures	182	120	123	121	143	143	145
Public safety							
Land & improvements	134	133	133	133	133	133	139
Buildings	27	24	24	914	914	914	940
Equipment	905	687	739	556	617	714	844
Furniture & fixtures	74	40	51	52	119	52	52
Vehicles	835	862	882	726	843	862	955
Public works							
Land & improvements	15	15	15	15	15	15	9
Buildings	62	61	61	67	61	61	15
Equipment	450	323	357	398	415	445	468
Furniture & fixtures	62	47	47	53	7	87	87
Vehicles	2,842	2,865	2,954	3,153	3,233	3,373	3,493
Infrastructure	n/a	n/a	31,944	36,203	38,455	42,872	44,079
Health							
Land & improvements	356	429	355	341	311	311	355
Buildings	3,986	3,985	3,988	7,341	7,231	7,229	4,060
Equipment	493	366	382	382	400	391	419
Furniture & fixtures	198	50	71	71	71	71	106
Vehicles	54	65	80	110	83	90	132
Human Services							
Land & improvements	-	-	-	17	17	17	31
Buildings	9	9	9	15	15	15	93
Equipment	155	79	100	70	84	65	86
Furniture & fixtures	136	64	64	211	217	217	215
Vehicles	107	138	178	180	222	258	237
Construction in progress	-	-	-	-	-	289	743
Sewer							
Land	33	33	33	33	33	33	29
Net depreciable assets	3,357	3,237	3,070	4,012	2,926	2,868	756
Water							
Net depreciable assets	1,707	1,635	1,600	1,750	1,530	1,495	-
Building development							
Net depreciable assets	27	21	17	28	68	82	61
Memorial Hospital							
Net capital assets	28,302	30,255	30,867	33,565	35,744	33,680	35,911

**Source:** Union County Auditor

2007	2008	2009
\$ 1,537	\$ 1,537	\$ 1,584
16,239	18,923	18,936
1,793	1,889	1,879
244	296	296
146	207	134
20	20	20
4,830	4,830	4,830
493	515	547
145	149	176
139	440	440
938	936	936
909	1,178	1,192
52	52	66
947	1,232	1,277
9	9	9
15	15	15
492	427	406
87	87	87
3,680	3,754	3,768
46,409	51,000	52,699
355	355	355
4,060	4,078	4,078
426	439	439
106	106	106
110	93	49
31	31	31
165	93	93
96	58	58
215	215	215
232	296	261
172	-	-
29	29	29
728	603	159
-	-	-
122	118	24
36,004	35,943	40,188







**Mary Taylor, CPA**  
Auditor of State

**FINANCIAL CONDITION**

**UNION COUNTY**

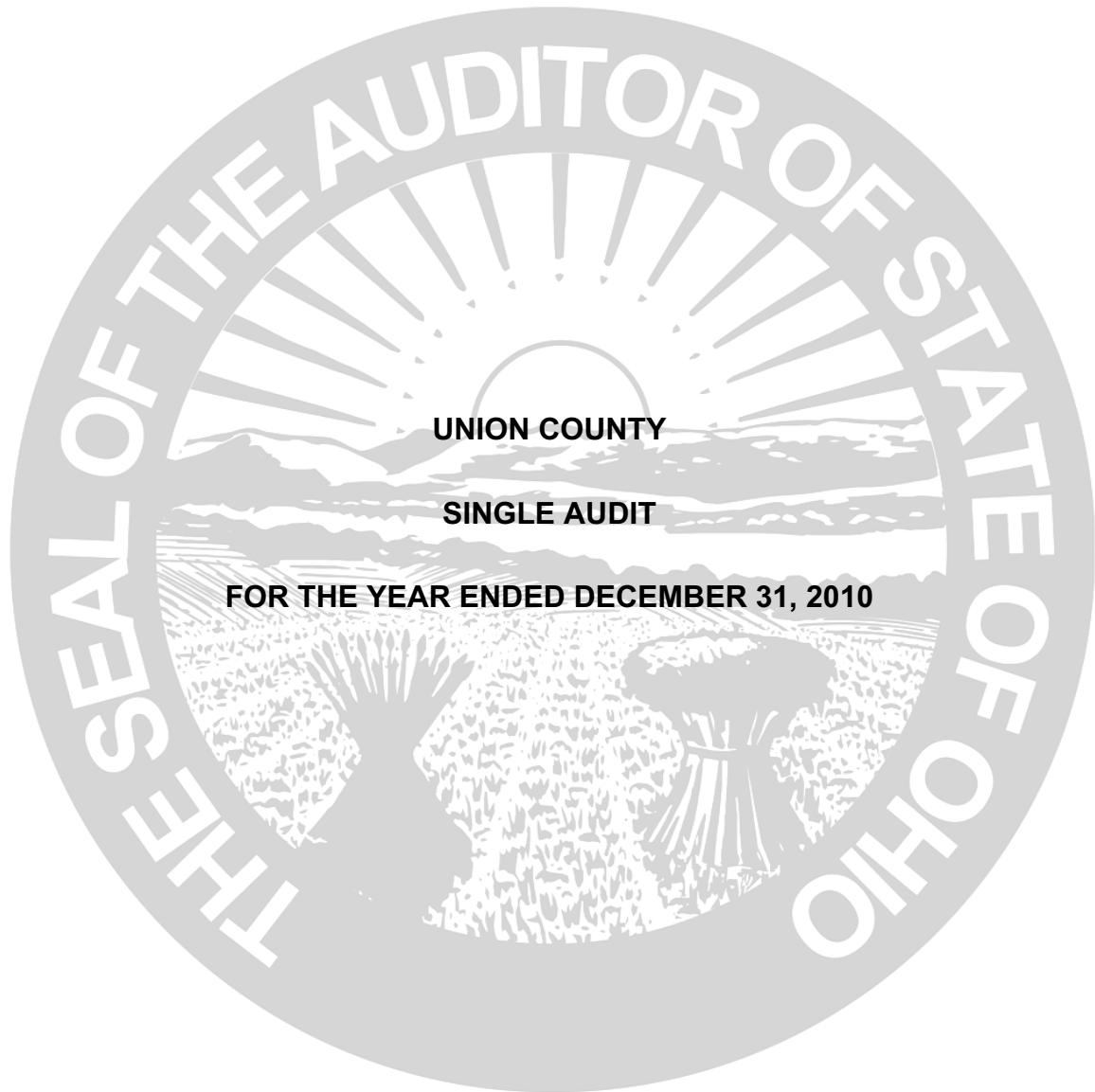
**CLERK'S CERTIFICATION**

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  
JULY 20, 2010**



Dave Yost • Auditor of State



**UNION COUNTY**  
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**UNION COUNTY**  
**SCHEDULE OF FEDERAL AWARDS EXPENDITURES**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

<b>FEDERAL GRANTOR/Pass-Through Grantor/ County Department/Program Title</b>	<b>Pass Through Entity Number</b>	<b>Federal CFDA Number</b>	<b>Disbursements</b>
<b>U. S. DEPARTMENT OF AGRICULTURE</b>			
<i>Ohio Department of Jobs and Family Services</i>			
Department of Job and Family Services			
Food Assistance Employment and Training	G-1011-11-5122	10.561	\$ 153,760
State Administrative Grants for the Supplemental Nutrition Assistance Program	G-1011-11-5122	10.561	32,786
ARRA - State Administrative Grants for the Supplemental Nutrition Assistance Program	G-1011-11-5122	10.561	8,383
Total State Administrative Grants for the Supplemental Nutrition Assistance Program			194,929
<b>Total U.S. Department of Agriculture</b>			<b>\$ 194,929</b>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
Mental Health and Recovery Board			
Supportive Housing Program	NA	14.235	\$ 133,941
Shelter Plus Care	NA	14.238	13,005
<i>Ohio Department of Development</i>			
County Commissioners			
Community Development Block Grants/State's Program	B-C-08-073-1	14.228	20,993
Community Development Block Grants/State's Program	B-F-08-073-1	14.228	12,000
Community Development Block Grants/State's Program	B-F-09-073-1	14.228	4,000
Total Community Development Block Grant/State's Program			36,993
Home Investment Partnership Program	B-C-08-073-2	14.239	238,213
<b>Total U.S. Department of Housing and Urban Development</b>			<b>\$ 422,152</b>
<b>U.S. DEPARTMENT OF JUSTICE</b>			
County Sheriff			
Bulletproof Vest Partnership Program	NA	16.607	\$ 2,363
County Sheriff			
State Criminal Alien Assistance Program	NA	16.606	2,204
<i>Attorney General of the State of Ohio</i>			
County Prosecutor			
Crime Victim Assistance	2009-VA-GENE-430T	16.575	64,922
ARRA- Crime Victim Assistance Discretionary Grant Program	2009-VA-GENE-871X	16.807	56,795
Crime Victim Assistance	2010-VA-GENE-430T	16.575	22,760
Total Crime Victim Assistance			144,477
County Prosecutor			
Violence Against Women Formula Grants	2009-WF-VA-8421	16.588	27,060
<i>Ohio Department of Public Safety /Office of Criminal Justice Services</i>			
County Sheriff			
2009 Edward Byrne Memorial Justice Assistance Grant	2009-JG-LLE-5291	16.738	7,677
ARRA- Edward Byrne Memorial Justice Assistance Grant	2009-RA-A02-2247	16.803	327,675
ARRA- Edward Byrne Memorial Justice Assistance Grant	2009-RA-E01-2246	16.803	45,320
ARRA- Edward Byrne Memorial Justice Assistance Grant	2009-RA-B01-2347	16.803	54,985
ARRA- Edward Byrne Memorial Justice Assistance Grant	2009-SB-B9-0900	16.804	2,070
Total Edward Byrne Memorial Justice Assistance Grant			437,727
ARRA- Edward Byrne Memorial Competitive Grant Program	2009-SC-B9-0065	16.808	45,050
ARRA- Assistance to Rural Law Enforcement Competitive Grant	2009-SD-B9-0092	16.810	55,365
			100,415
<b>Total U.S. Department of Justice</b>			<b>\$ 714,246</b>
<b>U.S. DEPARTMENT OF LABOR</b>			
<i>Passed through Ohio Department of Jobs and Family Services</i>			
Department of Job and Family Services			
Employment Service/Wagner-Peyser Funded Activities	2009-7380-1 / 2009-7380-2	17.207	\$ 2,765.00
Workforce Investment Act Cluster			
Workforce Investment Act - Adult			127,309
Workforce Investment Act - Adult Administrative			3,130
ARRA - Workforce Investment Act - Adult			(3,863)
ARRA - Workforce Investment Act - Adult Administrative			3,032
ARRA - Ohio Learning			8,393
ARRA - One -Stop Resource Sharing			303
Total Workforce Investment Act - Adult	2009-7380-1 / 2009-7380-2	17.258	\$ 138,304

**UNION COUNTY**  
**SCHEDULE OF FEDERAL AWARDS EXPENDITURES**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

<b>FEDERAL GRANTOR/Pass-Through Grantor/ County Department/Program Title</b>	<b>Pass Through Entity Number</b>	<b>Federal CFDA Number</b>	<b>Disbursements</b>
Workforce Investment Act-Youth			\$ 46,278
ARRA - Workforce Investment Act - Youth			7,830
ARRA - Workforce Investment Act - Youth Administrative			4,041
Total Workforce Investment Act - Youth	2009-7380-1 / 2009-7380-2	17.259	58,149
Workforce Investment Act - Dislocated Worker			13,197
Workforce Investment Act - Dislocated Worker Administrative			5,682
ARRA - Workforce Investment Act - Dislocated Worker			42,694
ARRA - Workforce Investment Act - Dislocated Worker Administrative			2,111
Workforce Investment Act - Rapid Response			43,093
Total Workforce Investment Act - Dislocated Worker Total	2009-7380-1 / 2009-7380-2	17.260	106,777
Workforce Investment Act - Dislocated Worker Formula Grants	2009-7380-1 / 2009-7380-2	17.278	24,804
Total Workforce Investment Act Cluster			328,034
Disabled Veterans' Outreach Program	2009-7380-1 / 2009-7380-2	17.801	762
Local Veterans' Employment Representative Program	2009-7380-1 / 2009-7380-2	17.804	36
<b>Total U.S. Department of Labor</b>			<b>\$ 331,597</b>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
Federal Aviation Administration			
Airport Authority			
Airport Improvement Program	03-39-0051-1608	20.106	\$ 671
Airport Improvement Program	03-39-0051-1709	20.106	3,691
Airport Improvement Program	03-39-0051-1810	20.106	140,827
Total Airport Improvement Program			145,189
Ohio Department of Transportation			
County Engineer			
Highway Planning and Construction	PID#75536	20.205	52,591
Highway Planning and Construction	PID #82356	20.205	433,337
ARRA- Highway Planning and Construction	PID #82356	20.205	377,000
Highway Planning and Construction	PID #85646	20.205	174,578
Highway Planning and Construction	PID #85039	20.205	138,133
Highway Planning and Construction	PID #88684	20.205	1,278
Highway Planning and Construction	PID #87499	20.205	18,140
Highway Planning and Construction	PID #88171	20.205	131,275
Highway Planning and Construction	PID #81548	20.205	6,255
Total Highway Planning and Construction			1,332,587
Ohio Department of Transportation			
Union County Agency Transportation Service			
Capital Assistance Program for Elderly Persons and Persons with Disabilities	CRD-00809-002-091	20.513	49,492
Capital Assistance Program for Elderly Persons and Persons with Disabilities	PNP-0080-004-141	20.513	38,201
Total Capital Assistance Program for Elderly Persons and Persons with Disabilities			87,693
New Freedom Program	NF-0080-031-091	20.521	156,090
<b>Total U.S. Department of Transportation</b>			<b>\$ 1,721,559</b>
<b>U.S. DEPARTMENT OF EDUCATION</b>			
Ohio Department of Education			
Adult Basic Literacy Education			
Adult Education - Basic Grants to States	114975 AB-SL02010	84.002	\$ 15,384
Ohio Department of Education			
Board of Developmental Disabilities			
Rehabilitation Services-Vocational Rehabilitation Grants to States	n/a	84.126	96,238
Special Education - Preschool Grants	071175-PGS1-2010	84.173	18,491
Special Education - Preschool Grants	071175-PGS1-2011	84.173	2,044
Total Special Education - Preschool Grants			20,535
Ohio Department of Health			
Union County Commissioners			
ARRA - Special Education Grants for Infants and Families	n/a	84.181	24,428
Special Education Grants for Infants and Families	n/a	84.181	36,072
Total Special Education Grants for Infants and Families			60,500
<b>Total U.S. Department of Education</b>			<b>\$ 192,657</b>

**UNION COUNTY**  
**SCHEDULE OF FEDERAL AWARDS EXPENDITURES**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

<b>FEDERAL GRANTOR/Pass-Through Grantor/ County Department/Program Title</b>	<b>Pass Through Entity Number</b>	<b>Federal CFDA Number</b>	<b>Disbursements</b>
<b>U. S. ELECTION ASSISTANCE COMMISSION</b>			
<i>Ohio Secretary of State</i>			
Board of Elections			
Help America Vote Act Requirements Payments	n/a	90.401	\$ 742
<b>Total U.S. Election Assistance Commission</b>			<b>\$ 742</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<i>Central Ohio Agency on Aging</i>			
Union County Agency Transportation Service			
Special Programs for the Aging_ Title III, Part B_ Grants for Supportive Services and Senior Centers	EL009966	93.044	\$ 7,529
Union County Senior Services			
Title III, Senior Community Services Block Grant	EL009922	93.044	8,117
<i>Ohio Department of Jobs and Family Services</i>			
Department of Job and Family Services			
Promoting Safe and Stable Families	G-1011-11-5122	93.556	42,260
Temporary Assistance for Needy Families		93.558	471,862
ARRA - Temporary Assistance for Needy Families		93.714	27,809
Total Temporary Assistance for Needy Families	G-1011-11-5122		499,671
Child Support Enforcement		93.563	297,263
ARRA - Child Support Enforcement		93.563	230,977
Total Child Support Enforcement	G-1011-11-5122		528,240
Child Care Services - Child Care Development Fund	G-1011-11-5122	93.596	27,958
<i>Ohio Department of Mental Health</i>			
Mental Health & Recovery Board			
Early Childhood Mental Health	31-6400-087	93.590	29,000
<i>Ohio Secretary of State</i>			
Board of Elections			
Voting Access for Individuals with Disabilities Grants to States	31-6400-087	93.617	1,467
<i>Ohio Department of Jobs and Family Services</i>			
Department of Job and Family Services			
Child Welfare Services State Grants	G-1011-11-5122	93.645	48,590
Foster Care Title IV-E		93.658	310,804
ARRA - Foster Care Title IV-E		93.658	11,088
Total Foster Care Title IV-E	G-1011-11-5122		321,892
Adoption Assistance	G-1011-11-5122	93.659	115,480
Child Abuse and Neglect State Grants	G-1011-11-5122	93.669	1,796
Chafee Foster Care Independence Program	G-1011-11-5122	93.674	16,489
Social Services Block Grant	G-1011-11-5122	93.667	308,578
<i>Ohio Department of Developmental Disabilities</i>			
Board of Developmental Disabilities			
Social Services Block Grant-2010	31-6400-087	93.667	18,596
Social Services Block Grant-2011	31-6400-087	93.667	9,266
			27,862
<i>Ohio Department of Mental Health</i>			
Mental Health and Recovery Board			
Social Services Block Grant	31-6400-087	93.667	18,851
Total Social Services Block Grant			355,291
<i>Ohio Department of Mental Health</i>			
Mental Health and Recovery Board			
State Children's Insurance Program	31-6400-087	93.767	29,856
<i>Ohio Department of Alcohol and Drug Addiction Services</i>			
Mental Health and Recovery Board			
State Children's Insurance Program	31-6400-087	93.767	3,553
Total State Children's Insurance Program			\$ 33,409



**UNION COUNTY**  
**SCHEDULE OF FEDERAL AWARDS EXPENDITURES**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

<b>FEDERAL GRANTOR/Pass-Through Grantor/ County Department/Program Title</b>	<b>Pass Through Entity Number</b>	<b>Federal CFDA Number</b>	<b>Disbursements</b>
<i>Ohio Department of Developmental Disabilities</i>			
Board of Developmental Disabilities			
Medicaid Cluster			
Waiver Admin. Claiming	31-6400-087	93.778	\$ 58,996
ARRA - eFMAP	31-6400-087	93.778	98,654
Total Medicaid Cluster			<u>157,650</u>
<i>Ohio Department of Mental Health</i>			
Mental Health and Recovery Board			
Medical Assistance Program	31-6400-087	93.778	501,162
ARRA- Medical Assistance Program	31-6400-087	93.778	79,238
Medical Assistance Program - Title XIX - BCCP	31-6400-087	93.778	2,576
Total Medical Assistance Program			<u>582,976</u>
<i>Ohio Department of Alcohol and Drug Addiction Services</i>			
Mental Health and Recovery Board			
Medical Assistance Program	31-6400-087	93.778	129,101
ARRA- Medical Assistance Program	31-6400-087	93.778	20,422
Total Medical Assistance Program			<u>149,523</u>
<i>Ohio Department of Jobs and Family Services</i>			
Department of Job and Family Services			
Medical Assistance Program	31-6400-087	93.778	235,162
Total Medical Assistance Program			<u>1,125,311</u>
<i>Ohio Department of Mental Health</i>			
Mental Health and Recovery Board			
Block Grants for Community Mental Health Services	31-6400-087	93.958	43,014
<i>Ohio Department of Alcohol and Drug Addiction Services</i>			
Mental Health and Recovery Board			
Block Grants for Prevention and Treatment of Substance Abuse	31-6400-087	93.959	181,930
<b>Total U.S. Department of Health and Human Services</b>			<b>\$ 3,387,444</b>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
<i>Ohio Emergency Management Agency</i>			
Risk Management			
Emergency Management Performance Grants	2008-EM-E8-0002	97.042	\$ 84,866
Emergency Management Performance Grants	2009-EP-E9-0061	97.042	59,488
Total Emergency Management Performance Grants			<u>144,354</u>
Citizen Corps. Program Grant	2008-GE-T8-0025	97.067	4,698
Homeland Security Grant Program	2009-SS-T9-0089	97.067	21,477
<b>Total U.S. Department of Homeland Security</b>			<b>\$ 170,529</b>
<b>TOTAL FEDERAL AWARDS EXPENDITURES</b>			<b>\$ 7,135,855</b>

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

# **UNION COUNTY**

## **NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE FISCAL YEAR ENDED DECEMBER 31, 2010**

### **NOTE A – SIGNIFICANT ACCOUNTING POLICIES**

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

### **NOTE B – MATCHING REQUIREMENTS**

Certain Federal programs require the County to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The County has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

### **NOTE C—CORRECTION TO 2009 FEDERAL AWARDS EXPENDITURES SCHEDULE**

The Ohio Department of Job and Family Services (ODJFS) sub-awarded to Union County, Federal funding from the U.S. Department of Health and Human Services. Although these programs were administered at the County level, in July 2010 ODJFS adjusted some of the County's child care expenditures to align them with available funding sources. ODJFS' adjustments were retroactive to the beginning of the grant period (October 1, 2009). Therefore, these July 2010 adjustments affect 2009 calendar-year program expenditures previously reported as follows:

<b>Child Care Cluster</b>	<b>CFDA #</b>	<b>Pass through #</b>	<b>2009 Federal Expenditures Reported</b>	<b>July 2010 Adjustment</b>	<b>Adjusted 2009 Federal Expenditures Reported</b>
Child Care and Development Block Grant	93.575	G-89-20-1157/G-1011-11-5122	\$265,109	0	\$265,109
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	G-89-20-1157/G-1011-11-5122	375,392	(114,573)	260,819
ARRA – Child Care and Development Block Grant	93.713	G-89-20-1157/G-1011-11-5122	140,000		140,000
Total			\$780,501	(\$114,573)	\$665,928

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# Dave Yost • Auditor of State

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

Union County  
233 West Sixth Street  
Marysville, Ohio 43040

To the Board of County Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of Union County, Ohio, (the County) as of and for the year ended December 31, 2010, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 22, 2011. Our report refers to 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 Memorial Hospital of Union County and Affiliates, a major fund, as described in our audit report of the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that those auditors separately reported. Other auditors audited the financial statements of the U-Co Industries, Inc., one of the County's discretely presented component units, 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 the purpose of expressing our opinions on the financial statements, but not for the purpose of opining 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 *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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.

### **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 matters not requiring inclusion in this report that we reported to the County's management in a separate letter dated June 22, 2011.

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

A handwritten signature in black ink, appearing to read "Dave Yost", with a stylized, cursive script.

**Dave Yost**  
Auditor of State

June 22, 2011



# Dave Yost • Auditor of State

## **INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM, INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND FEDERAL AWARDS EXPENDITURE SCHEDULE**

Union County  
233 West Sixth Street  
Marysville, Ohio 43040

To the Board of County Commissioners:

### **Compliance**

We have audited the compliance of Union 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 could directly and materially affect each of Union County's major federal programs for the year ended December 31, 2010. The summary of auditor's results section of the accompanying schedule of findings identifies the County's major federal programs. The County's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the County's compliance based on our audit.

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 included in the Comptroller General of the United States' *Government Auditing Standards*; 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 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 could directly and materially affect each of its major federal programs for the year ended December 31, 2010.

### **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 the requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance

that might be significant deficiencies or material weaknesses and therefore, we cannot assure we have identified all deficiencies, significant deficiencies, or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings as item 2010-001 to be a material weakness.

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

We also noted matters involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to the County's management in a separate letter dated June 22, 2011.

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

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely-presented component units and remaining fund information of Union County, Ohio, as of and for the year ended December 31, 2010, and have issued our report thereon dated June 22, 2011 except for our opinion on the federal awards expenditure schedule, for which the date is August 8, 2011, wherein we noted the financial statements of U-Co Industries, Inc., a discretely presented component unit, and Memorial Hospital of Union County and Affiliates, a major fund, 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 taken as a whole. The accompanying federal awards expenditures schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

We intend this report solely for the information and use of the finance committee, management, the Board of County Commissioners, other within the entity, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Dave Yost", is written over a faint, rectangular background.

**Dave Yost**  
Auditor of State

August 8, 2011



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**UNION COUNTY**  
**SCHEDULE OF FINDINGS**  
**OMB CIRCULAR A -133 § .505**  
**DECEMBER 31, 2010**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weaknesses reported for major federal programs?</b>	Yes
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510(a)?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	<p>State Administrative Grants for the Supplemental Nutrition Assistance Program – CFDA # 10.561</p> <p>Edward Byrne Memorial Justice Assistance Grant – CFDA # 16.738 / 16.803 / 16.804</p> <p>Workforce Investment Act – CFDA # 17.258 / 17.259 / 17.260 / 17.278</p> <p>Airport Improvement Program – CFDA # 20.106</p> <p>Highway Planning and Construction – CFDA # 20.205</p> <p>Child Support Enforcement – CFDA # 93.563</p> <p>Adoption Assistance – CFDA # 93.659</p> <p>Medical Assistance Program – CFDA # 93.778</p>
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	<p>Type A: &gt; \$ 300,000</p> <p>Type B: all others</p>
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	No

**UNION COUNTY**  
**SCHEDULE OF FINDINGS**  
**OMB CIRCULAR A -133 § .505**  
**DECEMBER 31, 2010**  
**(Continued)**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
---

None

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
--

**1. Authorization of Payroll Expenditures**

<b>Finding Number</b>	2010-001
<b>CFDA Title and Number</b>	Edward Byrne Memorial Justice Assistance Grant – CFDA # 16.738 / 16.803 / 16.804
<b>Federal Award Number / Year</b>	2009-JG-LLE-5291 2009-RA-A02-2247 2009-RA-E01-2246 2009-RA-B01-2347 2009-SB-B9-0900
<b>Federal Agency</b>	U.S. Department of Justice
<b>Pass-Through Agency</b>	Ohio Department of Public Safety /Office of Criminal Justice Services

**Material Weakness**

The County Sherriff's department established procedures to ensure that all payroll related expenditures of the Edward Byrne Memorial Justice Assistance Grant are for activities allowed and are for allowable costs based on the grant agreements and 2 CFR Part 225. The County's procedures include monitoring hours worked by employees for grant activities outlined in the grant agreements. Documentation of this monitoring should be documented through the County Sherriff or grant coordinator's signature on employee timesheets each pay period.

Ten percent of the timesheets tested were not signed by the County Sherriff or grant coordinator indicating that the timesheet was approved and the employees hours were related to the purposes of the grant.

Failure to review employee timesheets prior to payroll being processed could result in unallowable expenditures being paid from the Edward Byrne Memorial Justice Assistance Grant.

The County Sherriff or grant coordinator of the Edward Byrne Memorial Justice Assistance Grant should ensure all expenditures reported to the Ohio Department of Public Safety/Office of Criminal Justice Services for reimbursement are allowable by reviewing and signing off on all supporting documentation of expenditures incurred.

**UNION COUNTY**  
**SCHEDULE OF FINDINGS**  
**OMB CIRCULAR A -133 § .505**  
**DECEMBER 31, 2010**  
**(Continued)**

**Official's Response/Corrective Action Plan:**

The Union County Sheriff's Office has reviewed its current procedures over the approval of timesheets and has implemented additional approval to ensure all timesheets are properly reviewed and approved. The signature of the grant coordinator and the department administrator or Sheriff will be required going forward. It is the sole intent of the Union County Sheriff's Office to be exemplary stewards of the government funds that are received, and to execute the administration and disbursement of these funds in accordance to the grant conditions and as accurately as possible.

Estimated date of completion: Completed

Contact Person: Bonnie Armburster, Grant/Fiscal Coordinator

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UNION COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A -133 § .315 (b)  
DECEMBER 31, 2010

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2009-001	Financial Reporting	Yes	N/A

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**UNION COUNTY, OHIO**  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2010

PREPARED BY:

ANDREA L. WEAVER, COUNTY AUDITOR

*233 WEST 6<sup>TH</sup> STREET  
MARYSVILLE, OHIO 43040*



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**UNION COUNTY, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

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# **INTRODUCTORY SECTION**



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ANDREA L. WEAVER  
*Union County Auditor*

233 West Sixth Street, PO Box 420, Marysville, OH 43040

Tel 937.645.3003 Fax 937.645.3057  
County Wide 800.258.8278

June 22, 2011

Citizens of Union County, Ohio  
Union County Commissioners

It is my pleasure to present Union County's Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2010. State law requires that every general-purpose local government publish a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year just ended.

The responsibility for both the accuracy of the presented data and the complete, fair presentation, including all disclosures, rests with the County Auditor. This report reflects the financial data that will enable the citizens of Union County (the "County") to gain a true understanding of Union County finances.

This CAFR conforms to accounting standards generally accepted in the United States of America (GAAP) as set forth by the Government 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 the County.

As part of the preparation of the CAFR, the County subjects its financial statements to an annual audit. The annual audit serves to strengthen the County's accounting, internal controls, and budgetary controls. The Auditor of State's Office completed the audit and has issued an unqualified opinion on the County's financial statements for the year ended December 31, 2010. The independent accountant's report is located on pages 9-10 at the front of the financial section of this report.

In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet requirements of the Federal Single Audit Act of 1996 and the related U.S. Office of Management and Budget's Circular A-133, Revised. United States of America generally accepted auditing standards and the standards set forth in the General Accounting Office's *Government Auditing Standards* were used by the auditors in conducting the engagement.

Management's discussion and analysis (MD&A) immediately follows the Independent Accountant's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

#### **Profile of the Government:**

Formed on April 1, 1820, from portions of Delaware, Franklin, Madison, and Logan Counties together with a part of the old Indian Territory, Union County contains 277,760 acres lying in a nearly central position in the State of Ohio. Through the effort of Colonel James Curry, then a member of the State legislature, an act was passed January 10, 1820, entitled, "An act to erect the county of Union". The formation of fourteen townships and the selection of Marysville as the County Seat followed on May 15, 1821. A portion of the City of Dublin that is now wholly in a fifteenth township and five other municipalities are within the 434 square miles of the County that contained 52,300 people as of the 2010 census. The first census taken in 1830 revealed 3,192 settlers.

The County provides for its citizens with the powers conferred upon it by Ohio statutes. The elected three-member Board of County Commissioners functions as both the legislative and executive branches. Each Commissioner serves a term of four years. Other officials elected by the voters of Union County that manage various segments of the County's operations are the Auditor, who serves as the chief fiscal officer, Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, a Common Pleas Court Judge, a Probate/Juvenile Court Judge, and a Municipal Court Judge.

The County's reporting entity has been defined in accordance with Governmental Accounting Standards Board (GASB) Statement 14, "The Financial Reporting Entity" as amended by GASB Statement 39, "Determining Whether Certain Organizations are Component Units". The financial statements in this report include the primary government, which is composed of all funds, agencies, boards, and commissions that make up the County's legal entity and the component units, which are legally separate organizations and are either financially dependent on the County or for which the County is financially accountable. The Union County Airport Authority and U-Co Industries have been included in the reporting entity as discretely presented component units.

The County Auditor serves as fiscal officer and the County Treasurer as the custodian of funds. The County is not financially accountable for the Union County General Health District, the Union County Soil and Water Conservation District, the Union County Council for Families, the Union County Joint Recreation Board, and the Central Ohio Youth Center. The activities of these organizations are reflected as agency funds within the basic financial statements. The County is associated with certain organizations that are defined as jointly governed organizations, joint ventures, and a group purchasing pool. A further discussion of these organizations is provided in Note 2, to the basic financial statements.

A complete discussion of the County's reporting entity is provided in Note 2 to the basic financial statements.

#### **Information Useful in Assessing Union County's Economic Condition:**

##### Local Economy:

Union County continues to be primarily an agricultural community, with 236,835 acres of its 277,760 total acreage being devoted to agricultural use. The County's acreage devoted to agricultural use in 2010 increased slightly from 2009.

Unemployment rates in Union County remained consistent at an average annual rate of 8.4% during 2010. However, these rates continually remain below the overall state and national rates, which were 10.1% and 9.6% respectively for 2010.

During 2010, Union County issued 316 residential permits for an estimated construction value of \$26 million. There were 118 commercial building permits issued at an estimated construction value of \$27 million.

In 2010 the Union County Engineer's Office received \$200,000 in State grant monies for its contribution to the Industrial Parkway Project. This project is a combined effort between the City of Dublin, the Mid-Ohio Regional Planning Commission, and the Ohio Department of Development. The estimated cost of the project was \$5.3 million. The County also has plans for its own improvements at the north end of the Industrial Parkway Project that will start in the spring of 2011. The County's projected cost is \$4.2 million with funding coming locally and from the Ohio Public Works Commission.

##### Long-term Planning:

The Commissioners recognize that Union County is one of the fastest growing counties in Ohio and have adopted a philosophy whereby growth will pay for growth. Therefore, as development occurs in the unincorporated areas of the County, much of the financial burden associated with infrastructure will be borne by the development and the residents that directly benefit. It is not anticipated that infrastructure costs will be borne by the County general fund.

With that said, the Commissioners do anticipate the need to continue to expand services as the County grows with services funded by user fees, the sales tax and incremental increases in the County real estate taxes.

A specific capital project that the Commissioners have envisioned is the development of a central sewer system for the area of Raymond and Peoria, Ohio. In late 2008, the Commissioners obtained approval for an Ohio Water Development Authority (OWDA) loan in the amount of \$502,590 to begin engineering services, land acquisition and legal costs associated with the development of a centralized sanitary sewer system and wastewater treatment plant. This project has urgency because the County is under an EPA advisory to address failing septic systems in that area of the County. The project will be funded using loans and assessed back to property owners through user fees, tap fees, and grants to help supplement their costs for those who are low to below average income.

#### Financial Information:

Accounting System. Union County's accounting system is maintained on a "fund" basis. Each fund is a distinct self-balancing entity. The basis of accounting and the various funds utilized by Union County are fully described in Note 2 to the basic financial statements. Local financial policies did not have a significant impact on the current period's financial statements.

Internal Controls. In developing the County's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits to be derived from their implementation.

Budgetary Controls. According to the Ohio Revised Code, the County Commissioners may adopt a temporary appropriation measure on or about January 1. A permanent annual budget must be passed by April 1. All disbursements and transfers of cash between funds require appropriation authority. Budgets are controlled at the object level within a department and fund. The County Auditor's office is responsible for the auditing and analysis of all purchase orders and vouchers of the County. As purchase orders and vouchers are received, the amounts are encumbered to ensure the availability of funds. No expenditures may take place without the County Auditor certifying that funds are available or are in the process of being collected. The County uses a fully automated accounting system to ensure that financial statements are both accurate and reliable. Further discussion of the budgetary accounting system and its controls may be found in Note 2 to the basic financial statements.

Financial Condition. This is the eighth year the County has prepared financial statements following GASB Statement 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments." GASB 34 created the following basic financial statements for reporting on the County's financial activities:

Government-wide financial statements: These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish between those county activities that are governmental and those that are considered business-like.

Fund financial statements: These statements present information for individual major funds rather than by fund type. All nonmajor funds are combined. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the government wide financial statements. Proprietary funds use the accrual basis of accounting.

Statement of budgetary comparisons: These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

#### Debt Administration:

Use of debt continues to be used to finance major projects in Union County. A complete discussion of debt and other long-term obligations is provided in Note 12 to the basic financial statements.

**Awards and Acknowledgements:**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Union County for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2009. This was the fourteenth consecutive year that the County has received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the 2010 CAFR would not have been possible without the cooperation and assistance of my office staff. The guidance provided by the firm of Julian & Grube, Inc. is also acknowledged for their assistance in the compilation of this CAFR. Finally, credit also must be given to all of the department heads, the Union County Engineer's Office, and the staff of the Union County Chamber of Commerce for providing us with valuable information and statistical data.

Respectfully submitted,

A handwritten signature in cursive script, reading "Andrea L. Weaver", followed by a horizontal flourish line.

Andrea L. Weaver  
Union County Auditor

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Union County  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2009

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

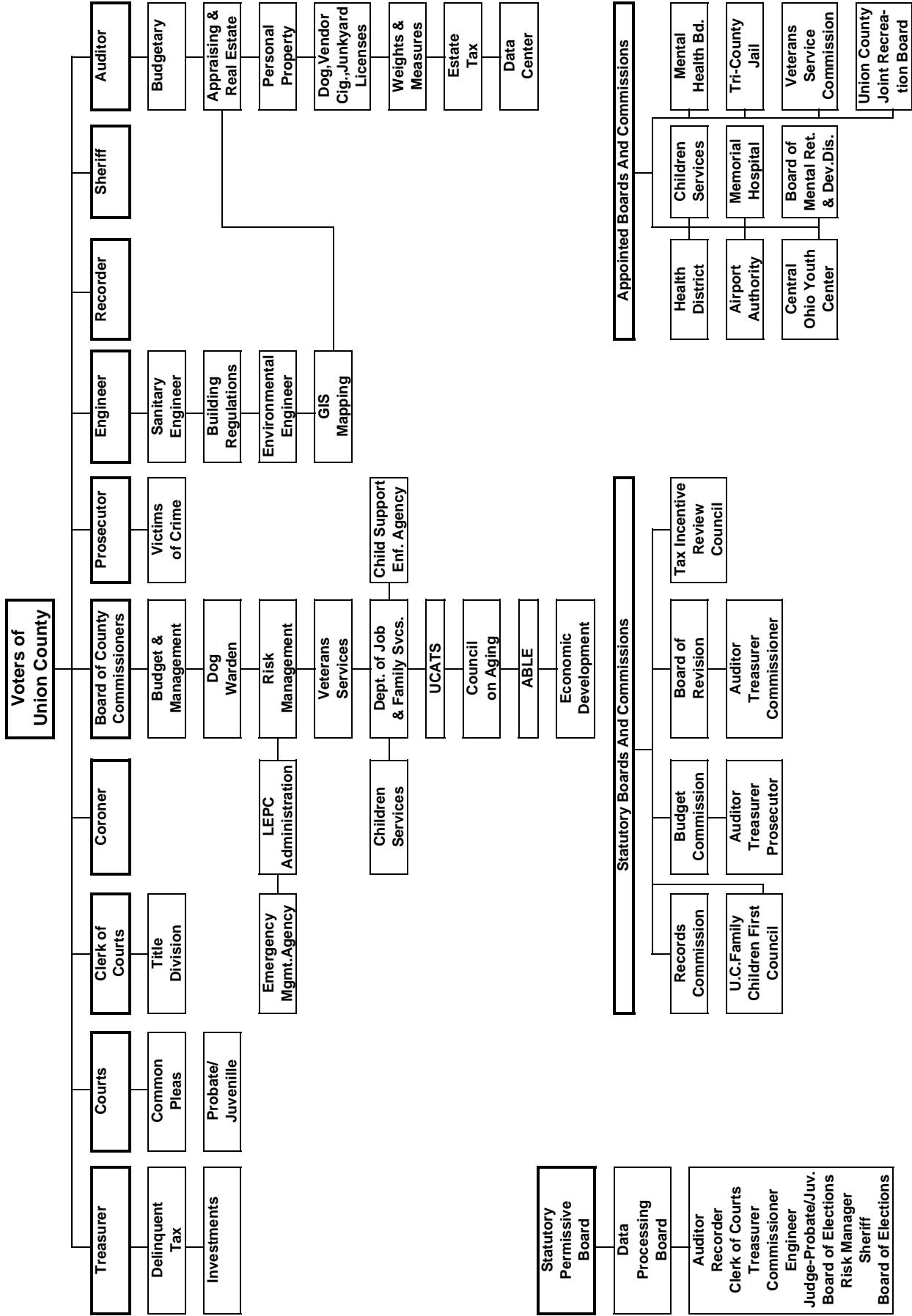
# UNION COUNTY, OHIO

## PRINCIPAL OFFICIALS DECEMBER 31, 2010

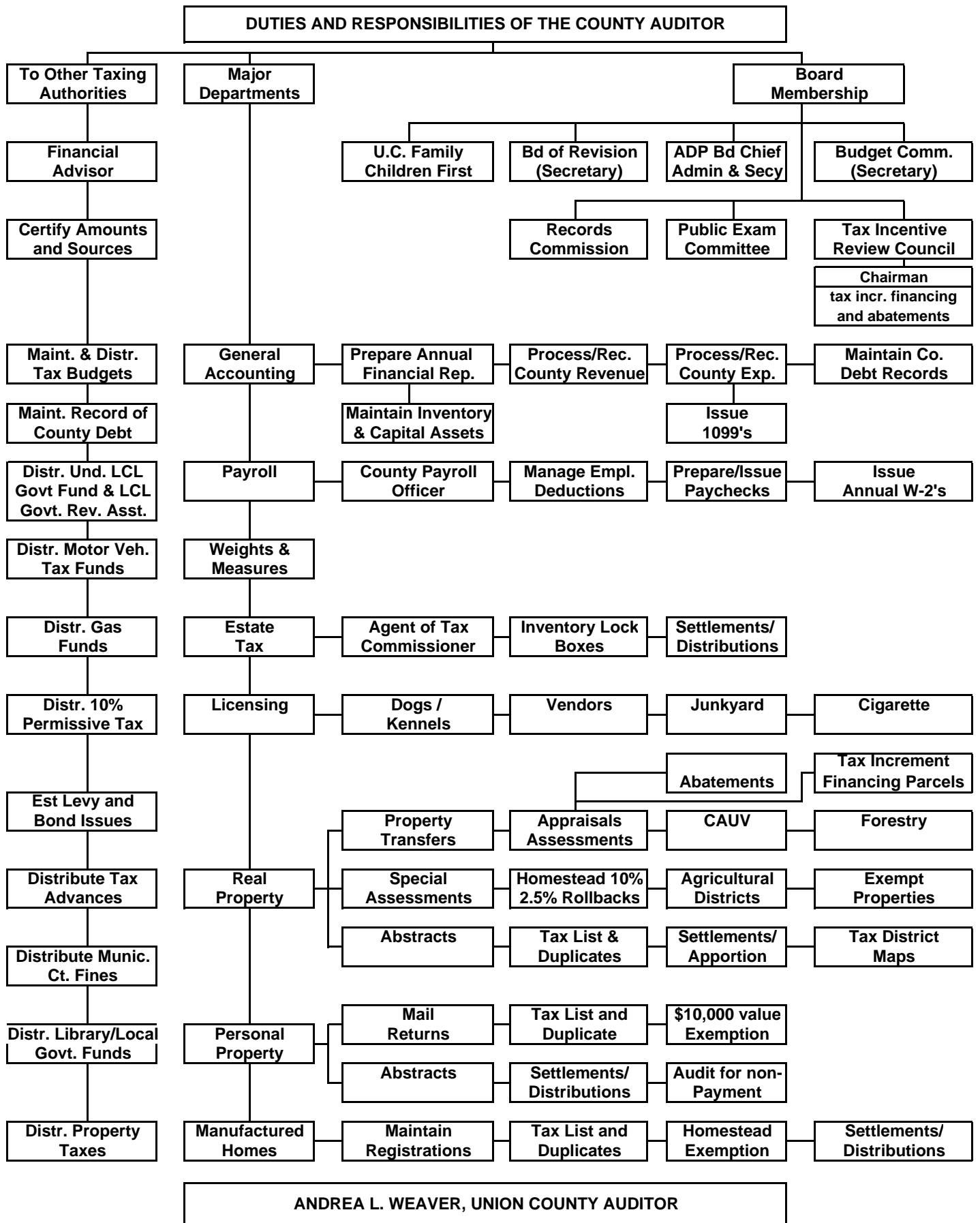
### ELECTED OFFICIALS

Commissioner.....	Steve A. Stolte
Commissioner.....	Charles A. Hall
Commissioner.....	Gary J. Lee
Auditor.....	Mary H. Snider (Jan 2010-March 2011) Andrea L. Weaver (March 2011)
Treasurer.....	Donna M. Rausch
Prosecuting Attorney.....	David W. Phillips
Common Pleas Judge.....	Don W. Fraser
Probate and Juvenile Judge.....	Charlotte C. Eufinger
Clerk of Courts.....	Teresa L. Nickle
Coroner.....	David T. Applegate, MD
Sheriff.....	Rocky W. Nelson
Recorder.....	Teresa L. Markham
Engineer.....	Jeff A. Stauch

# ORGANIZATION CHART







## **FINANCIAL SECTION**

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Union County  
233 West Sixth Street  
Marysville, Ohio 43040

To the Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of Union County, Ohio (the County), as of and for the year ended December 31, 2010, 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 Memorial Hospital of Union County and Affiliates, a major fund, which represents ninety-seven percent, ninety-six percent, and ninety-nine percent, respectively, of the assets, net assets, and revenues for the business-type activities. We also did not audit the financial statements of U-Co Industries, Inc., one of the County's discretely presented component units which represents 5.2 percent of assets, 21.1 percent net assets or fund balances, and 31.48 percent of revenues, respectively of the aggregate discretely presented component unit and remaining fund information. Other auditors audited those financial statements. They have furnished their report thereon to us and we base our opinion, insofar as it relates to the amounts included for Memorial Hospital of Union County and Affiliates, and U-Co 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 U-Co 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, each major fund, and the aggregate discretely presented component units and remaining fund information of Union County, Ohio, as of December 31, 2010, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Motor Vehicle and Gas Tax, and County Board of Developmental 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 June 22, 2011, 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.

Accounting principles generally accepted in the United States of America require this presentation to include Management's discussion and analysis and Schedules for infrastructure assets accounted for using the modified approach, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the County's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provides additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. 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 section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.



**Dave Yost**  
Auditor of State

June 22, 2011

## UNION COUNTY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010

The management's discussion and analysis of Union County's (the "County") financial performance provides an overall review of the County's financial activities for the year ended December 31, 2010. The intent of this discussion and analysis is to look at the County's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and the basic financial statements to enhance their understanding of the County's financial performance.

#### **Financial Highlights**

Key financial highlights for 2010 are as follows:

- The total net assets of the County increased \$8,481,435. Net assets of governmental activities increased \$5,674,002, which represents a 6.08% increase over 2009. Net assets of business-type activities increased \$2,807,433 or 6.06% from 2009.
- General revenues accounted for \$26,980,733 or 52.41% of total governmental activities revenue. Program specific revenues accounted for \$24,498,175 or 47.59% of total governmental activities revenue.
- The County had \$45,807,274 in expenses related to governmental activities; \$24,498,175 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$26,980,733 were adequate to provide for these programs.
- The general fund, the County's largest major governmental fund, had revenues and other financing sources of \$18,887,456 in 2010, an increase of \$867,151 or 4.81% from 2009 revenues. The general fund, had expenditures and other financing uses of \$17,753,482 in 2010, a decrease of \$1,631,676 or 8.42% from 2009. The net changes in revenues and expenditures contributed to the general fund balance increase of \$1,133,974 or 20.72% from 2009 to 2010.
- The Union County Board of Developmental Disabilities fund (County Board of DD fund), a major governmental fund, had revenues of \$9,455,572 in 2010, a decrease of \$13,757 or .15% from 2009 revenues. The County Board of DD fund, had expenditures of \$7,687,008 in 2010, an increase of \$483,926 or 6.72% from 2009 expenditures. The net changes in revenues and expenditures contributed to the County Board of DD fund balance increase of \$1,768,564 or 15.99% from 2009 to 2010.
- The Motor Vehicle and Gas Tax fund, a major governmental fund, had revenues and other financing sources of \$6,006,258 in 2010, an increase of \$114,643 or 1.95% from 2009 revenues. The Motor Vehicle and Gas Tax fund, had expenditures and other financing uses of \$6,046,772 in 2010, an increase of \$526,012 or 9.53% from 2009 expenditures. The net changes in revenues and expenditures contributed to the Motor Vehicle and Gas Tax fund balance decrease of \$40,514 or 2.33% from 2009 to 2010.
- Net assets for the business-type activities, which are made up of the sewer district, building and development and the Union County Memorial Hospital, increased in 2010 by \$2,807,433 or 6.06%.
- In the general fund, the actual revenues and other financing sources came in \$770,667 higher than the final budget and actual expenditures and financing uses were \$1,384,061 lower than the amount in the final budget. These variances are a result of the County's conservative budgeting process.

#### **Using the Basic Financial Statements (BFS)**

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

## UNION COUNTY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010

The statement of net assets and statement of activities provide information about the activities of the whole County, presenting both an aggregate view of the County's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the County's most significant funds with all other non-major funds presented in total in one column. The County's governmental major funds are the general fund, the board of DD fund and the motor vehicle and gas tax fund.

#### **Reporting the County as a Whole**

##### ***Statement of Net Assets and the Statement of Activities***

The statement of net assets and the statement of activities answer the question, "How did we do financially during 2010?" These statements include *all assets, liabilities, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the County's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the County as a whole, the financial position of the County has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the County's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, and other factors.

In the statement of net assets and the statement of activities, the County is divided into two distinct kinds of activities:

Governmental activities - most of the County's programs and services are reported here including human services, health, public safety, public works and general government. These services are funded primarily by taxes and intergovernmental revenues including federal and state grants and other shared revenues.

Business-type activities - these services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided.

The County's statement of net assets and statement of activities can be found on pages 23-26 of this report.

#### **Reporting the County's Most Significant Funds**

##### ***Fund Financial Statements***

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Fund financial reports provide detailed information about the County's major funds. The County uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the County's most significant funds.

The County's major governmental funds are the general fund, County board of DD fund and motor vehicle and gas tax fund. The County's major enterprise fund is the Memorial Hospital fund. The analysis of the County's major governmental and proprietary funds begins on page 18.

## **UNION COUNTY, OHIO**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010**

#### ***Governmental Funds***

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

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 in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-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 facilitate this comparison between governmental funds and governmental activities.

The County maintains a multitude of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 27-32 and the budgetary statements for the general and major special revenue funds can be found on pages 33-35 of this report.

#### ***Proprietary Funds***

The County maintains only one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its sewer district, building and development and the Memorial Hospital operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County has no internal service funds. The basic proprietary fund financial statements can be found on pages 36-39 of this report.

#### ***Fiduciary Funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Agency funds are the County's only fiduciary fund type. The basic fiduciary fund financial statement can be found on page 40 of this report.

#### ***Notes to the Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 41-90 of this report.



# UNION COUNTY, OHIO

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010

### Government-Wide Financial Analysis

The statement of net assets provides the perspective of the County as a whole. The table below provides a summary of the County's net assets for 2010 and 2009.

	<b>Net Assets</b>					
	Governmental Activities 2010	Business-type Activities 2010	Governmental Activities 2009	Business-type Activities 2009	2010 Total	2009 Total
<u>Assets</u>						
Current and other assets	\$ 50,508,147	\$ 43,433,186	\$ 46,230,322	\$ 41,501,789	\$ 93,941,333	\$ 87,732,111
Capital assets	74,160,271	40,817,974	72,204,709	40,776,609	114,978,245	112,981,318
Total assets	<u>124,668,418</u>	<u>84,251,160</u>	<u>118,435,031</u>	<u>82,278,398</u>	<u>208,919,578</u>	<u>200,713,429</u>
<u>Liabilities</u>						
Long-term liabilities outstanding	11,002,945	29,296,737	10,706,339	29,359,624	40,299,682	40,065,963
Other liabilities	14,791,733	5,804,794	14,528,954	6,576,578	20,596,527	21,105,532
Total liabilities	<u>25,794,678</u>	<u>35,101,531</u>	<u>25,235,293</u>	<u>35,936,202</u>	<u>60,896,209</u>	<u>61,171,495</u>
<u>Net Assets</u>						
Invested in capital assets, net of related debt	65,696,098	14,143,190	62,877,921	14,124,261	79,839,288	77,002,182
Restricted	26,069,859	2,739,709	23,450,331	2,753,323	28,809,568	26,203,654
Unrestricted	7,107,783	32,266,730	6,871,486	29,464,612	39,374,513	36,336,098
Total net assets	<u>\$ 98,873,740</u>	<u>\$ 49,149,629</u>	<u>\$ 93,199,738</u>	<u>\$ 46,342,196</u>	<u>\$ 148,023,369</u>	<u>\$ 139,541,934</u>

Over time, net assets can serve as a useful indicator of a government's financial position. At December 31, 2010, the County's assets exceeded liabilities by \$148,023,369. This amounts to \$98,873,740 in governmental activities and \$49,149,629 in business-type activities.

Capital assets reported on the government-wide statements represent the largest portion of the County's assets. At year-end, capital assets represented 55.03% of total governmental and business-type assets. Capital assets include land, buildings, improvements, furniture, equipment, furniture and fixtures, vehicles, construction in progress, infrastructure, water and sewer lines and property under capital lease. Capital assets, net of related debt to acquire the assets at December 31, 2010, were \$79,839,288. These capital assets are used to provide services to citizens and are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

As of December 31, 2010, the County is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. A portion of the County's governmental activities net assets, \$26,069,859 or 26.37%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of governmental activities unrestricted net assets of \$7,107,783 may be used to meet the government's ongoing obligations to citizens and creditors.

# UNION COUNTY, OHIO

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010

The table below shows the changes in net assets for fiscal year 2010 and 2009.

	<b>Change in Net Assets</b>					
	Governmental Activities 2010	Business-type Activities 2010	Governmental Activities 2009	Business-type Activities 2009	2010 Total	2009 Total
<b>Revenues</b>						
Program revenues:						
Charges for services and sales	\$ 7,004,565	\$ 72,421,425	\$ 6,061,923	\$ 69,762,830	\$ 79,425,990	\$ 75,824,753
Operating grants and contributions	15,668,879	-	16,729,144	-	15,668,879	16,729,144
Capital grants and contributions	1,824,731	359,032	1,474,017	1,064,803	2,183,763	2,538,820
Total program revenues	<u>24,498,175</u>	<u>72,780,457</u>	<u>24,265,084</u>	<u>70,827,633</u>	<u>97,278,632</u>	<u>95,092,717</u>
General revenues:						
Property taxes	10,893,125	-	10,264,681	-	10,893,125	10,264,681
Sales tax	9,298,891	-	8,001,168	-	9,298,891	8,001,168
Unrestricted grants	5,284,472	-	5,452,939	-	5,284,472	5,452,939
Investment earnings	768,985	139,436	1,001,949	169,467	908,421	1,171,416
Other	735,260	2,453,154	889,908	2,705,425	3,188,414	3,595,333
Total general revenues	<u>26,980,733</u>	<u>2,592,590</u>	<u>25,610,645</u>	<u>2,874,892</u>	<u>29,573,323</u>	<u>28,485,537</u>
Total revenues	<u>51,478,908</u>	<u>75,373,047</u>	<u>49,875,729</u>	<u>73,702,525</u>	<u>126,851,955</u>	<u>123,578,254</u>
<b>Expenses</b>						
Program expenses:						
General government						
Legislative and executive	10,817,736	-	12,019,993	-	10,817,736	12,019,993
Judicial	2,851,552	-	2,461,340	-	2,851,552	2,461,340
Public safety	6,923,020	-	7,150,858	-	6,923,020	7,150,858
Public works	4,644,326	-	5,747,722	-	4,644,326	5,747,722
Health	3,297,771	-	3,950,543	-	3,297,771	3,950,543
Human services	15,210,709	-	15,526,434	-	15,210,709	15,526,434
Economic development	315,537	-	402,363	-	315,537	402,363
Intergovernmental	1,433,617	-	576,265	-	1,433,617	576,265
Interest and fiscal charges	313,006	-	491,417	-	313,006	491,417
Memorial Hospital	-	71,780,394	-	69,262,201	71,780,394	69,262,201
Other:						
Sanitary sewer district	-	311,995	-	175,941	311,995	175,941
Building and development	-	470,857	-	496,669	470,857	496,669
Total expenses	<u>45,807,274</u>	<u>72,563,246</u>	<u>48,326,935</u>	<u>69,934,811</u>	<u>118,370,520</u>	<u>118,261,746</u>
Excess revenues over expenses	5,671,634	2,809,801	1,548,794	3,767,714	8,481,435	5,316,508
Transfers	2,368	(2,368)	(10,751)	10,751	-	-
Change in net assets	5,674,002	2,807,433	1,538,043	3,778,465	8,481,435	5,316,508
<b>Net assets at beginning of year</b>	<u>93,199,738</u>	<u>46,342,196</u>	<u>91,661,695</u>	<u>42,563,731</u>	<u>139,541,934</u>	<u>134,225,426</u>
<b>Net assets at end of year</b>	<u>\$ 98,873,740</u>	<u>\$ 49,149,629</u>	<u>\$ 93,199,738</u>	<u>\$ 46,342,196</u>	<u>\$ 148,023,369</u>	<u>\$ 139,541,934</u>

## UNION COUNTY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010

#### Governmental Activities

Governmental net assets increased by \$5,674,002 in 2010 from 2009.

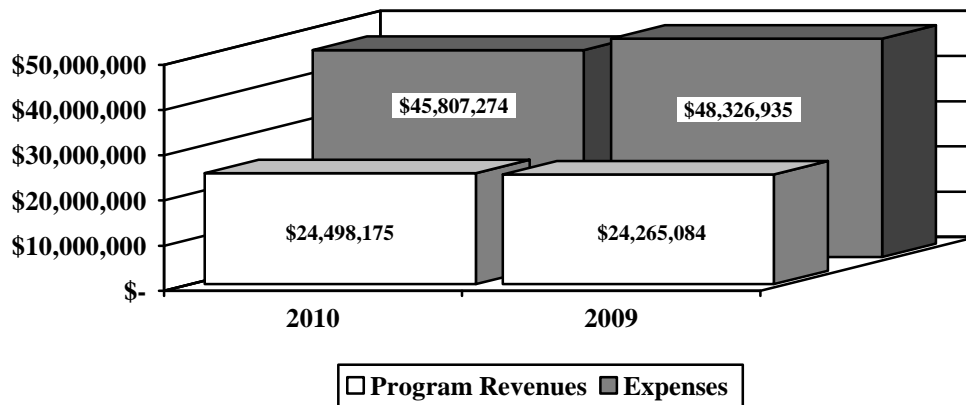
Human services, represents costs associated with providing services for various State and locally mandated welfare programs. These programs include the board of development disabilities, children's services, and the department of jobs and family services for \$15,210,709 of expenses, or 33.21% of total governmental expenses of the County. These expenses were funded by \$823,824 in charges to users of services and \$7,363,520 in operating grants and contributions in 2010. General government expenses which includes legislative and executive and judicial programs, accounted for \$13,669,288 or 29.84% of total governmental expenses. General government expenses were covered by \$3,873,943 of direct charges to users and \$635,360 in operating grants and contributions in 2010.

The State and federal government contributed to the County revenues of \$15,668,879 in operating grants and contributions and \$1,824,731 in capital grants and contributions. These revenues are restricted to a particular program or purpose.

General revenues totaled \$26,980,733, and amounted to 52.41% of total revenues. These revenues primarily consist of property and sales tax revenue of \$20,192,016 or 74.84% of total general revenues in 2010. The other primary source of general revenues is grants and entitlements not restricted to specific programs, making up \$5,284,472, or 19.59% of the total.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2010 and 2009. That is, it identifies the cost of these services supported by general revenues (such as tax revenue and unrestricted state grants and entitlements). As can be seen in the graph below, the County is reliant upon general revenues to finance operations as program revenues are not sufficient to cover total expenses.

**Governmental Activities - Program Revenues vs. Total Expenses**



# UNION COUNTY, OHIO

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010

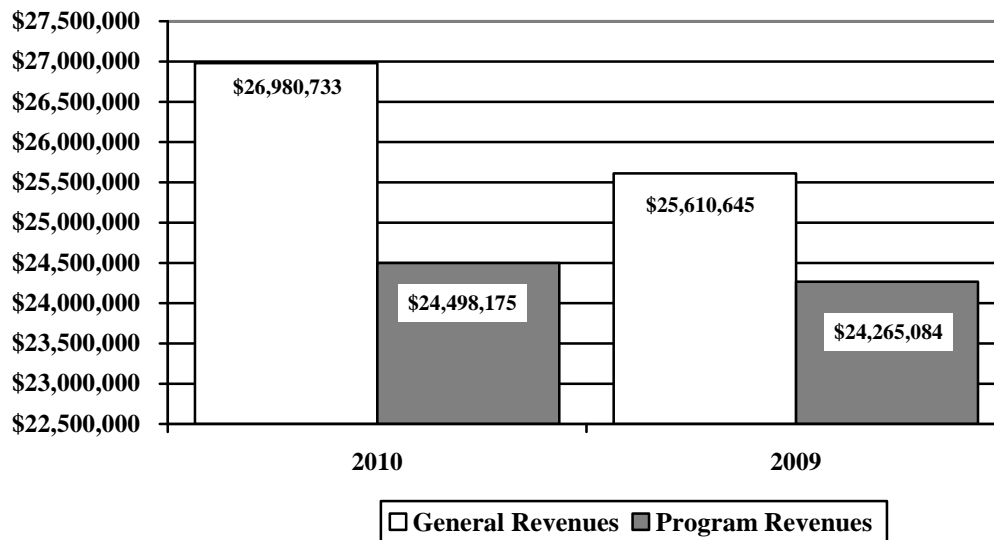
### Governmental Activities

	Total Cost of Services 2010	Net Cost of Services 2010	Total Cost of Services 2009	Net Cost of Services 2009
<b>Program expenses:</b>				
General government				
Legislative and executive	\$ 10,817,736	\$ 7,464,241	\$ 12,019,993	\$ 9,186,891
Judicial	2,851,552	1,695,744	2,461,340	1,789,030
Public safety	6,923,020	4,709,803	7,150,858	5,304,054
Public works	4,644,326	(2,409,351)	5,747,722	(865,155)
Health	3,297,771	928,608	3,950,543	1,234,620
Human services	15,210,709	7,023,365	15,526,434	6,044,709
Economic development	315,537	150,066	402,363	300,020
Intergovernmental	1,433,617	1,433,617	576,265	576,265
Interest and fiscal charges	313,006	313,006	491,417	491,417
Total	<u>\$ 45,807,274</u>	<u>\$ 21,309,099</u>	<u>\$ 48,326,935</u>	<u>\$ 24,061,851</u>

The dependence upon general revenues for governmental activities is apparent, with 46.52% of expenses supported through taxes and other general revenues during 2010.

The graph below illustrates the County's reliance upon general revenues.

**Governmental Activities - General and Program Revenues**

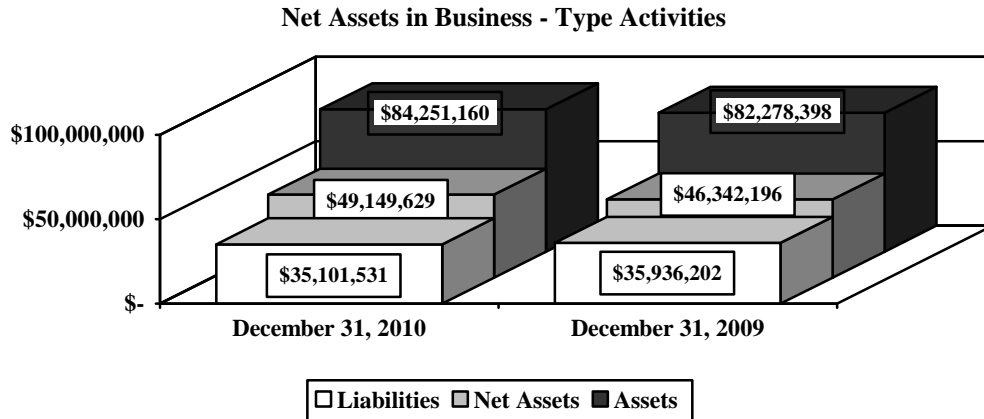


## UNION COUNTY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010

#### Business-Type Activities

The sanitary sewer district, building and development and Memorial Hospital are the County's business-type activities. These operations had program revenues of \$72,780,457, general revenues of \$2,592,590, and expenses of \$72,563,246 for 2010. The net assets of the business-type activities increased \$2,807,433 or 6.06% during 2010. The following graph illustrates the assets, liabilities and net assets of the County's business-type activities at December 31, 2010 and 2009:



#### Financial Analysis of the Government's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### Governmental Funds

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

The County's governmental funds (as reported on the balance sheet on pages 27-28) reported a combined fund balance of \$30,189,574, which is \$4,289,584 greater than last year's total of \$25,899,990. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2010 for all major and non-major governmental funds.

	Fund Balances 12/31/10	Fund Balances 12/31/09	Increase/ (Decrease)
<b>Major funds:</b>			
General	\$ 6,674,437	\$ 5,472,468	\$ 1,201,969
County Board of DD	12,837,383	11,058,912	1,778,471
Motor Vehicle and Gas Tax	1,699,822	1,740,336	(40,514)
Other nonmajor governmental funds	<u>8,977,932</u>	<u>7,628,274</u>	<u>1,349,658</u>
Total	<u>\$ 30,189,574</u>	<u>\$ 25,899,990</u>	<u>\$ 4,289,584</u>

# UNION COUNTY, OHIO

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010

### ***General Fund***

The County's general fund balance increased \$1,201,969.

	2010 <u>Amount</u>	2009 <u>Amount</u>	Percentage <u>Change</u>
<b><u>Revenues</u></b>			
Taxes	\$ 11,155,330	\$ 10,920,640	2.15 %
Charges for services	2,151,631	1,984,007	8.45 %
Licenses and permits	3,238	3,134	3.32 %
Fines and forfeitures	630,302	508,399	23.98 %
Intergovernmental	3,118,784	2,404,718	29.69 %
Investment income	767,764	1,000,812	(23.29) %
Other	<u>1,035,407</u>	<u>1,198,595</u>	<u>(13.61) %</u>
Total	<u>\$ 18,862,456</u>	<u>\$ 18,020,305</u>	<u>4.67 %</u>

Tax revenue represents 59.14% of all general fund revenue. Fines and forfeitures increased 23.98% due to increases in Sheriff fines. The increase of intergovernmental revenue of 29.69% is due mainly to increases in EMA Grant revenues and PSO Stimulus revenues. The decrease in investment income of 23.29% is due to overall declines in investment income earnings due to record low interest rates. Other revenues decreased 13.61% due mainly to less Champaign County Jail reimbursements received and less other refunds and reimbursements. All other revenue remained comparable to 2009.

The table that follows assists in illustrating the expenditures of the general fund.

	2010 <u>Amount</u>	2009 <u>Amount</u>	Percentage <u>Change</u>
<b><u>Expenditures</u></b>			
General government			
Legislative and executive	\$ 7,154,018	\$ 7,792,452	(8.19) %
Judicial	2,132,617	2,153,071	(0.95) %
Public safety	4,751,268	5,425,879	(12.43) %
Public works	132,142	124,018	6.55 %
Health	298,868	378,650	(21.07) %
Human services	1,663,499	1,761,433	(5.56) %
Economic development	122,995	197,135	(37.61) %
Intergovernmental	<u>532,016</u>	<u>573,221</u>	<u>(7.19) %</u>
Total	<u>\$ 16,787,423</u>	<u>\$ 18,405,859</u>	<u>(8.79) %</u>

Total expenditures decreased \$1,618,436 or 8.79%. The decrease of public safety expenditures of 12.43% is due to decrease in sheriff, communications, community service and investigation expenditures. The decrease of health expenditures of 21.07% is due to decreases in general fund contributions to senior services administrative costs with the passage of the senior services restricted use sales tax in 2008. The decrease in economic development expenditures by 37.61% is due to a decrease in airport operating expenditures. All other expenditures remained comparable to 2009.

## UNION COUNTY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010

#### ***County Board of DD***

The Union County Board of Developmental Disabilities fund (County Board of DD fund), a major governmental fund, had revenues of \$9,455,572 in 2010, a decrease of \$13,757 or .15% from 2009 revenues. The County Board of DD fund, had expenditures of \$7,687,008 in 2010, an increase of \$483,926 or 6.72% from 2009 expenditures. The net changes in revenues and expenditures contributed to the County Board of DD fund balance increase of \$1,768,564 or 15.99% from 2009 to 2010.

#### ***Motor Vehicle and Gas Tax***

The Motor Vehicle and Gas Tax fund, a major governmental fund, had revenues and other financing sources of \$6,006,258 in 2010, an increase of \$114,643 or 1.95% from 2009 revenues. The Motor Vehicle and Gas Tax fund, had expenditures and other financing uses of \$6,046,772 in 2010, an increase of \$526,012 or 9.53% from 2009 expenditures. The net changes in revenues and expenditures contributed to the Motor Vehicle and Gas Tax fund balance decrease of \$40,514 or 2.33% from 2009 to 2010.

#### ***Budgeting Highlights - General Fund***

The County's budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially the budget is the County's appropriations which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the ORC. Therefore, the County's plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity then the appropriations can be adjusted accordingly.

Budgetary information is presented for the general fund, county of DD and the motor vehicle and gas tax fund.

In the general fund, final budgeted revenues of \$17,745,183 were \$53,877 higher than original budgeted revenues of \$17,691,306. Actual revenues of \$18,515,850 exceeded final budgeted revenues by \$770,667.

Final budgeted expenditures and other financing uses of \$19,948,774 were \$321,200 higher than original budgeted expenditures and other financing uses of \$19,627,574. Actual expenditures and financing uses of \$18,563,514 were \$1,385,260 lower than final budgeted expenditures and financing uses.

#### ***Proprietary Funds***

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

### **Capital Assets and Debt Administration**

#### ***Capital Assets***

At the end of 2010, the County had \$114,978,245 (net of accumulated depreciation) invested in land, improvements, buildings, equipment, furniture and fixtures, vehicles, construction in progress, property under capital lease, water and sewer lines and infrastructure. Of this total, \$74,160,271 was reported in governmental activities and \$40,817,974 was reported in business-type activities. The following table shows 2010 balances compared to 2009:

# UNION COUNTY, OHIO

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010

### Capital Assets at December 31 (Net of Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2010	2009	2010	2009	2010	2009
Land	\$ 982,046	\$ 982,046	\$ 6,485,535	\$ 6,474,735	\$ 7,467,581	\$ 7,456,781
Improvements	1,078,020	1,131,736	2,253,055	2,602,958	3,331,075	3,734,694
Buildings	14,804,704	15,406,719	23,470,051	24,618,772	38,274,755	40,025,491
Equipment	747,579	921,592	6,713,822	5,084,217	7,461,401	6,005,809
Furniture and Fixtures	236,251	297,853	10,000	13,000	246,251	310,853
Vehicles	762,312	766,009	16,006	24,988	778,318	790,997
Infrastructure	55,549,359	52,698,754	-	-	55,549,359	52,698,754
Sewer/water lines	-	-	85,865	93,318	85,865	93,318
Property under capital leases	-	-	349,371	388,749	349,371	388,749
Construction in progress	-	-	1,434,269	1,475,872	1,434,269	1,475,872
Total	<u>\$ 74,160,271</u>	<u>\$ 72,204,709</u>	<u>\$ 40,817,974</u>	<u>\$ 40,776,609</u>	<u>\$ 114,978,245</u>	<u>\$ 112,981,318</u>

See Note 9 to the basic financial statements for detail on the County's capital assets.

The County's largest capital asset category is infrastructure which includes roads, bridges and culverts. These items are immovable and of value only to the County, however, the annual cost of purchasing these items is quite significant. The net book value of the County's infrastructure (cost less accumulated depreciation) represents approximately 74.90% of the County's total governmental capital assets.

The modified approach is used for reporting the Union County's infrastructure assets. The plan includes a ten year program for road repairs and improvements and an annual bridge evaluation in accordance with Ohio Department of Transportation requirements. Currently 95% of the County's roads have a numerical rating of 5 or higher as compared with a policy of at least 75% of the roads at 5 or higher. For bridges, 95% of the bridges met or exceeded the numerical rating of 5 as compared to a policy of 85%. Estimated expenditures for roads and bridges were \$8,280,426 for 2010. Actual expenditures for the year were \$7,458,087. For more information on the rating system and results, refer to required supplementary information beginning on pages 91-92 of this report.

### ***Debt Administration***

At December 31, 2010 the County had \$28,862,795 in general obligation bonds, \$2,385,000 in sales tax revenue bonds, \$1,002,109 in Hospital Facilities Revenue Bonds and \$3,728,047 in other long term obligations. Of this total, \$2,043,736 is due within one year and \$33,934,215 is due in more than one year.



## UNION COUNTY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010

The following table summarizes the bonds, notes and loans outstanding.

	<b>Outstanding Debt, at Year End</b>			
	Governmental Activities	Business-Type Activities	Governmental Activities	Business-Type Activities
	2010	2010	2009	2009
Long-term obligations				
General obligation bonds:	\$ 6,915,000	\$ 21,947,795	\$ 6,680,000	\$ 22,900,000
Sales tax revenue bonds	2,385,000	-	2,535,000	-
Hospital Facilities Revenue Bonds	-	1,002,109	-	-
Other long-term obligations	<u>3,167</u>	<u>3,724,880</u>	<u>24,961</u>	<u>3,739,783</u>
Total	<u>\$ 9,303,167</u>	<u>\$ 26,674,784</u>	<u>\$ 9,239,961</u>	<u>\$ 26,639,783</u>

The County's voted legal debt margin was \$23,758,212 at December 31, 2010 and the unvoted legal debt margin was \$6,044,869 at December 31, 2010. See Note 12 to the basic financial statements for detail on governmental activities and business-type activities long-term obligations.

#### **Economic Factors and Next Year's Budgets and Rates**

The average unemployment rate in the County was 8.4% for 2010, consistent with the 8.4% average rate in 2009. This compares favorably to the State rate of 10.1% and to the national rate of 9.6%. Union County's strong industrial segment allows the County to enjoy the fourth lowest unemployment rate in Ohio.

Union County is primarily an agricultural community with 85% of its acreage devoted to agriculture. A strong manufacturing presence coexists, allowing for growth within the community. Estimated actual values were at \$3.51 billion for 2010. This has decreased by an average rate of 2.5% from 2009. The actual and assessed values are lower than prior years as tangible personal property is being phased out through 2008. For information on this reduction, refer to Note 6 of this report.

#### **Contacting the County's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Honorable Andrea Weaver, Union County Auditor, 233 West Sixth Street, Marysville, Ohio 43040. Questions may also be e-mailed to [auditor@co.union.oh.us](mailto:auditor@co.union.oh.us) or visit the Auditors link from the County's website: <http://www.co.union.oh.us/GD/Templates/Pages/UC/UCDetail.aspx?page=85>.

BASIC  
FINANCIAL STATEMENTS

**UNION COUNTY, OHIO**

**STATEMENT OF NET ASSETS  
DECEMBER 31, 2010**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 26,996,977	\$ 1,765,410	\$ 28,762,387
Cash and cash equivalents in segregated accounts. . . . .	1,949,409	26,664,377	28,613,786
Investments in segregated accounts . . . . .	-	630,407	630,407
Receivables (net of allowance for uncollectibles):			
Sales taxes . . . . .	1,532,392	-	1,532,392
Real estate and other taxes . . . . .	12,852,369	-	12,852,369
Accounts. . . . .	136,351	9,106,118	9,242,469
Accrued interest . . . . .	70,851	-	70,851
Due from other governments . . . . .	4,909,562	-	4,909,562
Special assessments. . . . .	96,470	-	96,470
Loans. . . . .	28,246	-	28,246
Prepayments . . . . .	1,233,172	633,213	1,866,385
Materials and supplies inventory . . . . .	525,588	670,506	1,196,094
Unamortized bond issue costs . . . . .	176,760	1,223,446	1,400,206
Restricted assets:			
Cash and cash equivalents with fiscal and escrow agents . . . . .	-	2,739,709	2,739,709
Capital assets:			
Land, infrastructure and construction in progress . . . . .	56,531,405	7,919,804	64,451,209
Depreciable capital assets, net . . . . .	17,628,866	32,898,170	50,527,036
Total capital assets, net. . . . .	<u>74,160,271</u>	<u>40,817,974</u>	<u>114,978,245</u>
Total assets . . . . .	<u>124,668,418</u>	<u>84,251,160</u>	<u>208,919,578</u>
<b>Liabilities:</b>			
Accounts payable . . . . .	1,212,178	2,571,614	3,783,792
Contracts payable . . . . .	-	19,308	19,308
Accrued wages and benefits . . . . .	841,497	2,601,618	3,443,115
Due to other governments . . . . .	576,933	612,254	1,189,187
Accrued interest payable . . . . .	26,501	-	26,501
Accrued liabilities. . . . .	-	-	-
Unearned revenue . . . . .	12,134,624	-	12,134,624
Long-term liabilities:			
Due within one year . . . . .	2,251,604	1,884,872	4,136,476
Due in more than one year . . . . .	8,751,341	27,411,865	36,163,206
Total liabilities . . . . .	<u>25,794,678</u>	<u>35,101,531</u>	<u>60,896,209</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt . . . . .	65,696,098	14,143,190	79,839,288
Restricted for:			
Capital projects . . . . .	1,611,601	929,540	2,541,141
Debt service . . . . .	141,519	95,345	236,864
Public works projects . . . . .	3,818,027	-	3,818,027
Public safety programs . . . . .	2,421,563	-	2,421,563
Human services programs . . . . .	14,604,807	-	14,604,807
Health programs . . . . .	1,325,802	-	1,325,802
Legislative and executive . . . . .	1,119,265	-	1,119,265
Judicial. . . . .	788,179	-	788,179
Nonexpendable permanent endowments . . . . .	-	25,000	25,000
Other hospital restrictions. . . . .	-	1,689,824	1,689,824
Other purposes . . . . .	239,096	-	239,096
Unrestricted . . . . .	<u>7,107,783</u>	<u>32,266,730</u>	<u>39,374,513</u>
Total net assets . . . . .	<u>\$ 98,873,740</u>	<u>\$ 49,149,629</u>	<u>\$ 148,023,369</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Component Unit	
UCO Industries	Airport Authority
\$ -	\$ 431,833
1,019,629	-
-	-
-	-
-	-
646,188	-
-	-
-	888
-	-
-	-
26,052	35
526,896	-
31,884	-
-	-
263,855	844,248
3,997,301	2,160,297
4,261,156	3,004,545
6,511,805	3,437,301
1,022,966	18,169
-	-
22,004	280
-	191
-	-
12,277	-
-	-
252,419	28,336
1,418,374	-
2,728,040	46,976
3,292,615	3,004,545
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
491,150	385,780
\$ 3,783,765	\$ 3,390,325

**UNION COUNTY, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2010

		Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
	Expenses			
<b>Governmental activities:</b>				
General government:				
Legislative and executive . . . . .	\$ 10,817,736	\$ 2,852,106	\$ 501,389	\$ -
Judicial . . . . .	2,851,552	1,021,837	133,971	-
Public safety . . . . .	6,923,020	1,411,167	802,050	-
Public works . . . . .	4,644,326	677,752	4,551,194	1,824,731
Health . . . . .	3,297,771	195,346	2,173,817	-
Human services. . . . .	15,210,709	823,824	7,363,520	-
Economic development . . . . .	315,537	22,533	142,938	-
Intergovernmental. . . . .	1,433,617	-	-	-
Interest and fiscal charges. . . . .	313,006	-	-	-
Total governmental activities . . . . .	<u>45,807,274</u>	<u>7,004,565</u>	<u>15,668,879</u>	<u>1,824,731</u>
<b>Business-type activities:</b>				
Memorial hospital . . . . .	71,780,394	71,729,744	-	359,032
Other business-type activities:				
Sanitary sewer district . . . . .	311,995	222,331	-	-
Building and development . . . . .	470,857	469,350	-	-
Total business-type activities . . . . .	<u>72,563,246</u>	<u>72,421,425</u>	<u>-</u>	<u>359,032</u>
Total primary government . . . . .	<u>\$ 118,370,520</u>	<u>\$ 79,425,990</u>	<u>\$ 15,668,879</u>	<u>\$ 2,183,763</u>
<b>Component units:</b>				
UCO Industries . . . . .	\$ 9,158,429	\$ 9,290,314	\$ 188,686	\$ -
Airport authority . . . . .	350,099	189,745	174,398	-
Total component units . . . . .	<u>\$ 9,508,528</u>	<u>\$ 9,480,059</u>	<u>\$ 363,084</u>	<u>\$ -</u>
<b>General revenues:</b>				
Property taxes levied for:				
General fund. . . . .				
Human services - County Board of DD . . . . .				
Public safety. . . . .				
Health. . . . .				
Sales taxes levied for general purposes. . . . .				
Sales taxes levied for public works. . . . .				
Sales taxes levied for senior services . . . . .				
Grants and entitlements not restricted to specific programs . . . . .				
Investment earnings. . . . .				
Miscellaneous . . . . .				
Total general revenues . . . . .				
Transfers . . . . .				
Change in net assets . . . . .				
<b>Net assets at beginning of year . . . . .</b>				
<b>Net assets at end of year. . . . .</b>				

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Net (Expense) Revenue and Changes in Net Assets				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	UCO Industries	Airport Authority
\$ (7,464,241)	\$ -	\$ (7,464,241)	\$ -	\$ -
(1,695,744)	-	(1,695,744)	-	-
(4,709,803)	-	(4,709,803)	-	-
2,409,351	-	2,409,351	-	-
(928,608)	-	(928,608)	-	-
(7,023,365)	-	(7,023,365)	-	-
(150,066)	-	(150,066)	-	-
(1,433,617)	-	(1,433,617)	-	-
(313,006)	-	(313,006)	-	-
(21,309,099)	-	(21,309,099)	-	-
-	308,382	308,382	-	-
-	(89,664)	(89,664)	-	-
-	(1,507)	(1,507)	-	-
-	217,211	217,211	-	-
(21,309,099)	217,211	(21,091,888)	-	-
-	-	-	320,571	-
-	-	-	-	14,044
-	-	-	320,571	14,044
3,841,983	-	3,841,983	-	-
5,710,635	-	5,710,635	-	-
784,247	-	784,247	-	-
556,260	-	556,260	-	-
7,406,053	-	7,406,053	-	-
946,419	-	946,419	-	-
946,419	-	946,419	-	-
5,284,472	-	5,284,472	-	-
768,985	139,436	908,421	8,900	472
735,260	2,453,154	3,188,414	-	-
26,980,733	2,592,590	29,573,323	8,900	472
2,368	(2,368)	-	-	-
5,674,002	2,807,433	8,481,435	329,471	14,516
93,199,738	46,342,196	139,541,934	3,454,294	3,375,809
\$ 98,873,740	\$ 49,149,629	\$ 148,023,369	\$ 3,783,765	\$ 3,390,325

**UNION COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2010

	<u>General</u>	<u>County Board of DD</u>	<u>Motor Vehicle/ Gas Tax</u>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 4,923,746	\$ 12,129,367	\$ 1,597,825
Cash and cash equivalents in segregated accounts . . . .	1,063,871	-	-
Receivables (net allowance for uncollectibles):			
Sales taxes . . . . .	1,219,353	-	156,520
Real estate and other taxes . . . . .	4,096,969	7,147,317	-
Accounts . . . . .	50,915	4,004	4,532
Accrued interest . . . . .	67,295	-	2,222
Due from other governments . . . . .	829,634	350,263	2,077,985
Special assessments. . . . .	-	-	-
Loans. . . . .	28,246	-	-
Interfund loans . . . . .	285,478	-	-
Prepayments . . . . .	21,792	1,194,116	376
Materials and supplies inventory. . . . .	490,355	28,337	-
Due from other funds . . . . .	50,000	-	-
Total assets. . . . .	<u>\$ 13,127,654</u>	<u>\$ 20,853,404</u>	<u>\$ 3,839,460</u>
<b>Liabilities:</b>			
Accounts payable. . . . .	\$ 378,179	\$ 204,000	\$ 152,397
Accrued wages and benefits payable . . . . .	339,121	195,590	86,065
Compensated absences payable. . . . .	-	-	2,930
Due to other funds . . . . .	-	-	-
Due to other governments. . . . .	255,668	120,039	55,293
Interfund loans payable . . . . .	-	-	-
Deferred revenue . . . . .	1,638,928	721,372	1,842,953
Unearned revenue. . . . .	3,841,321	6,775,020	-
Total liabilities. . . . .	<u>6,453,217</u>	<u>8,016,021</u>	<u>2,139,638</u>
<b>Fund balances:</b>			
Reserved for encumbrances. . . . .	323,058	5,349	124,689
Reserved for prepayments . . . . .	21,792	1,194,116	376
Reserved for materials and supplies inventory . . . . .	490,355	28,337	-
Reserved for loans . . . . .	28,246	-	-
Reserved for debt service. . . . .	-	-	-
Unreserved, undesignated, reported in:			
General fund . . . . .	5,810,986	-	-
Special revenue funds. . . . .	-	11,609,581	1,574,757
Capital projects funds. . . . .	-	-	-
Total fund balances . . . . .	<u>6,674,437</u>	<u>12,837,383</u>	<u>1,699,822</u>
Total liabilities and fund balances . . . . .	<u>\$ 13,127,654</u>	<u>\$ 20,853,404</u>	<u>\$ 3,839,460</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Other Governmental Funds</b>		<b>Total Governmental Funds</b>	
\$	8,346,039	\$	26,996,977
	885,538		1,949,409
	156,519		1,532,392
	1,608,083		12,852,369
	76,900		136,351
	1,334		70,851
	1,651,680		4,909,562
	96,470		96,470
	-		28,246
	-		285,478
	16,888		1,233,172
	6,896		525,588
	2,000		52,000
<hr/>		<hr/>	
\$	12,848,347	\$	50,668,865
<hr/>		<hr/>	
\$	477,602	\$	1,212,178
	220,721		841,497
	30,992		33,922
	52,000		52,000
	145,933		576,933
	285,478		285,478
	1,139,406		5,342,659
	1,518,283		12,134,624
<hr/>		<hr/>	
	3,870,415		20,479,291
<hr/>		<hr/>	
	471,997		925,093
	16,888		1,233,172
	6,896		525,588
	-		28,246
	152,973		152,973
	-		5,810,986
	6,975,947		20,160,285
	1,353,231		1,353,231
<hr/>		<hr/>	
	8,977,932		30,189,574
<hr/>		<hr/>	
\$	12,848,347	\$	50,668,865
<hr/>		<hr/>	



# **UNION COUNTY, OHIO**

## RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET ASSETS OF GOVERNMENTAL ACTIVITIES DECEMBER 31, 2010

<b>Total governmental fund balances</b>	\$ 30,189,574
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*Amounts reported for governmental activities on the  
statement of net assets are different because:*

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	74,160,271
---	------------

Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.

Property taxes receivable	\$	717,745
Sales tax receivable		796,892
Intergovernmental receivable		3,715,552
Special assessments receivable		96,470
Accounts receivable		<u>16,000</u>

Total	5,342,659
-------	-----------

On the statement of net assets interest is accrued on outstanding bonds, whereas in governmental funds, interest is reported when due.	(26,501)
--	----------

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

General obligation bonds payable	(6,915,000)	
Sales tax revenue bonds payable	(2,385,000)	
Loans payable	(3,167)	
Compensated absences payable	<u>(1,614,100)</u>	

Total	(10,917,267)
-------	--------------

Unamortized premiums on the issuance of bonds are not recognized in the funds.	(81,006)
--	----------

Unamortized deferred charges on bond refundings are not recognized in the funds.	29,250
--	--------

Unamortized bond issue costs are not recognized in the funds.	<u>176,760</u>
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<b>Net assets of governmental activities</b>	<u><u>\$ 98,873,740</u></u>
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SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**UNION COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>General</b>	<b>County Board of DD</b>	<b>Motor Vehicle/ Gas Tax</b>
<b>Revenues:</b>			
Property taxes . . . . .	\$ 3,800,686	\$ 5,648,078	\$ -
Sales taxes . . . . .	7,354,644	-	938,747
Charges for services . . . . .	2,151,631	-	675,602
Licenses and permits . . . . .	3,238	-	2,150
Fines and forfeitures . . . . .	630,302	-	-
Intergovernmental . . . . .	3,118,784	3,671,794	4,276,178
Special assessments . . . . .	-	-	-
Investment income . . . . .	767,764	-	27,957
Rental income . . . . .	395,998	-	-
Contributions and donations . . . . .	-	5,779	-
Other . . . . .	639,409	129,921	76,232
Total revenues . . . . .	<u>18,862,456</u>	<u>9,455,572</u>	<u>5,996,866</u>
<b>Expenditures:</b>			
Current:			
General government:			
Legislative and executive . . . . .	7,154,018	-	-
Judicial . . . . .	2,132,617	-	-
Public safety . . . . .	4,751,268	-	-
Public works . . . . .	132,142	-	5,930,747
Health . . . . .	298,868	-	-
Human services . . . . .	1,663,499	7,687,008	-
Economic development . . . . .	122,995	-	-
Intergovernmental . . . . .	532,016	-	-
Capital outlay . . . . .	-	-	-
Debt service:			
Principal retirement . . . . .	-	-	-
Interest and fiscal charges . . . . .	-	-	-
Bond issuance costs . . . . .	-	-	-
Total expenditures . . . . .	<u>16,787,423</u>	<u>7,687,008</u>	<u>5,930,747</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>2,075,033</u>	<u>1,768,564</u>	<u>66,119</u>
<b>Other financing sources (uses):</b>			
Sale of bonds . . . . .	-	-	-
Transfers in . . . . .	25,000	-	9,392
Transfers out . . . . .	(966,059)	-	(116,025)
Total other financing sources (uses) . . . . .	<u>(941,059)</u>	<u>-</u>	<u>(106,633)</u>
Net change in fund balances . . . . .	1,133,974	1,768,564	(40,514)
<b>Fund balances at beginning of year . . . . .</b>	5,472,468	11,058,912	1,740,336
<b>Increase (decrease) in reserve for inventory . . . . .</b>	67,995	9,907	-
<b>Fund balances at end of year . . . . .</b>	<u><u>\$ 6,674,437</u></u>	<u><u>\$ 12,837,383</u></u>	<u><u>\$ 1,699,822</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 1,325,409	\$ 10,774,173
938,747	9,232,138
2,443,124	5,270,357
143,655	149,043
252,841	883,143
11,150,102	22,216,858
221,038	221,038
11,162	806,883
51,376	447,374
7,833	13,612
967,151	1,812,713
<u>17,512,438</u>	<u>51,827,332</u>

3,030,799	10,184,817
408,300	2,540,917
1,967,266	6,718,534
168,791	6,231,680
2,879,696	3,178,564
5,683,163	15,033,670
187,491	310,486
901,601	1,433,617
1,686,313	1,686,313
856,794	856,794
341,620	341,620
18,399	18,399
<u>18,130,233</u>	<u>48,535,411</u>

<u>(617,795)</u>	<u>3,291,921</u>
------------------	------------------

920,000	920,000
1,075,060	1,109,452
(25,000)	(1,107,084)
<u>1,970,060</u>	<u>922,368</u>

1,352,265	4,214,289
7,628,274	25,899,990
(2,607)	75,295
<u>\$ 8,977,932</u>	<u>\$ 30,189,574</u>

**UNION COUNTY, OHIO**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2010**

**Net change in fund balances - total governmental funds** \$ 4,214,289

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

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

Capital asset additions	\$ 3,482,677	
Current year depreciation	(1,522,898)	
Total		1,959,779

Governmental funds only report the disposal of capital assets  
to the extent proceeds are received from the sale. In the  
statement of activities, a gain or loss is reported for each disposal. (4,217)

Governmental funds report expenditures for inventory when  
purchased. However in the statement of activities, they are  
reported as an expense when consumed. 75,295

Proceeds of bonds are recorded as revenue in the funds,  
however in the statement of activities, they are not reported as  
revenue as they increase the liabilities on the statement of net assets. (920,000)

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

Property taxes	118,952	
Sales tax	66,753	
Intergovernmental revenues	(548,613)	
Special assessments	4,890	
Charges for services	4,190	
Rental income	5,203	
Other revenues	201	
Total		(348,424)

Repayments of bonds and notes are expenditures in the governmental  
funds, but the repayment reduces long-term liabilities on the  
statement of net assets. 856,794

In the statement of activities, interest is accrued on outstanding bonds,  
whereas in governmental funds, interest is expensed when due. The  
following items resulted in less interest being recorded in the  
statement of activities:

Decrease in accrued interest payable	37,867	
Amortization of bond issuance costs	(11,379)	
Amortization of bond premiums	5,821	
Amortization of deferred charges	(3,695)	
Total		28,614

Issuance costs on general obligation bonds are recognized as expenditures  
in the governmental funds, however, they are amortized over the life of the  
issuance in the statement of activities. 18,399

Some expenses reported in the statement of activities, such as  
compensated absences, do not require the use of current financial  
resources and therefore are not reported as expenditures in  
governmental funds. (206,527)

**Change in net assets of governmental activities** \$ 5,674,002

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**UNION COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Property taxes . . . . .	\$ 3,578,434	\$ 3,591,735	\$ 3,780,735	\$ 189,000
Sales taxes . . . . .	7,337,128	7,360,000	7,338,903	(21,097)
Charges for services. . . . .	1,884,453	1,890,500	2,156,581	266,081
Licenses and permits . . . . .	2,761	2,770	3,238	468
Fines and forfeitures. . . . .	124,600	125,000	108,942	(16,058)
Intergovernmental. . . . .	3,122,578	3,128,559	3,149,020	20,461
Investment income . . . . .	781,293	783,800	800,668	16,868
Rental income. . . . .	394,733	396,000	393,898	(2,102)
Other . . . . .	465,326	466,819	673,630	206,811
Total revenues . . . . .	<u>17,691,306</u>	<u>17,745,183</u>	<u>18,405,615</u>	<u>660,432</u>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	8,045,276	8,432,967	7,607,966	825,001
Judicial . . . . .	2,085,887	2,229,964	2,136,437	93,527
Public safety . . . . .	5,457,734	5,320,573	4,802,083	518,490
Public work. . . . .	125,252	125,252	123,997	1,255
Health . . . . .	385,993	387,438	323,889	63,549
Human services. . . . .	1,776,370	1,776,370	1,577,306	199,064
Economic development. . . . .	131,080	132,646	122,995	9,651
Intergovernmental. . . . .	720,269	577,505	532,069	45,436
Total expenditures . . . . .	<u>18,727,861</u>	<u>18,982,715</u>	<u>17,226,742</u>	<u>1,755,973</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(1,036,555)</u>	<u>(1,237,532)</u>	<u>1,178,873</u>	<u>2,416,405</u>
<b>Other financing sources (uses):</b>				
Advances in . . . . .	-	-	85,235	85,235
Advances out . . . . .	-	-	(370,713)	(370,713)
Transfers in . . . . .	-	-	25,000	25,000
Transfers out . . . . .	<u>(899,713)</u>	<u>(966,059)</u>	<u>(966,059)</u>	<u>-</u>
Total other financing sources (uses) . . . . .	<u>(899,713)</u>	<u>(966,059)</u>	<u>(1,226,537)</u>	<u>(260,478)</u>
Net change in fund balance . . . . .	(1,936,268)	(2,203,591)	(47,664)	2,155,927
<b>Fund balance at beginning of year . . . . .</b>	4,183,300	4,183,300	4,183,300	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>170,220</u>	<u>170,220</u>	<u>170,220</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ 2,417,252</u></u>	<u><u>\$ 2,149,929</u></u>	<u><u>\$ 4,305,856</u></u>	<u><u>\$ 2,155,927</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**UNION COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COUNTY BOARD OF DEVELOPMENTAL DISABILITIES  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Property taxes. . . . .	\$ 5,132,004	\$ 5,132,004	\$ 5,612,482	\$ 480,478
Intergovernmental . . . . .	3,059,677	3,059,677	3,669,994	610,317
Contributions and donations . . . . .	-	-	5,779	5,779
Other . . . . .	136,473	136,473	133,908	(2,565)
Total revenues. . . . .	<u>8,328,154</u>	<u>8,328,154</u>	<u>9,422,163</u>	<u>1,094,009</u>
<b>Expenditures:</b>				
Current:				
Human services . . . . .	11,023,882	11,299,843	8,034,112	3,265,731
Total expenditures. . . . .	<u>11,023,882</u>	<u>11,299,843</u>	<u>8,034,112</u>	<u>3,265,731</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(2,695,728)</u>	<u>(2,971,689)</u>	<u>1,388,051</u>	<u>4,359,740</u>
<b>Other financing uses:</b>				
Transfers out . . . . .	(369,000)	(204,561)	-	204,561
Total other financing uses . . . . .	<u>(369,000)</u>	<u>(204,561)</u>	<u>-</u>	<u>204,561</u>
Net change in fund balance . . . . .	(3,064,728)	(3,176,250)	1,388,051	4,564,301
<b>Fund balance at beginning of year . . . . .</b>	10,549,779	10,549,779	10,549,779	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>11,114</u>	<u>11,114</u>	<u>11,114</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 7,496,165</u>	<u>\$ 7,384,643</u>	<u>\$ 11,948,944</u>	<u>\$ 4,564,301</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**UNION COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MOTOR VEHICLE/GAS TAX  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Sales taxes . . . . .	\$ 970,000	\$ 970,000	\$ 937,188	\$ (32,812)
Charges for services . . . . .	450,000	450,000	676,029	226,029
Licenses, permits and fees . . . . .	2,000	2,000	2,150	150
Intergovernmental . . . . .	4,210,000	4,210,000	4,276,620	66,620
Investment income . . . . .	50,000	50,000	26,861	(23,139)
Other . . . . .	72,000	72,000	74,507	2,507
Total revenues . . . . .	<u>5,754,000</u>	<u>5,754,000</u>	<u>5,993,355</u>	<u>239,355</u>
<b>Expenditures:</b>				
Current:				
Public works . . . . .	<u>6,896,972</u>	<u>6,915,860</u>	<u>6,038,492</u>	<u>877,368</u>
Total expenditures . . . . .	<u>6,896,972</u>	<u>6,915,860</u>	<u>6,038,492</u>	<u>877,368</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(1,142,972)</u>	<u>(1,161,860)</u>	<u>(45,137)</u>	<u>1,116,723</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	-	-	9,392	9,392
Transfers out . . . . .	<u>(100,000)</u>	<u>(211,834)</u>	<u>(116,025)</u>	<u>95,809</u>
Total other financing sources (uses) . . . . .	<u>(100,000)</u>	<u>(211,834)</u>	<u>(106,633)</u>	<u>105,201</u>
Net change in fund balance . . . . .	(1,242,972)	(1,373,694)	(151,770)	1,221,924
<b>Fund balance at beginning of year . . . . .</b>	1,394,140	1,394,140	1,394,140	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>161,254</u>	<u>161,254</u>	<u>161,254</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 312,422</u>	<u>\$ 181,700</u>	<u>\$ 1,403,624</u>	<u>\$ 1,221,924</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**UNION COUNTY, OHIO**

STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
DECEMBER 31, 2010

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Memorial Hospital</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total</b>
<b>Assets:</b>			
Current assets:			
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 1,765,410	\$ 1,765,410
Cash and cash equivalents in segregated accounts. . .	26,664,377	-	26,664,377
Investments in segregated accounts . . . . .	630,407	-	630,407
Receivables (net of allowance for uncollectibles):			
Accounts . . . . .	9,105,308	810	9,106,118
Prepayments . . . . .	633,068	145	633,213
Materials and supplies inventory. . . . .	670,506	-	670,506
Unamortized bond issue costs. . . . .	1,223,446	-	1,223,446
Total current assets . . . . .	<u>38,927,112</u>	<u>1,766,365</u>	<u>40,693,477</u>
Noncurrent assets:			
Capital assets:			
Land and construction in progress. . . . .	7,447,760	472,044	7,919,804
Depreciable capital assets, net . . . . .	32,735,392	162,778	32,898,170
Restricted cash and cash equivalents with fiscal and escrow agents:			
Permanent endowments. . . . .	25,000	-	25,000
Bond indenture agreement-cash. . . . .	203,694	-	203,694
Capital, debt, & other projects . . . . .	2,511,015	-	2,511,015
Total noncurrent assets . . . . .	<u>42,922,861</u>	<u>634,822</u>	<u>43,557,683</u>
Total assets. . . . .	<u>81,849,973</u>	<u>2,401,187</u>	<u>84,251,160</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable . . . . .	2,560,575	11,039	2,571,614
Contracts payable . . . . .	-	19,308	19,308
Accrued wages and benefits . . . . .	2,581,342	20,276	2,601,618
Due to other governments . . . . .	585,108	27,146	612,254
Current portion of compensated absences payable . .	785,510	48,793	834,303
Current portion of notes payable . . . . .	104,436	-	104,436
Current portion of revenue bonds payable . . . . .	17,327	-	17,327
Current portion of general obligation bonds payable .	903,676	-	903,676
Current portion of OWDA loans . . . . .	-	25,130	25,130
Total current liabilities . . . . .	<u>7,537,974</u>	<u>151,692</u>	<u>7,689,666</u>
Long-term liabilities:			
Compensated absences payable . . . . .	1,755,411	32,239	1,787,650
Notes payable. . . . .	3,161,765	-	3,161,765
Revenue bonds payable . . . . .	984,782	-	984,782
OWDA loans payable. . . . .	-	433,549	433,549
General obligation bonds payable . . . . .	21,044,119	-	21,044,119
Total long-term liabilities . . . . .	<u>26,946,077</u>	<u>465,788</u>	<u>27,411,865</u>
Total liabilities . . . . .	<u>34,484,051</u>	<u>617,480</u>	<u>35,101,531</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt . . . . .	13,967,047	176,143	14,143,190
Restricted for:			
Nonexpendable permanent endowments . . . . .	25,000	-	25,000
Debt service, capital acquisitions and other projects. .	2,714,709	-	2,714,709
Unrestricted . . . . .	30,659,166	1,607,564	32,266,730
Total net assets . . . . .	<u>\$ 47,365,922</u>	<u>\$ 1,783,707</u>	<u>\$ 49,149,629</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**UNION COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Memorial Hospital</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total</b>
<b>Operating revenues:</b>			
Charges for services . . . . .	\$ -	\$ 672,625	\$ 672,625
License and permits. . . . .	-	19,056	19,056
Net patient services. . . . .	71,729,744	-	71,729,744
Special assessments. . . . .	-	38,001	38,001
Other . . . . .	2,016,935	36,135	2,053,070
Total operating revenues . . . . .	<u>73,746,679</u>	<u>765,817</u>	<u>74,512,496</u>
<b>Operating expenses:</b>			
Personal services . . . . .	39,164,566	522,418	39,686,984
Contract services. . . . .	13,102,699	204,597	13,307,296
Materials and supplies . . . . .	15,244,975	24,093	15,269,068
Depreciation . . . . .	3,075,279	20,281	3,095,560
Other. . . . .	-	11,463	11,463
Total operating expenses . . . . .	<u>70,587,519</u>	<u>782,852</u>	<u>71,370,371</u>
Operating income (loss) . . . . .	<u>3,159,160</u>	<u>(17,035)</u>	<u>3,142,125</u>
<b>Nonoperating revenues (expenses):</b>			
Interest revenue . . . . .	113,581	25,855	139,436
Interest expense and fiscal charges . . . . .	(1,192,875)	-	(1,192,875)
Other nonoperating revenue . . . . .	362,083	-	362,083
Total nonoperating revenues (expenses) . . . . .	<u>(717,211)</u>	<u>25,855</u>	<u>(691,356)</u>
Income before transfers and capital contributions . . . . .	2,441,949	8,820	2,450,769
Capital contributions. . . . .	359,032	-	359,032
Transfers out . . . . .	-	(2,368)	(2,368)
Change in net assets. . . . .	2,800,981	6,452	2,807,433
<b>Net assets at beginning of year. . . . .</b>	<u>44,564,941</u>	<u>1,777,255</u>	<u>46,342,196</u>
<b>Net assets at end of year . . . . .</b>	<u><u>\$ 47,365,922</u></u>	<u><u>\$ 1,783,707</u></u>	<u><u>\$ 49,149,629</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**UNION COUNTY, OHIO**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Memorial Hospital</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total</b>
<b>Cash flows from operating activities:</b>			
Cash received from sales/service charges . . . . .	\$ -	\$ 692,095	\$ 692,095
Cash received from special assessments . . . . .	-	38,001	38,001
Cash received from other operating revenue . . . . .	2,016,935	36,135	2,053,070
Cash received from patients and third-party payors . . . . .	70,678,029	-	70,678,029
Cash payments for personal services. . . . .	(39,483,411)	(509,913)	(39,993,324)
Cash payments for contractual services . . . . .	-	(246,756)	(246,756)
Cash payments for materials and supplies . . . . .	(27,688,139)	(23,699)	(27,711,838)
Cash payments for other expenses . . . . .	-	(13,478)	(13,478)
Net cash provided by (used in) operating activities. . . . .	<u>5,523,414</u>	<u>(27,615)</u>	<u>5,495,799</u>
<b>Cash flows from noncapital financing activities:</b>			
Cash received from other nonoperating activities. . . . .	362,083	-	362,083
Cash payments for transfers out . . . . .	-	(2,368)	(2,368)
Net cash provided by (used in) noncapital financing activities . . . . .	<u>362,083</u>	<u>(2,368)</u>	<u>359,715</u>
<b>Cash flows from capital and related financing activities:</b>			
Acquisition of capital assets . . . . .	(3,087,253)	(66,915)	(3,154,168)
Bond issuance. . . . .	1,002,109	-	1,002,109
Principal payments on bonds, notes and loans . . . . .	(1,061,764)	(25,130)	(1,086,894)
Interest payments on bonds, notes and loans. . . . .	(1,128,890)	-	(1,128,890)
Proceeds from loans. . . . .	-	119,786	119,786
Grants and contributions. . . . .	359,032	-	359,032
Net cash provided by (used in) capital and related financing activities. . . . .	<u>(3,916,766)</u>	<u>27,741</u>	<u>(3,889,025)</u>
<b>Cash flows from investing activities:</b>			
Interest received . . . . .	113,581	25,855	139,436
Investment in joint ventures. . . . .	(74,616)	-	(74,616)
Net cash provided by investing activities . . . . .	<u>38,965</u>	<u>25,855</u>	<u>64,820</u>
Net increase in cash and investments . . . . .	2,007,696	23,613	2,031,309
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<u>27,396,390</u>	<u>1,741,797</u>	<u>29,138,187</u>
<b>Cash and cash equivalents at end of year. . . . .</b>	<u><u>\$ 29,404,086</u></u>	<u><u>\$ 1,765,410</u></u>	<u><u>\$ 31,169,496</u></u>
Cash and investments include the following:			
Cash and investments . . . . .	\$ 26,664,377	\$ 1,765,410	\$ 28,429,787
Assets limited as to use cash and cash equivalents:			
Nonexpendable permanent endowments . . . . .	25,000	-	25,000
Funds available for debt service and capital acquisitions. . . . .	2,714,709	-	2,714,709
Total cash and investments . . . . .	<u><u>\$ 29,404,086</u></u>	<u><u>\$ 1,765,410</u></u>	<u><u>\$ 31,169,496</u></u>

- - continued

**UNION COUNTY, OHIO**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Memorial Hospital</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total</b>
<b>Reconciliation of operating loss to net cash provided by (used in) operating activities:</b>			
Operating income (loss). . . . .	\$ 3,159,160	\$ (17,035)	\$ 3,142,125
Adjustments:			
Depreciation . . . . .	3,075,279	20,281	3,095,560
Bad debt expense . . . . .	4,919,808	-	4,919,808
Loss on sale of capital assets . . . . .	17,243	-	17,243
Changes in assets and liabilities:			
(Increase) in accounts receivable . . . . .	(5,259,033)	-	(5,259,033)
Decrease in other assets . . . . .	449,758	-	449,758
Decrease in prepayments. . . . .	-	10	10
Increase (decrease) in accounts payable . . . . .	499,909	(43,790)	456,119
(Decrease) in other accrued expenses . . . . .	(1,338,710)	-	(1,338,710)
Increase in accrued wages and benefits. . . . .	-	677	677
Increase in due to other governments . . . . .	-	1,013	1,013
Increase in compensated absences payable . . . . .	-	11,229	11,229
Net cash provided by (used in) operating activities . . . . .	<u>\$ 5,523,414</u>	<u>\$ (27,615)</u>	<u>\$ 5,495,799</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

UNION COUNTY, OHIO

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
FIDUCIARY FUND  
DECEMBER 31, 2010

	<u>Agency</u>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents. . . . .	\$ 8,148,182
Cash and cash equivalents in segregated accounts . . . .	974,624
Receivables:	
Real estate and other taxes. . . . .	88,723,785
Due from other governments. . . . .	<u>1,930,075</u>
Total assets . . . . .	<u>\$ 99,776,666</u>
<b>Liabilities:</b>	
Undistributed monies . . . . .	<u>\$ 99,776,666</u>
Total liabilities. . . . .	<u>\$ 99,776,666</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 1 - DESCRIPTION OF THE COUNTY

Union County, Ohio (the "County"), was created in 1820. 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 are responsible for various aspects of the County's government are the Auditor, Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, a Common Pleas Court Judge, and a Probate and Juvenile Court Judge.

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 County, including each of these departments.

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

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

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

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

##### **A. Reporting Entity**

The County's reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity", as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units". The BFS include all funds, agencies, boards, commissions, and component units for which the County and the County Commissioners are "accountable". Accountability as defined in GASB Statement No. 14 and GASB Statement No. 39 was evaluated based on financial accountability, the nature and significance of the potential component unit's (PCU) relationship with the County and whether exclusion would cause the County's basic financial statements to be misleading or incomplete. Among the factors considered were separate legal standing; appointment of a voting majority of the PCU's Board; fiscal dependency and whether a benefit or burden relationship exists; imposition of will; and the nature and significance of the PCU's relationship with the County.

##### *PRIMARY GOVERNMENT*

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the County. For Union County, this includes the Union County Board of Developmental Disabilities (DD); Mental Health and Recovery Board of Union County (MHRB); Union County Memorial Hospital (the "Hospital"); Union County Children's Services Board; and departments and activities that are directly operated by the elected County officials.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

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

##### A. Reporting Entity - (Continued)

Based on the foregoing criteria, the financial activities of the following PCU's have been reflected in the accompanying basic financial statements as follows:

##### *COMPONENT UNITS*

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 that are fiscally dependent on the County in that the County approves the budget, the issuance of debt, or the levying of taxes.

##### *DISCRETELY PRESENTED COMPONENT UNITS*

The component unit columns in the financial statements present the financial data of the County's discretely presented component units, Union County Airport Authority and U-Co. Industries, Inc. They are reported separately to emphasize that they are legally separate from the County.

Union County Airport Authority - The Union County Airport Authority (the "Airport Authority") was established according to Section 308.03 of the Ohio Revised Code. The Airport Authority is governed by a six member Board of Trustees appointed by the Union County Commissioners. The County Commissioners budget funds for airport operations and are responsible for the debt and deficits of the Airport Authority. Due to the imposition of will exerted by the County Commissioners as well as the financial burden for the Airport Authority, the Airport Authority is presented separately as a component unit of Union County. The Airport Authority operates on a year ending December 31. The Airport Authority does not issue separate financial statements.

U-Co Industries, Inc. - U-Co Industries, Inc. (the "Industries") is a legally separate, not-for-profit corporation, served by a Board of Trustees appointed by the Union County Board of DD. The Industries, under a contractual agreement with the Union County Board of DD, provides sheltered employment for developmentally disabled or handicapped adults in Union County. The Union County Board of DD provides the Industries with staff to administer and supervise training programs, facilities, transportation, supplies, equipment and other funds as necessary for operation of the Industries. Based on the significant services and resources provided by the County to the Industries, the Industries is presented separately as a component unit of Union County. U-Co Industries operates on a fiscal year ending June 30. Separately issued financial statements can be obtained from U-Co Industries, Inc., 16900 Square Drive, Marysville, Ohio 43040.

As counties are structured in Ohio, the County Auditor and County Treasurer, respectively, serve as fiscal officer and custodian of funds for various agencies, Boards and commissions. As fiscal officer the County Auditor certifies the availability of cash and appropriations prior to the processing of payments and purchases. As the custodian of all public funds, the County Treasurer invests public monies held on deposit in the County Treasury.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

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

##### A. Reporting Entity - (Continued)

In the case of the separate agencies, Boards and commissions listed below, the County serves as fiscal agent and custodian, but is not accountable; therefore the operations of the following PCU's have been excluded from the County's BFS, but the funds held on behalf of these PCU's in the County Treasury are included in the agency funds within the BFS.

Union County General Health District  
Union County Soil and Water Conservation District  
The Union County Council for Families  
Central Ohio Youth Center  
Marysville/Union County Joint Recreation District

##### *JOINTLY GOVERNED ORGANIZATIONS*

###### Central Ohio Youth Center

The Central Ohio Youth Center is a jointly governed organization involving Union, Champaign, Delaware, and Madison Counties. The Center provides facilities for the training, treatment and rehabilitation of delinquent, dependent, abused or neglected children and was established under Section 2151.34 of the Ohio Revised Code. The operation of the Center is controlled by a joint Board of Trustees whose membership consists of two appointees of the Union County Commissioners, and one appointee from Champaign, Delaware and Madison Counties. Each county's ability to influence the operations of the Center is limited to their representation on the board of trustees. Appropriations are adopted by the joint board of trustees who exercise control over the operation, maintenance and construction of the Center. Union County serves as the fiscal agent. Each county is charged for its share of the operating costs of the Center based on the number of individuals from their County in attendance. In 2010, Union County contributed \$324,568 for the Center's operations which represents 19.45 percent of total contributions. Additional information may be obtained by writing to the Central Ohio Youth Center, 18100 St. Rt. 4, Marysville, Ohio 43040.

###### North Central Ohio Solid Waste Management District

Union County participates in a jointly governed solid waste management district, along with Allen, Champaign, Hardin, Madison and Shelby Counties. The District was established following the requirements of House Bill 592. The Board of Directors consists of County Commissioners from each County. Each county's ability to influence the operations of the District is limited to its representation on the Board of Directors. The original funding for the District was contributed by each county based on its population compared to the total population of all participating counties. For Union County, this represented 10 percent of total contributions. It is the intent of the District to be totally self-supporting and not require any funding from the participating counties. In 2010, no contribution was required of Union County. Allen County, being the largest of the six counties, is the fiscal agent of the District. Additional information may be obtained by writing to the North Central Ohio Solid Waste Management District, Suite 301, 212 N. Elizabeth St., Lima, Ohio 45801.



## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

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

##### A. Reporting Entity - (Continued)

###### LUC Regional Planning Commission

Union County participates in the LUC Regional Planning Commission which is a statutorily created political subdivision of the State. The Commission is jointly governed among Logan, Union and Champaign Counties, and the cities of Bellefontaine, Marysville, and Urbana. Each member's control over the operation of the Commission is limited to its representation on the Board. The Commission makes studies, maps, plans, recommendations and reports concerning the physical, environmental, social, economic and governmental characteristics, functions and services of the entities involved. In 2010, Union County contributed \$23,169. Due to the 2010 census, Union County will become the fiscal agent in 2012. Additional information may be obtained by writing to the LUC Regional Planning Commission, P.O. Box 141, East Liberty, Ohio 43319.

###### Marysville/Union County Joint Recreation District

The Marysville/Union County Joint Recreation District is a jointly governed organization involving Union County, the City of Marysville and Paris Township. The District was established for the purpose of acquiring, developing, operating and maintaining a sports complex and bicycle/walking trail in Union County. The District's Board of Trustees consists of seven members, three appointed by the County Commissioners, three appointed by the Mayor of Marysville, and one appointed by the Paris Township Trustees. Each entity's ability to influence the operations of the District is limited to its representation on the Board of Trustees. In 2010, Union County contributed \$32,572 to the District's operations. Additional information may be obtained by writing to the Marysville/Union County Joint Recreation District, 125 E. 6th Street, Marysville, Ohio 43040.

###### Tri-County Corrections Board

The Tri-County Corrections Board is a joint venture for the establishment of a central jail facility for the use of Champaign, Madison, and Union Counties. The operation of the jail is controlled by a joint Board whose membership consists of the sheriff, one judge, and one commissioner from each of the participating counties. Each county's ability to influence the operations of the jail is limited to its representation on the Board. Champaign County has been appointed the fiscal agent for the joint venture. In 2010, Union County contributed \$1,293,191. Additional information may be obtained by writing to the Tri-County Corrections Board, 1512 U.S. Rt. 68, Urbana, Ohio 43078.

###### Marysville-Union County Port Authority

The Marysville-Union County Port Authority is a joint agreement between the City of Marysville, Ohio and Union County to promote transportation, economic development, housing, recreation, education, governmental operation, culture, research and the creation and preservation of jobs and employment opportunities. The City of Marysville Mayor (with the advice and consent of Council of the City) and the Union County Board of Commissioners appoint three members each, with a joint appointment from the City and County.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

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

##### A. Reporting Entity - (Continued)

###### West Central Ohio Network

The West Central Ohio Network (West Con) is a jointly governed organization among Darke, Miami, Auglaize, Mercer, Logan, Shelby, Preble, Hardin and Union counties. West Con was created to serve as the administrator and fiscal agent of Supported Living funds for the Board of Developmental Disabilities (DD Board) of each of the participating counties. The degree of control exercised by any participating government is limited to its representation on the Board of Directors (the Board) of West Con. The Board consists of one delegate, who is the Superintendent, from each of the participating DD Boards. During 2010, the County contributed \$707,105 to West Con. Financial information can be obtained from West Con, Executive Director, 315 East Court Street, Sidney, Ohio 45365.

##### *JOINT VENTURES*

###### Health Partners, Ltd.

During 1996, the Hospital and two other area health care entities formed Health Partners, Ltd. of which the Hospital has a 33 1/3% ownership interest. This corporation was formed to provide management services to the clinic of a major area corporation. In 1996, the Hospital contributed \$100,000 to Health Partners through the Union County Hospital Association ("UCHA"). During 2010, the Hospital received distributions from Health Partners totaling \$194,450. Health Partners, Ltd. is considered an investment by the county as shown on note 4. Additional information may be obtained by writing to Health Partners, Ltd., 19900 St. Rt. 739, Marysville, Ohio 43040.

###### Marysville Ohio Surgery Center, LLC

During 2003, the Hospital and other area health providers formed Marysville Ohio Surgery Center, LLC, of which the Hospital has a 23.81 percent ownership interest. The organization was formed to promote health care and provide outpatient surgical services in the area serviced. During 2003, the Hospital contributed \$159,000 through UCHA. Marysville Ohio Surgery Center, LLC is considered an investment by the county as shown on note 4. During 2010, the Hospital received \$60,548.

###### Marysville Ohio Medical Properties, LLC

During 2003, the Hospital and other area health providers formed Marysville Ohio Medical Properties, LLC, of which the Hospital has a 25.97 percent ownership interest. The organization was formed as the property owner for the Marysville Ohio Surgery Center facility. During 2003, the Hospital contributed \$130,000 through UCHA. During 2010, the Hospital received \$32,468. Marysville Ohio Medical Properties, LLC is considered an investment by the county as shown on note 4.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

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

##### A. Reporting Entity - (Continued)

###### *INSURANCE PURCHASING POOLS*

###### The County Risk Sharing Authority, Inc.

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 programs. 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.

###### The County Commissioners Association of Ohio Service Corporation

The County is participating in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The County Commissioners Association of Ohio Service Corporation (CCAOSC) was established through the County Commissioners Association of Ohio (CCAO) as a group purchasing pool. A group executive committee is responsible for calculating annual rate contributions and rebates, approving the selection of a third party administrator, reviewing and approving proposed third party fees, fees for risk management services and general management fees, determining ongoing eligibility of each participant, and performing any other acts and functions which may be delegated to it by the participating employers. The group executive committee consists of seven members. Two members are the president and treasurer of CCAOSC; the remaining five members are representatives of the participants. These five members are elected for the ensuing year by the participants at a meeting held in the month of December each year. No participant can have more than one member of the group executive committee in any year, and each elected member shall be a County Commissioner.

###### County Employee Benefits Consortium of Ohio

The County participates with the County Employee Benefits Consortium of Ohio, Inc. (CEBCO), an Ohio not-for-profit corporation with membership open to Ohio political subdivisions to collectively pool resources to purchase employee benefits. The County pays, on a monthly basis, the annual actuarially determined funding rate. Components of the funding rate include the claims fund contribution, incurred but not reported claims, a claim contingency reserve fund, as well as the fixed costs of the consortium.

The business and affairs of the consortium are managed by a board of not less than nine or more than fifteen directors that exercise all powers of the consortium. Two thirds of the directors are County Commissioners of member Counties and one third are employees of the member Counties. Each member of the consortium is entitled to one vote. At all times, one director is required to be a member of the Board of Directors of the CCAO and another is required to be a Board Member of the County Risk Sharing Authority, Inc. (CORSA).

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

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

##### A. Reporting Entity - (Continued)

Union County Memorial Hospital applies the provisions of Governmental Accounting Standards Board Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting", as amended. The Hospital has elected to apply the provisions of all relevant pronouncements of the Financial Accounting Standards Board (FASB), including those issued after November 30, 1989, that do not conflict with or contradict GASB pronouncements.

##### B. Basis of Presentation

**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 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 for the business-type activities of the County. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. The policy of the County is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the County.

**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 proprietary 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.

##### C. Fund Accounting

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

**Governmental Funds** - Governmental funds are those through which most governmental functions typically 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 purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major governmental funds:

General - This is the primary operating fund of the County. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

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

##### C. Fund Accounting - (Continued)

County Board of Developmental Disabilities (DD) - 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.

Motor Vehicle and Gas Tax - This fund accounts for revenues derived from the sale of motor vehicle licenses, gasoline taxes, interest, and a portion of the restricted sales tax. Expenditures are restricted by State law and sales tax ballot language to county road and bridge repair and improvement programs.

Other governmental funds of the County are used to account for (a) the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs; (b) financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds; and (c) grants and other resources whose use is restricted to a particular purpose.

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

**Enterprise Funds** - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The County has presented the following major proprietary fund:

Memorial Hospital of Union County - This fund accounts for the operation of the Hospital. The cost of operating the Hospital is primarily financed through user patient services. Although not a legally separate entity, funds are not co-mingled with the County's treasury, but consolidated for annual reporting.

The other enterprise funds of the County are used to account for the sanitary sewer district and enterprise building and development. These funds are nonmajor funds whose activities have been aggregated and presented in a single column in the BFS.

**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 therefore not available to support the County's own programs. The County has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The County's fiduciary funds are agency funds which are used to account for property taxes, special assessments, and other "pass through" monies to be distributed to local governments other than the County.

##### D. Measurement Focus

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

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

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

##### D. Measurement Focus - (Continued)

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

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

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

##### E. Basis of Accounting

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

**Revenues - Exchange and Nonexchange Transactions** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current 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 of year end.

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenues from sales taxes are recognized in the year in which the sales are made (See Note 7). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). 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 a modified accrual basis, revenue from all other nonexchange transactions must also be available before it can be recognized.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

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

##### **E. Basis of Accounting - (Continued)**

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: sales tax, interest, federal and State grants and subsidies, State-levied locally shared taxes (including motor vehicle license fees and gasoline taxes), fees and rentals.

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

Property taxes for which there is an enforceable legal claim as of December 31, 2010, but which were levied to finance year 2011 operations, and other revenues received in advance of the year for which they were intended to finance, have been recorded as unearned revenue. Special assessments not received within the available period, grants and entitlements received before the eligibility requirements are met, and delinquent property taxes due at December 31, 2010, are recorded as deferred revenue on the governmental fund financial statements.

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

***Expense/Expenditures*** - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

##### **F. Budgetary Data**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, other than agency funds, are legally required to be budgeted and appropriated. The level of budgetary control is at the object level within each department. Although the legal level of budgetary control was established at the object level within each department level of expenditures, the County has elected to present budgetary statement comparisons at the fund and function levels of expenditures included within the basic financial statements. Budgetary modifications at the legal level of budgetary control may only be made by resolution of the County Commissioners.

Budgetary information for the Memorial Hospital of Union County enterprise fund and U-Co Industries and Airport (component units) are not reported because they are not included in the entity for which the "appropriated budget" is adopted and they do not maintain separate budgetary records.

***Tax Budget*** - A budget of estimated cash receipts and disbursements is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. The purpose of the tax budget is to reflect the need for existing (or increased) tax rates.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

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

##### F. Budgetary Data - (Continued)

**Estimated Resources** - The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized property tax rates and reviews revenue estimates. The Commission certifies its actions to the County by September 1. As part of this certification, the County receives the official certificate of estimated resources, which states the projected revenue of each fund.

On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31. Further amendments may be made during the year if the County Auditor determines that revenue to be collected will be greater than or less than the prior estimates and the Budget Commission finds the revised estimates to be reasonable. The amounts set forth in the budgetary statements represent estimates from the first (original budget) and final (final budget) amended certificates issued during 2010.

**Appropriations** - A temporary appropriations resolution to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriations resolution must be passed by April 1 of each year for the period January 1 to December 31. The appropriations resolution may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified.

The allocation of appropriations among departments and objects within a fund (the legal level of budgetary control) may be modified during the year by a resolution of the County Commissioners. Several supplemental appropriation resolutions were legally enacted by the County Commissioners during the year. In the budgetary statements, the original budgeted amounts represent the original budgeted appropriations that covered the entire year of 2010. The final budgeted figures reflect the original budgeted amounts plus all budgetary amendments and supplemental appropriations that were legally enacted during 2010.

**Lapsing of Appropriations** - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding year and is not reappropriated.

##### G. Cash and Investments

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

During 2010, investments were limited to the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

The County has invested funds in STAR Ohio during 2010. 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 shares price which is the price the investment could be sold for on December 31, 2010.



## **UNION COUNTY, OHIO**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010**

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

##### **G. Cash and Investments - (Continued)**

Under existing Ohio statutes, all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the general fund during 2010 amounted to \$767,764 which includes \$654,981 assigned from other County funds.

Cash and cash equivalents that are held separately within departments of the County and by Memorial Hospital, or held separately for the County by fiscal agents and not held with the County Treasurer are recorded as "cash in segregated accounts" or "cash with fiscal and escrow agents", respectively (including restricted amounts).

Cash and cash equivalents of the Airport Authority (component unit) are held by the County Treasurer and are included in the County's cash management pool. They are recorded as "equity in pooled cash and cash equivalents".

Cash and cash equivalents of U-Co Industries (component unit) are held by the component unit and are recorded as "cash and cash equivalents in segregated accounts".

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents. Interest is distributed by the County Treasurer to the general fund; the motor vehicle gasoline tax, treasurer prepaid interest, federal CHIP, other enterprise funds, other capital project funds and the Airport Authority component unit. Interest revenue earned by these funds and the Airport Authority during 2010 amounted to \$832,738 and \$472, respectively. Interest was received directly by the Union County Memorial Hospital enterprise fund and U-Co Industries (component unit) in the amount of \$113,581 and \$8,900, respectively.

An analysis of the County's investment account at year end is provided in Note 4.

##### **H. Inventories of Materials and Supplies**

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market. Inventories are recorded on a first-in, first-out basis. Inventories are accounted for using the purchase method.

On the fund financial statements, reported material and supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

Inventory consists of expendable supplies held for consumption for the governmental funds and medical and office supplies and pharmaceutical products for the Hospital.

##### **I. Capital Assets**

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

# **UNION COUNTY, OHIO**

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

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

#### **I. Capital Assets - (Continued)**

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of \$2,000, and \$1,500 for the Hospital. 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 capital assets is also capitalized for the proprietary funds.

All reported capital assets are depreciated except for land, infrastructure and construction in process. 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 replacements. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land improvements	20 years	20 - 24 years
Buildings and improvements	6 - 40 years	6 - 50 years
Sewer lines	N/A	50 years
Equipment	5 - 10 years	5 - 10 years
Furniture and fixtures	10 years	10 years
Vehicles	5 - 8 years	5 - 8 years
Property under capital lease	N/A	5 - 15 years

The County's infrastructure consists of roads and bridges. County roads and bridges (infrastructure reported in the governmental activities column of the statement of net assets) are presented using the modified approach and therefore these assets are not depreciated. In addition, expenditures made by the County to preserve existing roads or bridges are expensed rather than capitalized. Only expenditures for additions or improvements are capitalized. Additional disclosures about the condition assessment and maintenance cost regarding the County's roads and bridges appear in the required supplementary information.

#### **J. 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 that 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 for all County departments including Union County Memorial Hospital, are accrued as a liability using the vesting method. An accrual for sick leave is made to the extent it includes those employees who are currently eligible to receive termination benefits, as well as those employees expected to become eligible 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 termination policy. The County records a liability for accumulated unused sick leave for employees who are at least forty-five years of age and having ten or more years of service with the County.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

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

##### **K. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2010, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

On the fund financial statements, reported prepayments are equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

##### **L. Interfund Balances**

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivable/payable". These amounts are eliminated in the governmental column on the statement of net assets.

##### **M. Accrued Liabilities and Long-term Obligations**

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

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

##### **N. Interfund Transactions**

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

During the normal course of operations, the County has numerous transactions between funds. Transfers represent movement of resources from a fund receiving revenue to a fund through which those resources will be expended and are recorded as other financing sources (uses) in governmental funds and as transfers in proprietary funds. Interfund transactions that would be treated as revenues and expenditures/expenses if they involved organizations external to the County are treated similarly when involving other funds of the County.

Outstanding balances between funds for goods and services rendered are reported as "due from/to other funds." These amounts are eliminated in the statement of net assets, except for any residual balances outstanding between the governmental activities and business-type activities, which are reported in the government-wide financial statements as "internal balances".

## **UNION COUNTY, OHIO**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010**

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

##### **O. Fund Balance Reserves**

Reserved fund balances indicate that a portion of fund equity is not available for current appropriation or use. The unreserved portions of fund equity reflected in the governmental funds are available for use within the specific purposes of the funds.

The County reports amounts representing encumbrances outstanding, prepayments, materials and supplies inventories, debt service and loans receivable.

##### **P. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes consist primarily of programs to enhance the public safety and for general government operations.

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

##### **Q. Unamortized Bond Issuance Costs/Bond Premium and Discount/Accounting Gain or Loss**

On government-wide financial statements, issuance costs are deferred and amortized over the term of the bonds using the straight-line method. Unamortized bond issuance costs are recorded as a separate line item on the statement of net assets.

Bond premiums are deferred and amortized over the term of the bonds using the straight line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds.

For advanced refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as an addition to or reduction of the face amount of the new debt. On the governmental fund financial statements, issuance costs and bond premiums are recognized in the current period.

A reconciliation between the bonds face value and the amount reported on the statement of net assets is presented in Note 12.A.

##### **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 the County Commissioners and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2010.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

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

##### S. Estimates

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

##### T. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services, license fees, and tap in fees from the sewer and building development departments.

Union County Memorial Hospital serves patients who generally reside in the local area. These services primarily are paid by third-party payors including Medicare, Medicaid, and commercial insurance carriers. Charges to patients are recorded as operating revenue at established billing rates as services are rendered. Allowances are currently provided for uncollectible accounts and for contractual adjustments, representing the difference between established billing rates and reimbursement rates paid by third-party payors. Estimates for contractual adjustments are recorded in the period in which services are provided and are based on preliminary estimates with the final adjustment made in the period in which settlement is made. The Hospital maintains a policy whereby patients in need of medical services are treated without regard to their ability to pay for such services (charity care). Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue.

Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

#### NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

##### A. Deficit Fund Balances

Fund balances at December 31, 2010 included the following individual fund deficit:

<u>Nonmajor governmental fund</u>	<u>Deficit</u>
VOCA stimulus	\$ 878

This fund complied with Ohio State law, which does not permit a cash basis deficit at year end. The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balance in the nonmajor governmental funds is the result of recording adjustments for accrued liabilities. This deficit balance will be eliminated as resources become available to liquidate the accrued liabilities.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

##### **B. Change in Accounting Principles**

For fiscal year 2010, the County has implemented GASB Statement No. 51, "Accounting and Financial Reporting for Intangible Assets", GASB Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments", and GASB Statement No. 58, "Accounting and Financial Reporting for Chapter 9 Bankruptcies".

GASB Statement No. 51 addresses accounting and financial reporting standards for intangible assets, which are assets that lack physical substance, are nonfinancial in nature, and have an initial useful life extending beyond a single reporting period. Examples of intangible assets include easements, water rights, computer software, patents, and trademarks. GASB Statement No. 51 improves the quality of financial reporting by creating consistency in the recognition, initial measurement, and amortization of intangible assets. The implementation of GASB Statement No. 51 did not have an effect on the financial statements of the County.

GASB Statement No. 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. Derivative instruments are financial arrangements used by governments to manage specific risks or to make investments. Common types of derivative instruments include interest rate and commodity swaps, interest rate locks, options, swaptions, forward contracts, and futures contracts. The implementation of GASB Statement No. 53 did not have an effect on the financial statements of the County.

GASB Statement No. 58 establishes accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. GASB Statement No. 58 requires governments to remeasure liabilities that are adjusted in bankruptcy when the bankruptcy court confirms a new payment plan. The implementation of GASB Statement No. 58 did not have an effect on the financial statements of the County.

#### NOTE 4 - DEPOSITS AND INVESTMENTS

##### **Primary Government**

Monies held by the County are classified by State statute into two categories. Active monies are public monies determined to be necessary to meet current demand upon the County treasury. Active monies must be maintained either as cash in the County treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Monies held by the County which are not considered active are classified as inactive. Inactive monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in items 1 or 2 above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio);
8. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
9. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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 monies deposited with the institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the County, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

#### **A. Cash on Hand**

At year end, the County had \$4,087 in undeposited cash on hand which is included on the financial statements of the County as part of "equity in pooled cash and cash equivalents".

#### **B. Deposits with Financial Institutions**

At December 31, 2010, the carrying amount of all County deposits was \$69,554,465. As of December 31, 2010, \$39,488,895 of the County's bank balance of \$70,195,628 was exposed to custodial risk as discussed below, while \$4,226,110 was covered by the FDIC and \$26,480,623 was covered by securities held by the pledging institution's trust department and in the County's name.

# **UNION COUNTY, OHIO**

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

### **NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

Custodial credit risk 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. As permitted by Ohio Revised Code, the remainders of the County's deposits are collateralized by a pool of eligible securities deposited with Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the depository bank and pledged as a pool of collateral against all public deposits held by the depository. The County has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the County to a successful claim by the FDIC.

### **C. Investments**

As of December 31, 2010, the County had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>				
		<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>	<u>Greater than 24 months</u>
STAR Ohio	\$ 111,969	\$ 111,969	\$ -	\$ -	\$ -	\$ -
Investment in joint venture	630,407	-	-	-	-	630,407
Total	<u>\$ 742,376</u>	<u>\$ 111,969</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 630,407</u>

*Interest Rate Risk:* The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The County's investment policy addresses interest rate risk by requiring the consideration of market conditions and cash flow requirements in determining the term of an investment.

*Credit Risk:* STAR Ohio carries a rating of AAAm by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

*Concentration of Credit Risk:* The County's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. The following table includes the percentage of each investment type held by the County at December 31, 2010:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
Investment in joint venture	\$ 630,407	84.92
STAR Ohio	111,969	15.08
Total	<u>\$ 742,376</u>	<u>100.00</u>



## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

##### D. Reconciliation of Cash and Investments to the Statement of Net Assets

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net assets as of December 31, 2010:

###### Cash and investments per note

Carrying amount of deposits	\$ 69,554,465
Cash on hand	4,087
Investments	742,376
Total	<u>\$ 70,300,928</u>

###### Cash and investments per statement of net assets

Governmental activities	\$ 28,946,386
Business-type activities	31,799,903
Component unit - Airport	431,833
Agency funds	9,122,806
Total	<u>\$ 70,300,928</u>

##### E. Component Unit

At December 31, 2010, the U-CO Industries component unit's bank balance was \$917,117, of which \$887,306 was covered by the FDIC.

The component unit's cash balance at December 31, 2010 is reported as "cash and cash equivalents in segregated accounts" on the statement of net assets.

#### NOTE 5 - INTERFUND TRANSACTIONS

- A. Interfund loans receivable/payable at December 31, 2010 consisted of the following, as reported in the fund financial statements:

<u>Receivable fund:</u>	<u>Payable funds:</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	<u>\$285,478</u>

Interfund loans receivable/payable are short-term interfund loans, and are expected to be repaid in the subsequent fiscal year. Interfund loans receivable/payable between governmental funds are eliminated and are not reported on the government-wide statement of net assets.

# **UNION COUNTY, OHIO**

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

### **NOTE 5 - INTERFUND TRANSACTIONS - (Continued)**

- B.** Interfund transfers for the year ended December 31, 2010, consisted of the following, as reported on the fund financial statements:

Transfers to nonmajor governmental funds from:

General fund	\$ 956,667
Motor vehicle/gas tax	116,025
Sewer fund	<u>2,368</u>
Total	<u>\$ 1,075,060</u>

Transfers to general fund from:

Nonmajor governmental fund	\$ 25,000
Total	<u>\$ 25,000</u>

Transfers to motor vehicle/gas tax fund from:

General fund	\$ 9,392
Total	<u>\$ 9,392</u>

Transfers are used to (1) move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. All transfers were in compliance with Ohio Revised Code Sections 5705.14, 5705.15, and 5705.16.

The transfer to the general fund is from the certificate of title administration fund, a nonmajor governmental fund. This transfer is allowable under Ohio Revised Code Section 325.33.

Interfund transfers between governmental funds are eliminated on the government-wide financial statements. Interfund transfers between governmental activities and business-type activities are reported as transfers on the statement of activities.

- C.** Due from/due to other funds consisted of the following at December 31, 2010, as reported on the fund financial statements:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General	Nonmajor governmental	\$ 50,000
Nonmajor governmental	Nonmajor governmental	<u>2,000</u>
Total		<u>\$ 52,000</u>

These loans are expected to be repaid in the next year. Due to/due from amounts between governmental funds are eliminated on the government-wide financial statements.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 6 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility located in the County. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2010 public utility property taxes became a lien December 31, 2009, are levied after October 1, 2010, and are collected in 2011 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

Tangible personal property tax revenues received in calendar year 2010 (other than public utility property) represent the collection of calendar year 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after October 1, 2009, on the value as of December 31, 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.

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

The County Treasurer collects property taxes on behalf of all taxing districts in the County. The County Auditor periodically remits to the taxing districts their portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, tangible personal property taxes and outstanding delinquencies which are measurable as of December 31, 2010 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by unearned revenue since the current taxes were not levied to finance 2010 operations and the collection of delinquent taxes has been offset by deferred revenue since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is deferred.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 6 - PROPERTY TAXES - (Continued)

The full tax rate for all County operations for the year ended December 31, 2010 was \$10.85 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2010 property tax receipts were based are as follows:

##### Real Property

Residential	\$ 834,107,990
Agricultural	142,975,710
Commercial/Industrial/Mineral	251,853,540

##### Public Utility

Real	273,620
Personal	<u>51,952,330</u>

Total Assessed Value	<u>\$ 1,281,163,190</u>
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#### NOTE 7 - PERMISSIVE SALES AND USE TAX

The County Commissioners by resolution imposed a one 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 the amount of the taxes to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of each month. A warrant payable to the County is to be made within five days of the certification.

In 2008, a supplemental sales tax increase of one quarter of one percent (.25%) was passed by ballot issue, effective July 1, 2008. Of the sales tax increase, 50% is allocated to the improvement and construction of county roads and bridges; and 50% for direct senior services including meals on wheels, home health care and transportation.

Proceeds of the tax are credited to the general fund, the motor vehicle/gas tax fund, and the senior services fund. On the governmental fund financial statements, only amounts that are measurable and available at year end are accrued as revenue. Sales and use tax revenue for 2010 amounted to \$7,354,644 for the general fund, \$938,747 for the motor vehicle/gas tax fund and \$938,747 for the senior services fund.

#### NOTE 8 - RECEIVABLES

Receivables at December 31, 2010, consisted of taxes, accounts (billings for user charged services), special assessments, accrued interest, loans and intergovernmental receivables arising from grants, notes entitlements and shared revenue. All intergovernmental receivables have been classified as "due from other governments" on the financial statements. Receivables have been recorded to the extent that they are measurable at December 31, 2010.

**UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

**NOTE 8 - RECEIVABLES - (Continued)**

A summary of the principal items of receivables reported on the statement of net assets follows:

**Governmental activities:**

Sales taxes	\$ 1,532,392
Real estate and other taxes	12,852,369
Accounts	136,351
Accrued interest	70,851
Due from other governments	4,909,562
Special assessments	96,470
Loans	28,246

**Business-type activities:**

Accounts	9,106,118
----------	-----------

The Hospital's receivables were calculated as follows:

**Memorial Hospital**

Gross patient accounts receivable	\$ 19,492,786
Less allowance for:	
Uncollectable accounts	(4,099,353)
Contractual adjustments	<u>(7,455,765)</u>
Net total patient accounts receivable	7,937,668
Physicians advances receivable	862,459
Other receivables	<u>305,181</u>
Total accounts receivable	<u><u>\$ 9,105,308</u></u>

**UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

**NOTE 8 - RECEIVABLES - (Continued)**

A summary of the principal items of “due from other governments” as reported on the fund financial statements follows:

<u>General fund</u>	<u>Amount</u>
Homestead and rollback	\$ 237,137
Local government	391,534
Grants	<u>200,963</u>
Total	<u>829,634</u>
 <u>County Board of DD</u>	
Grants	22,481
Homestead and rollback	<u>327,782</u>
Total	<u>350,263</u>
 <u>Motor vehicle and gas tax</u>	
Gasoline excise tax	1,144,517
Motor vehicle license tax	<u>933,468</u>
Total	<u>2,077,985</u>
 <u>Nonmajor governmental funds</u>	
Common pleas court special projects	7,750
LE grants	15,624
Youth services subsidy grant	113,116
911 emergency	57,787
Juvenile special projects	1,634
VOCA grant	7,954
VAWA grant	8,814
Road and bridge	1,919
ADAMH	577,191
Community support services	97,224
Public assistance	428,770
Co-Ordination transportation	51,634
Child support enforcement agency	45,932
Child services	13,614
Adult basic literacy grant	7,384
Senior services	3,023
WIA	<u>212,310</u>
Total nonmajor governmental funds	<u>1,651,680</u>
Total governmental funds	<u>\$ 4,909,562</u>

# UNION COUNTY, OHIO

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

### NOTE 8 - RECEIVABLES - (Continued)

A summary of the changes in loans receivable during 2010 follows:

	Interest Rate	Outstanding 12/31/2009	Repayments	Outstanding 12/31/2010
<b>General fund:</b>				
Union County Airport Authority	3.80%	\$ 55,458	\$ (27,212)	\$ 28,246
Total general fund		<u>\$ 55,458</u>	<u>\$ (27,212)</u>	<u>\$ 28,246</u>

Receivables have been disaggregated on the face of the financial statements. The only receivables not expected to be collected within the subsequent year are the special assessments which are collected over the life of the assessments and loans which will be collected over various terms of the loan agreements.

### NOTE 9 - CAPITAL ASSETS

A. Capital asset activity for the governmental activities for the year ended December 31, 2010, was as follows:

	Balance 12/31/09	Additions	Disposals	Balance 12/31/10
<b>Governmental activities:</b>				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 982,046	\$ -	\$ -	\$ 982,046
Infrastructure	<u>52,698,754</u>	<u>2,850,605</u>	<u>-</u>	<u>55,549,359</u>
Total capital assets, not being depreciated	<u>53,680,800</u>	<u>2,850,605</u>	<u>-</u>	<u>56,531,405</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	1,454,438	-	-	1,454,438
Buildings	28,888,916	-	-	28,888,916
Equipment	4,410,242	213,401	(29,574)	4,594,069
Furniture and fixtures	937,912	-	-	937,912
Vehicles	<u>5,483,325</u>	<u>418,671</u>	<u>(184,136)</u>	<u>5,717,860</u>
Total capital assets, being depreciated	<u>41,174,833</u>	<u>632,072</u>	<u>(213,710)</u>	<u>41,593,195</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(322,702)	(53,716)	-	(376,418)
Buildings	(13,482,197)	(602,015)	-	(14,084,212)
Equipment	(3,488,650)	(383,197)	25,357	(3,846,490)
Furniture and fixtures	(640,059)	(61,602)	-	(701,661)
Vehicles	<u>(4,717,316)</u>	<u>(422,368)</u>	<u>184,136</u>	<u>(4,955,548)</u>
Total accumulated depreciation	<u>(22,650,924)</u>	<u>(1,522,898)</u>	<u>209,493</u>	<u>(23,964,329)</u>
Total capital assets being depreciated, net	<u>18,523,909</u>	<u>(890,826)</u>	<u>(4,217)</u>	<u>17,628,866</u>
Governmental activities capital assets, net	<u>\$ 72,204,709</u>	<u>\$ 1,959,779</u>	<u>\$ (4,217)</u>	<u>\$ 74,160,271</u>

**UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

**NOTE 9 - CAPITAL ASSETS - (Continued)**

Depreciation expense was charged to functions/programs of the governmental activities as follows:

**Governmental activities:**

General government:

Legislative and executive	\$ 602,351
Judicial	168,279
Human services	72,322
Public works	241,575
Public safety	304,381
Health	<u>133,990</u>
Total depreciation expense - governmental activities	<u><u>\$ 1,522,898</u></u>

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# UNION COUNTY, OHIO

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

### NOTE 9 - CAPITAL ASSETS - (Continued)

B. A summary of the business-type activities capital assets for the year ended December 31, 2010 is as follows:

	Balance				Balance
<b><u>Business-type activities:</u></b>	<u>12/31/09</u>	<u>Reclassifications</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/10</u>
<i>Capital assets, not being depreciated:</i>					
Land	\$ 6,474,735	\$ 10,800	\$ -	\$ -	\$ 6,485,535
Construction in progress	<u>1,475,872</u>	<u>(1,426,896)</u>	<u>1,385,293</u>	<u>-</u>	<u>1,434,269</u>
<i>Total capital assets, not being depreciated</i>	<u>7,950,607</u>	<u>(1,416,096)</u>	<u>1,385,293</u>	<u>-</u>	<u>7,919,804</u>
<i>Capital assets, being depreciated:</i>					
Land improvements	3,475,530	(162,081)	-	-	3,313,449
Buildings and improvements	42,840,180	75,230	151,276	(22,663)	43,044,023
Equipment	22,683,174	1,502,947	1,617,599	(768,702)	25,035,018
Property under capital lease	4,179,702	-	-	-	4,179,702
Furniture and fixtures	36,156	-	-	-	36,156
Vehicles	114,675	-	-	-	114,675
Water and sewer lines	<u>223,368</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>223,368</u>
<i>Total capital assets, being depreciated</i>	<u>73,552,785</u>	<u>1,416,096</u>	<u>1,768,875</u>	<u>(791,365)</u>	<u>75,946,391</u>
Less: accumulated depreciation:					
Land improvements	(872,572)	-	(187,822)	-	(1,060,394)
Buildings and improvements	(18,221,408)	7	(1,378,365)	25,794	(19,573,972)
Equipment	(17,598,957)	(7)	(1,470,560)	748,328	(18,321,196)
Property under capital lease	(3,790,953)	-	(39,378)	-	(3,830,331)
Furniture and fixtures	(23,156)	-	(3,000)	-	(26,156)
Vehicles	(89,687)	-	(8,982)	-	(98,669)
Water and sewer lines	<u>(130,050)</u>	<u>-</u>	<u>(7,453)</u>	<u>-</u>	<u>(137,503)</u>
Total accumulated depreciated	<u>(40,726,783)</u>	<u>-</u>	<u>(3,095,560)</u>	<u>774,122</u>	<u>(43,048,221)</u>
Total capital assets, being depreciated, net	<u>32,826,002</u>	<u>1,416,096</u>	<u>(1,326,685)</u>	<u>(17,243)</u>	<u>32,898,170</u>
Business-type activities capital assets, net	<u>\$ 40,776,609</u>	<u>\$ -</u>	<u>\$ 58,608</u>	<u>\$ (17,243)</u>	<u>\$ 40,817,974</u>

Depreciation expense was charged to enterprise funds of the County as follows:

<b><u>Business-type activities:</u></b>	
Memorial Hospital	\$ 3,075,279
Building development	8,496
Sewer	<u>11,785</u>
Total depreciation expense - business-type activities	<u>\$ 3,095,560</u>

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 10 - CAPITAL LEASES - LESSEE DISCLOSURE

The County has entered into capitalized leases for land, building, equipment, and furniture and fixtures. Each lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards Board No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. For governmental funds, new capital leases are reflected in the accounts "capital outlay" and "inception of capital lease" in the funds which will be making the lease payments. Capital lease payments are reflected as debt service expenditures in the financial statements for the governmental funds and as a reduction of the liability in the enterprise funds. The Memorial Hospital fund capital assets consisting of land, buildings, equipment, furniture and fixtures have been capitalized in the fund in the amount of \$4,179,702.

These amounts represent the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded in the enterprise funds. Principal payments in 2010 totaled \$11,322 in the Memorial Hospital fund.

As of December 31, 2010, there was no balance outstanding.

#### NOTE 11 - OTHER EMPLOYEE BENEFITS

##### A. Compensated Absences

County employees earn vacation and sick leave at varying rates depending on length of service, standard work week, and department policy. All accumulated, unused vacation time is paid upon separation from the County. County employees who have ten or more years of service are paid upon eligible retirement (under OPERS and STRS Ohio guidelines) for one-fourth of the value of their accumulated, unused sick leave up to a maximum of thirty days.

##### B. Employee Health Insurance

The County provides employee co-pay medical/surgical benefits through Anthem, a preferred provider organization (PPO) selected by the County Employees Benefits Consortium of Ohio (CEBCO). CEBCO's rates are tiered for single, two party, and family households. The County's portion is paid from the fund from which the employee's salaries are paid. Under the fully insured program, there is no deductible for PPO network providers, and a \$300/\$600 per year single/family deductible for non-network providers.

Union County Memorial Hospital provides medical, surgical, dental, and vision benefits through a self insurance program. Under the program, Hospital employees share in the cost of their insurance coverage. Their portion of the cost is determined by the plan selected, single or family, and the co-pay associated with that plan. Claims under the plan are administered by the Hospital's third-party administrator.

# UNION COUNTY, OHIO

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

### NOTE 12 - LONG-TERM OBLIGATIONS

#### A. Governmental Activities Long-Term Obligations

During 2010, the following changes occurred in the County's governmental activities long-term obligations:

	<u>Interest Rate</u>	<u>Balance 12/31/09</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/10</u>	<u>Amount Due in One Year</u>
<b>Governmental activities:</b>						
<u>General obligation bonds:</u>						
1997 airport	4.20% - 5.40%	\$ 285,000	\$ -	\$ (30,000)	\$ 255,000	\$ 30,000
2007 airport	4.50%	330,000	-	(35,000)	295,000	40,000
2009 various purpose refunding	2.25% - 4.50%	6,065,000	-	(620,000)	5,445,000	640,000
2010 Central Ohio Youth Center	1.30% - 4.60%	-	920,000	-	920,000	125,000
Total general obligation bonds		<u>6,680,000</u>	<u>920,000</u>	<u>(685,000)</u>	<u>6,915,000</u>	<u>835,000</u>
<u>Sales tax revenue bonds</u>						
2002 London Avenue building	2.20% - 5.00%	<u>2,535,000</u>	<u>-</u>	<u>(150,000)</u>	<u>2,385,000</u>	<u>155,000</u>
Total sales tax revenue bonds		<u>2,535,000</u>	<u>-</u>	<u>(150,000)</u>	<u>2,385,000</u>	<u>155,000</u>
<u>Other long-term obligations</u>						
1993 mortgage loan	7.50%	24,961	-	(21,794)	3,167	3,167
Compensated absences		<u>1,412,496</u>	<u>1,399,451</u>	<u>(1,163,925)</u>	<u>1,648,022</u>	<u>1,258,437</u>
Total other long-term obligations		<u>1,437,457</u>	<u>1,399,451</u>	<u>(1,185,719)</u>	<u>1,651,189</u>	<u>1,261,604</u>
Total governmental activities		<u>\$ 10,652,457</u>	<u>\$ 2,319,451</u>	<u>\$ (2,020,719)</u>	<u>10,951,189</u>	<u>\$ 2,251,604</u>
Add: Unamortized premium on bond issue:					81,006	
Less: Unamortized deferred charges on refunding:					<u>(29,250)</u>	
Total reported on statement of net assets					<u>\$ 11,002,945</u>	

All general obligation bonds are supported by the full faith and credit of Union County. General obligation airport bonds and building renovation bonds are presented as a liability in the governmental type activities and are payable from unvoted property tax revenues to the extent that other resources are not available to meet annual principal and interest expenditures.

#### 2009 various purpose refunding bonds

On June 1, 2009, the County issued general obligation bonds (2009 various purpose refunding bonds) to advance refund the callable portion of the of the 1998 building renovation bonds (callable principal \$1,765,000), to advance refund the callable portion of the 1998 sheriff facility bonds (callable principal \$1,745,000) and to provide funds to retire the Main Street bond anticipation note (\$3,000,000). The balance of the refunded 1998 building renovation bonds and the 1998 sheriff facility bonds at December 31, 2010 are \$1,490,000 and \$1,605,000, respectively.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)

The issuance proceeds of \$3,545,100 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt.

The refunding issue is comprised of serial bonds, par value \$6,470,000. The bonds bear interest rates ranging from 2.25% to 4.50% and mature on December 1, 2024. These bonds are general obligation bonds for which the full faith and credit of the County is pledged for repayment.

The reacquisition price exceeded the net carrying amount of the old debt by \$35,100. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt. This advance refunding was undertaken to reduce total debt service payments over the next nine years by \$500,515 and resulted in an economic gain of \$343,300.

#### 2002 London Avenue building bonds

The London Avenue Building sales tax receipt bonds require principal payments from December 1, 2005 through December 1, 2012. The bonds maturing after December 1, 2012 are subject to redemption at the option of the County, either in whole or in part, in such order as the County shall determine, on any date on or after December 1, 2012, at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption.

<u>Redemption Dates</u>	<u>Redemption Prices</u>
December 1, 2012 and thereafter	100 percent

#### Mental Health Recovery Board mortgage

The Mental Health and Recovery Board of Union County (ADAMH) entered into a mortgage loan agreement for the acquisition of housing for homeless and at risk of being homeless persons. The twenty-year mortgage loan is presented as a liability and is payable from un-voted property tax revenues to the extent that other resources, in the form of grants and rent charges, are not available to meet principal and interest expenditures. Principal and interest payments are reflected as principal retirement and interest expenditure in the ADAMH special revenue fund.

Compensated absences - The compensated absences liability will be paid from the fund from which the employees' salaries are paid. The fund primarily responsible for payment of compensated absences is the general fund for governmental activities.

#### 2010 Central Ohio Youth Center general obligation bonds

During fiscal year 2010, the County issued bonds on behalf of COYC. The issuance proceeds of \$920,000 will be used to make various improvements to the COYC. The bonds bear interest rates ranging from 1.30% to 4.60%. The County has agreed to issue the bonds for the COYC; however, the relationship between the County and the COYC has remained unchanged. The County has no more fiscal control over the COYC than they have had in the past.

# **UNION COUNTY, OHIO**

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

### **NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)**

- B.** The annual requirements to amortize governmental activities long-term obligations outstanding as of December 31, 2010, are as follows:

Year Ended December 31,	General Obligation Bonds			Sales Tax Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2011	\$ 835,000	\$ 229,850	\$ 1,064,850	\$ 155,000	\$ 113,380	\$ 268,380
2012	640,000	212,455	852,455	160,000	106,715	266,715
2013	655,000	196,885	851,885	165,000	99,835	264,835
2014	670,000	178,920	848,920	175,000	92,493	267,493
2015	690,000	158,368	848,368	185,000	84,442	269,442
2016 - 2020	2,435,000	440,259	2,875,259	1,050,000	283,150	1,333,150
2021 - 2024	990,000	114,075	1,104,075	495,000	37,500	532,500
Total	<u>\$ 6,915,000</u>	<u>\$ 1,530,812</u>	<u>\$ 8,445,812</u>	<u>\$ 2,385,000</u>	<u>\$ 817,515</u>	<u>\$ 3,202,515</u>

Year Ended December 31,	Mortgage Loan		
	Principal	Interest	Total
2011	<u>\$ 3,167</u>	<u>\$ 25</u>	<u>\$ 3,192</u>
Total	<u><u>\$ 3,167</u></u>	<u><u>\$ 25</u></u>	<u><u>\$ 3,192</u></u>

# UNION COUNTY, OHIO

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

### NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)

#### C. Business-Type Activities Long-Term Obligations

During 2010, the following changes occurred in the County's business-type activities long-term obligations:

	Interest Rate	Balance 12/31/09	Additions	Reductions	Balance 12/31/10	Amount Due in One Year
<b>Business-type activities:</b>						
<u>General obligation bonds:</u>						
2003 Memorial hospital	2.50% - 5.55%	\$ 805,000	\$ -	\$ (25,000)	\$ 780,000	\$ 25,000
2005 Memorial hospital	2.50% - 5.55%	9,080,000	-	(635,000)	8,445,000	565,000
2007 Memorial hospital refunding	N/A	9,015,000	-	(180,000)	8,835,000	185,000
2009 Memorial hospital	4.72%	4,000,000	-	(112,205)	3,887,795	128,676
Total general obligation bonds		<u>22,900,000</u>	<u>-</u>	<u>(952,205)</u>	<u>21,947,795</u>	<u>903,676</u>
<u>Hospital facilities revenue bonds</u>						
2010 Memorial hospital	1.85%	-	1,002,109	-	1,002,109	17,327
Total revenue bonds		<u>-</u>	<u>1,002,109</u>	<u>-</u>	<u>1,002,109</u>	<u>17,327</u>
<u>Notes payable:</u>						
Note payable - hospital	N/A	557,841	-	(40,813)	517,028	43,030
Note payable - hospital - 2006	N/A	2,806,597	-	(57,424)	2,749,173	61,406
Total notes payable		<u>3,364,438</u>	<u>-</u>	<u>(98,237)</u>	<u>3,266,201</u>	<u>104,436</u>
<u>Other long-term obligations:</u>						
Compensated absences - hospital	N/A	2,650,038	-	(109,117)	2,540,921	785,510
Compensated absences - other	N/A	69,803	54,964	(43,735)	81,032	48,793
OWDA Loan #4973 - sewer	N/A	364,023	119,786	(25,130)	458,679	25,130
Capital leases - hospital	N/A	11,322	-	(11,322)	-	-
Total other long-term obligations		<u>3,095,186</u>	<u>174,750</u>	<u>(189,304)</u>	<u>3,080,632</u>	<u>859,433</u>
Total business-type activities		<u>\$ 29,359,624</u>	<u>\$ 1,176,859</u>	<u>\$ (1,239,746)</u>	<u>\$ 29,296,737</u>	<u>\$ 1,884,872</u>

All general obligation bonds are supported by the full faith and credit of Union County. General obligation hospital bonds are presented as a liability in the business-type activities and are payable from unvoted property tax revenues to the extent that operating resources of the Hospital are not available to meet annual principal and interest expenditures.

The Memorial Hospital general obligation bonds include serial and term bonds. The term bonds have annual mandatory sinking fund redemption requirements and there are optional redemption provisions for the serial bonds. The term bonds mature on December 1, 2014 (\$1,850,000), 2019 (\$2,420,000), and 2024 (\$3,135,000) at a redemption price equal to 100% of the principal plus accrued interest to the redemption date. The serial bonds maturing on or after December 1, 2009, are subject to early redemption, at the sole option of the County. In 2005, \$8,195,000 was refunded by the 2005 bonds.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)

<u>Redemption Dates</u>	<u>Redemption Prices</u>
December 1, 2008 through November 30, 2010	101 percent
December 1, 2010 and thereafter	100 percent

##### 2003 Memorial Hospital bonds

The Memorial Hospital bonds require principal payments from December 1, 2004 through December 1, 2033. The bonds maturing after December 1, 2013 are subject to redemption at the option of the County, either in whole or in part, in such order as the County shall determine, on any date on or after December 1, 2013, at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption.

##### 2005 Memorial Hospital refunding bonds

The Union County Memorial Hospital refunding bonds, with an original issue of \$9,850,000, were issued to advance refund the Hospital's 1996 and 1999 general obligation bonds. The bonds are presented as a liability in the enterprise fund and are payable from un-voted property tax revenues to the extent that operating resources of the Hospital are not available to meet annual principal and interest expenditures. The refunding bonds defeased in-substance \$1,655,000 of the 1996 general obligation bonds and \$8,195,000 of the 1999 general obligations bonds. The aggregate reduction in debt service between the refunding and refunded debt is \$143,317 for the 1996 bonds and \$577,260 for the 1999 bonds. The present value of the combined annual savings created by this refunding amounts to \$361,839.

<u>Redemption Dates - 1996 Refunding</u>	<u>Redemption Prices</u>
December 1, 2007 and thereafter	101 percent
<u>Redemption Dates - 1999 Refunding</u>	<u>Redemption Prices</u>
December 1, 2009 and thereafter	101 percent

##### 2007 Memorial Hospital refunding bonds

The Union County Memorial Hospital refunding bonds, with an original issue of \$9,750,000, were issued to advance refund the Hospital's 2003 general obligation bonds and pay off the Hospital's 2006 tax general obligation notes. The refunding bonds defeased in-substance \$4,360,000 of the 2003 general obligation bonds and paid off \$3,635,000 in tax general obligation notes.

##### 2009 Memorial Hospital bonds

During 2009, the Union County Memorial Hospital issued \$4,000,000 of Build America Bonds. These bonds bear an interest rate of 4.72% and mature on January 1, 2015. The bonds were issued to finance the acquisition of property.

##### 2010 Memorial Hospital facilities revenue bonds

During 2010, the Union County Memorial Hospital issued \$2,750,000 of Build America Bonds. These bonds bear an interest rate of 1.847%. At December 31, 2010, the hospital has drawn \$1,002,109 of the bonds with the remainder to be drawn in 2011. The bonds were issued to finance the acquisition of an electronic medical records system for the hospital.

# **UNION COUNTY, OHIO**

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

### **NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)**

Compensated absences - The compensated absences liability will be paid from the fund from which the employees' salaries are paid. The funds primarily responsible for payment of compensated absences are the general fund (governmental activities) and Memorial Hospital fund (business-type activities).

Capital lease obligations - will be paid from the fund that maintains custody of the related assets. See Note 10 for more detail.

#### OWDA Loan

The County has entered into debt financing arrangements with the Ohio Water Development Authority (OWDA) to fund construction projects. The amounts due to the OWDA are payable from sewer revenues. The loan agreements function similar to a line-of-credit agreement. At December, 31, 2010, the County has outstanding borrowings of \$458,679. The loan is not closed as of December 31, 2010, therefore, no amortization schedule is presented.

The County has pledged future sewer revenues to repay OWDA loans. The loans are payable solely from sewer fund revenues and are payable through 2014. Annual principal and interest payments on the loans are expected to require negative 154.58 percent of net revenues and 9.31 percent of total revenues. Principal and interest paid for the current year were \$25,130, total net revenues were negative \$16,257 and total revenues were \$269,883.

- D.** The annual requirements to amortize business-type activities long-term obligations outstanding as of December 31, 2010, are as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Memorial Hospital Debt</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 1,025,439	\$ 1,066,542	\$ 2,091,981
2012	3,710,116	903,016	4,613,132
2013	1,057,119	902,502	1,959,621
2014	1,102,334	846,335	1,948,669
2015	5,138,901	601,704	5,740,605
2016 - 2020	4,507,196	2,564,652	7,071,848
2021 - 2025	4,610,000	1,583,198	6,193,198
2026 - 2030	3,250,000	884,288	4,134,288
2031 - 2033	<u>1,815,000</u>	<u>256,480</u>	<u>2,071,480</u>
Total	<u>\$ 26,216,105</u>	<u>\$ 9,608,717</u>	<u>\$ 35,824,822</u>

#### **E. Legal Debt Margin**

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 one percent of the total assessed valuation of the County. The code further provides that the total voted and un-voted net debt of the County less the same exempt debt should not exceed a sum equal to three percent of the first \$100,000,000 of the assessed valuation, plus one and one-half percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus two and one-half percent of such valuation in excess of \$300,000,000.



## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)

The effects of the debt limitations described above at December 31, 2010 are an overall debt limit of \$23,758,212 and an un-voted debt limit of \$6,044,869.

#### NOTE 13 - CONDUIT DEBT OBLIGATIONS

During 1999, the County served as the issuer of \$2,000,000 in Pleasant Valley Joint Fire District serial and term bonds. The proceeds were used by the Pleasant Valley Joint Fire District to fund the construction of a fire house. These bonds do not constitute a general obligation, debt or bonded indebtedness of the County. Neither is the full faith and credit to taxing power of the County pledged to make repayment. As of December 31, 2010, \$1,190,000 of conduit debt remained outstanding.

#### NOTE 14 - FEDERAL FOOD STAMP PROGRAM

The County's Department of Jobs and Family Services distributes federal food stamps through the department as well as through contracting issuance centers to entitled recipients within Union County. The receipt and issuance of these stamps have the characteristics of federal "grants", however, the Department of Jobs and Family Services merely acts in an intermediary capacity.

In 2006, the Ohio Department of Jobs and Family Services implemented the "Direction Card". The Direction Card is used by beneficiaries to access their food stamp benefits. This is a "debit" type card that uses the software application known as the Electronic Payment Processing Information and Control System (EPPIC).

#### NOTE 15 - NET PATIENT SERVICE REVENUE

Union County Memorial Hospital provides to certain patients covered by various third party payor arrangements that provide for payments to the Hospital at amounts different than its established rates. Gross patient service revenue and the allowances to reconcile to net patient service revenue for the year ended December 31, 2010, are as follows:

Gross patient service revenue	<u>\$ 142,927,860</u>
Less third party allowances:	
Contractual allowances	(62,794,170)
Provision for bad debt	(4,919,808)
Charity care	<u>(3,484,138)</u>
 Total allowances	 <u>(71,198,116)</u>
Net patient service revenue	<u><u>\$ 71,729,744</u></u>

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 16 - CONTRACTUAL COMMITMENTS

The County had the following outstanding contractual commitments as of December 31, 2010:

Contractor	Contract Amount	Outstanding Balance
Count Electronics	\$ 10,005	\$ 3,495
GDP Group	24,900	9,469
Kathryn Brown	10,461	3,577
CH2M Hill, Inc.	160,000	39,870
Stantec	52,780	1,226
Trane	285,478	258,370

#### NOTE 17 - RISK MANAGEMENT

##### Property and Liability Insurance

The County is exposed to various risks of loss related to torts, theft or damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2010, the County contracted with the County Risk Sharing Authority (CORSA) for property, general liability, commercial fleet, liability employee's benefit, data processing equipment, 911 equipment, County Engineer contractor equipment, valuable paper's additional, theft/disappearance/destruction for inside and outside, crime coverage, forgery and alteration of checks, and umbrella insurance. Settlements have not exceeded coverage for each of the past three years.

##### Property

- Blanket; all risks of direct physical loss or damage to property (\$100,000,000) annual aggregate pool limit for flood and earthquake

##### Liability

- Automobile \$1,000,000 each occurrence
- Uninsured/Underinsured Motorists \$1,000,000 each occurrence
- General \$1,000,000 each occurrence
- Stop Gap \$1,000,000 each occurrence
- Law Enforcement \$1,000,000 each occurrence
- Errors and Omissions \$1,000,000 each occurrence

##### Crime

- Employee Dishonesty/Faithful Performance \$1,000,000 each occurrence
- Money and Securities (inside) \$1,000,000 each occurrence
- Money and Securities (outside) \$1,000,000 each occurrence
- Money Orders and Counterfeit Currency \$1,000,000 each occurrence
- Depositor's Forgery \$1,000,000 each occurrence

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 17 - RISK MANAGEMENT - (Continued)

##### **Boiler and Machinery**

- \$100,000,000 each accident

Deductible: \$2,500 each on every loss and/or claim and or occurrence.

The Mental Health and Recovery Board has property and liability insurance with Philadelphia Insurance Company for eight complexes. Building and personal property coverage ranges from \$2,000 to \$810,000 with \$250 deductibles. Each complex has a \$1,000,000 general liability policy.

The Board of Developmental Disabilities has a professional liability insurance policy with coverage of \$1,000,000 per occurrence, and \$3,000,000 in the aggregate.

The Union County Airport Authority has a property insurance policy with CORSA and a liability insurance policy through Old Republic Insurance. The airport premises has a \$5,000,000 limit. Airport hangars have a \$1,000,000 limit.

For 2010, the County participated in the County Commissioners Association of Ohio Service Corporation, a worker's compensation group rating plan (the Plan), an insurance purchasing pool (See Note 2). The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The workers' compensation experience of the participating counties is calculated as one experience and a common premium rate is applied to all counties in the Plan. Each county pays its workers' compensation premium to the State based on the rate for the Plan rather than the County's individual rate. In order to allocate the savings derived by the formation of the Plan, and to maximize the number of participants in the Plan, the Plan's executive committee annually calculates the total savings which accrued to the Plan through its formation. This savings is then compared to the overall savings percentage of the Plan. The Plan's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. Participation in the Plan is limited to counties that can meet the Plan's selection criteria. The firm of Comp Management, Inc., provides administrative, cost control, and actuarial services to the Plan. Each year, the County pays an enrollment fee to the Plan to cover the costs of administering the program.

The County may withdraw from the Plan if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the County is not relieved of the obligation to pay any amounts owed to the Plan prior to withdrawal, and any County leaving the Plan allows the representative of the Plan to access loss experience for three years following the last year of participation.

The Union County Memorial Hospital is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; medical malpractice; and employee health, dental, and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Union County Memorial Hospital self-insures for employee medical coverage up to \$50,000 per individual with stop loss policy for claims in excess of \$100,000 per employee or total claims in excess of \$3,968,000. Claims charged to operations when incurred were approximately \$4,002,000 and \$3,873,000 for the years ended December 31, 2010 and 2009 respectively. The Hospital also self-insures for worker's compensation. The Hospital has a \$500,000 per claim stop loss policy with a private insurance carrier for worker's compensation.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 17 - RISK MANAGEMENT - (Continued)

The Hospital is insured against medical malpractice claims under a claims-made-based policy. The policy covers claims resulting from accidents that occurred during the policy terms, regardless of when the claims are reported to the insurance carrier. Under the terms of the policy, The Hospital bears the risk of the ultimate costs of the individual claim exceeding \$1,000,000 or aggregate claims exceeding \$3,000,000 for claims asserted in the policy year. In addition, the Hospital has an umbrella policy with an additional \$5,000,000 in coverage.

The liability for unpaid claims costs is determined by actuarial estimates of the amounts needed to pay prior and current-year claims. The \$455,700 claims liability is reported as part of the accrued wages and benefits in the Memorial Hospital enterprise fund at December 31, 2010, and is based on the requirements of Governmental Accounting Standards Board Statement No. 30, which requires that a liability for claims be reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Hospital's claims liability amount in 2010 and the prior two years are as follows:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2008	\$ 395,460	\$ 3,801,050	\$ 3,787,000	\$ 409,510
2009	409,510	3,874,200	3,873,000	410,710
2010	410,710	4,046,990	4,002,000	455,700

#### NOTE 18 - PENSION PLANS

##### A. Ohio Public Employees Retirement System

Plan Description - The County participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the traditional pension plan.

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

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 18 - PENSION PLANS - (Continued)

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2010, member and contribution rates were consistent across all three plans. While members in the State and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Plan. The 2010 member contribution rates were 10.00% for members in State and local classifications. Public safety and law enforcement members contributed 10.5% and 11.1%, respectively. The County's contribution rate for 2010 was 14.00%, except for those plan members in law enforcement or public safety, for whom the County's contribution was 17.87% of covered payroll.

The County's contribution rate for pension benefits for members in the Traditional Plan for 2010 was 8.50% from January 1 through February 28, 2010 and 9.00% from March 1 through December 31, 2010. The County's contribution rate for pension benefits for members in the Combined Plan for 2010 was 9.27% from January 1 through February 28, 2010 and 9.77% from March 1 through December 31, 2010. For those plan members in law enforcement and public safety pension contributions were 12.37% from January 1 through February 28, 2010 and 12.87% from March 1 through December 31, 2010. The County's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2010, 2009, and 2008 were \$4,432,249, \$4,061,434, and \$3,474,611, respectively; 97.40% has been contributed for 2010 and 100% has been contributed for 2009 and 2008. Contributions to the member-directed plan for 2010 were \$41,314 made by the County and \$29,510 made by the plan members.

#### **B. State Teachers Retirement System**

Plan Description - Certified teachers, employed by the school and Central Ohio Youth Center for Mental Retardation, and Developmental Disabilities, participate in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all 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 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, 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 DB Plan.

## **UNION COUNTY, OHIO**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010**

#### **NOTE 18 - PENSION PLANS - (Continued)**

The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code. A DB or Combined Plan member with five or more years 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 DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - For 2010, plan members were required to contribute 10.00% of their annual covered salaries. The County was required to contribute 14.00%; 13.00% was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The County's required contributions for pension obligations to STRS Ohio for the years ended December 31, 2010, 2009, and 2008 were \$120,270, \$114,996, and \$111,111, respectively; 94.06% has been contributed for 2010 and 100 percent for 2009 and 2008.

#### **NOTE 19 - POSTRETIREMENT BENEFIT PLANS**

##### **A. Ohio Public Employees Retirement**

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

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

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

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

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 19 - POSTRETIREMENT BENEFIT PLANS - (Continued)

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2010, local government employers contributed 14.00% of covered payroll (17.87% for public safety and law enforcement). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional Plan for 2010 was 5.50% from January 1 through February 28, 2010 and 5.00% from March 1 through December 31, 2010. The portion of employer contributions allocated to fund post-employment healthcare for members in the Combined Plan for 2010 was 4.73% from January 1 through February 28, 2010 and 4.23% from March 1 through December 31, 2010.

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

The County's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2010, 2009, and 2008 were \$2,288,823, \$2,851,019, and \$3,285,872, respectively; 97.40% has been contributed for 2010 and 100% has been contributed for 2009 and 2008.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates for state and local employers increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

#### **B. State Teachers Retirement System**

**Plan Description** - The County contributes to the cost sharing, multiple employer defined benefit Health Plan (the "Plan") administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

**Funding Policy** - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. All benefit recipients, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2010, STRS Ohio allocated employer contributions equal to 1.00% of covered payroll to the Health Care Stabilization Fund. The County's contributions for health care for the years ended December 31, 2010, 2009, and 2008 were \$9,252, \$8,846, and \$3,644, respectively; 94.06% has been contributed for 2010 and 100 percent for 2009 and 2008.

# **UNION COUNTY, OHIO**

## **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010**

### **NOTE 20 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance on the basis of GAAP, the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements. The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund and major special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to a reservation of fund balance for that portion of outstanding encumbrances not already recognized as payables (GAAP basis);
- (d) Investments are reported at fair value (GAAP basis) rather than cost (budget basis); and,
- (e) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

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

#### **Net Change in Fund Balances**

	Major Governmental Funds		
	General	County Board of DD	Motor Vehicle and Gas Tax
Budget basis	\$ (47,664)	\$ 1,388,051	\$ (151,770)
Net adjustment for revenue accruals	456,841	33,409	3,511
Net adjustment for expenditure accruals	(69,565)	330,684	(85,884)
Net adjustment for other financing sources/(uses) accruals	285,478	-	-
Encumbrances (budget basis)	<u>508,884</u>	<u>16,420</u>	<u>193,629</u>
GAAP basis	<u>\$ 1,133,974</u>	<u>\$ 1,768,564</u>	<u>\$ (40,514)</u>

### **NOTE 21 - RELATED PARTY TRANSACTIONS**

During 2010, Union County provided facilities; certain equipment, transportation and salaries for administration, implementation and supervision of programs to U-Co Industries, Inc. U-Co Industries, Inc., a discretely presented component unit of Union County reported \$188,686 for such contributions. U-Co Industries, Inc. recorded non-operating revenues at cost or fair market value as applicable, to the extent the contribution is related to the vocational purpose of the workshop.



## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 21 - RELATED PARTY TRANSACTIONS - (Continued)

During 2010, the County provided the Union County YMCA with use of a County-owned gymnasium free of charge. The estimated value of rent is less than \$1,000 annually.

During 2010, the County provided rent-free office space to Children, Inc. Children, Inc. constructed a building on County-owned land, adjacent to the Union County DD Board. The value of annual rent is estimated at \$85,000.

During 2010, the County provided the Union County Council for Families and Children First with use of office space at the London Avenue facility free of charge. The estimated value of rent is less than \$4,860 annually.

#### NOTE 22 - CONTINGENT LIABILITIES

The County has received federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the County Commissioners believe such disallowances, if any, will be immaterial. Several other claims and lawsuits are pending against the County. In the opinion of the County Prosecuting Attorney, any potential liability would not have a material effect on the financial statements. Union County Memorial Hospital is involved in various lawsuits and claims that arise in the normal course of business. In the opinion of management, these claims, individually and in aggregate, are not expected to result in a material adverse effect on the Hospital's financial position or results. Reimbursement for Medicare or Medicaid patients is subject to audit and final settlements by the respective intermediaries. Although these audits may result in some changes in these amounts, they are not expected to have a material effect on the financial statements.

#### NOTE 23 - U-CO INDUSTRIES, INC.

##### A. Summary of Significant Accounting Policies

U-CO Industries, Inc. (the "Organization") was organized to give the developmentally disabled citizens of Union County an opportunity for sheltered employment while educating and training these citizens for a position in the competitive job market. To ensure a full spectrum of employment opportunities for these citizens, U-CO industries, Inc. employs other disabled citizens that are not developmentally disabled. The Organization contracts with local businesses and federal agencies for various jobs that can be performed within the production capabilities of the Organization.

Basis of Presentation - The financial statements of the Organization have been prepared in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-For-Profit Organizations." Under SFAS No. 117, the Organization is required to report, where applicable, information regarding its financial position and activities according to three classes of net assets: unrestricted net assets temporarily restricted net assets and permanently restricted net assets. When a restriction is met in the same reporting period, the support is recorded as unrestricted in the statement of activities and changes in net assets. The Organization currently has only unrestricted net assets.

Property and Equipment - Property and equipment are carried at cost less accumulated depreciation. Depreciation is provided over the statutory lives of the related assets as allowed by the Internal Revenue Service. Maintenance and repairs are charged to operations when incurred. Renewals and betterments of a nature considered to materially extend the useful lives of the assets are capitalized. When assets are retired or otherwise disposed of, the assets and related allowances for depreciation are eliminated from the accounts and any resulting gain or loss is reflected in income.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 23 - U-CO INDUSTRIES, INC. - (Continued)

Basis of Accounting - The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Cash Equivalents - For purposes of the statement of cash flows, the Organization considers amounts on hand, in demand deposits and certificates of deposit that are readily available to be cash and cash equivalents.

Accounts Receivable, trade - Accounts receivable consist of amounts due from customers for trade activities. The Organization provides for probable losses on accounts receivable using the allowance method. The Allowance is determined based on management's experience and collection efforts. The Organization had immaterial balances in the allowance of doubtful accounts as of June 30, 2010 and 2009.

Inventory - Inventory is stated at the lower of cost or market, determined on the first-in, first out (FIFO) method.

Property, Equipment and Depreciation - Property and equipment are stated at cost, if purchased, or at fair value if donated. Major expenditures for property and equipment which substantially increase useful lives of property and equipment are capitalized. Maintenance, repairs and minor renewals are expensed as incurred. Depreciation has been provided using the straight-line method over the estimated useful lives of the assets.

Donated Services - Donated services are recognized as support in accordance with SFAS No. 116, "Accounting for Contributions Received and Contribution Made," if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Federal Income Tax - The Organization is tax exempt under Section 501(c)(3) of the Internal Revenue Code.

Accounting for Uncertainty in Income taxes - The Financial Accounting Standards Board ("FASB") has issued Interpretation No. 48 ("FIN 48"), which clarifies generally acceptable accounting principles for recognition, measurement, presentation and disclosure relating to uncertain tax positions. FIN 48 applies to business enterprises, not-for-profit entities, and pass-through entities, such as S corporations and limited liability companies. As permitted by FIN 48 (as amended), the Organization has elected to defer the application of FIN 48. For financial statements covering periods prior to fiscal year 2010, the Organization evaluates uncertain tax positions in accordance with existing generally accepted accounting principles and makes such accruals and disclosures as might be required there under. The Organization doesn't anticipate that the provisions of FIN 48 will have any significant impact on its financial statements.

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

Revenue Recognition - Product revenue is recognized when the product is shipped and support when contributions are made, which may be when cash is received, unconditional promises are made, or ownership of other assets is transferred to the organization and are measured at their fair values.

# **UNION COUNTY, OHIO**

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

### **NOTE 23 - U-CO INDUSTRIES, INC. - (Continued)**

*Fair Value Measurements* - The Financial Accounting Standards Board ("FASB") has issued FAS 157, Fair Value Measurements, which establishes a single definition of fair value and a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. FASB Staff Position FAS 157-b delays the effective date of FAS 157 for all nonfinancial assets and nonfinancial liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis, to fiscal years beginning after November 15, 2008. As a result, the Organization has only partially adopted FAS 175 during 2010. Major categories of assets and liabilities that are measured at fair value for which the entity has not applied the provisions of Statement 157 consists of property and equipment.

#### **B. Inventory**

Inventory is comprised of the following as of June 30:

	<u>2010</u>	<u>2009</u>
Raw materials	\$ 364,076	\$ 329,738
Finished goods	170,320	77,805
Inventory obsolescence reserve	<u>(7,500)</u>	<u>(25,000)</u>
Total inventory	<u>\$ 526,896</u>	<u>\$ 382,543</u>

#### **C. Note Payable**

During the year ending June 30, 2008, the Organization purchased a new facility in Marysville, Ohio. The Organization was financed with a \$2.5 million bond through Union County that was purchased by Park National Bank. The total financing was reduced by a payment from the Union County Board of Developmental Disabilities (UCBDD) in December 2007. The mortgage note is payable in monthly installments of \$17,027, including interest at 5.08% as of June 30, 2009, through 2017. The building's fair market value was estimated to approximate the note assumed. The note is secured by the land and building.

The minimum principal payments on the note payable at June 30, 2010 due in each of the next five years and thereafter are as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>U-CO Industries Debt</u> <u>Principal</u>
2011	\$ 158,785
2012	167,042
2013	175,728
2014	184,866
2015	194,479
Thereafter	<u>87,641</u>
Total	<u>\$ 968,541</u>

**UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

**NOTE 23 - U-CO INDUSTRIES, INC. - (Continued)**

**D. Deferred Lease**

As noted on the prior page UCBDD paid a portion of the loan with Park National Bank on behalf of the Organization. The payment is considered a prepaid lease payment by UCBDD. The lease payment will be amortized over ten years based on a ten year lease agreement between UCBDD and the Organization for usage of the new facility. The lease payment is amortized based on monthly installments of \$7,802 through 2017.

The lease payment amortization at June 30, 2010 in each of the next five years and thereafter is as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>U-CO Industries Lease Payment</u>
	<u>Principal</u>
2011	\$ 93,634
2012	93,634
2013	93,634
2014	93,634
2015	93,634
Thereafter	<u>234,082</u>
Total	<u>\$ 702,252</u>

At December 31, 2010, the Union County's financial statements reflect the prepayment of the County's lease in the amount of \$655,435.

**E. Related Party**

The Organization has an ongoing contractual relationship with UCBDD. As part of that relationship, the Organization leases to UCBDD its adult training and day care facility on a year-to-year basis. The Organization also receives payments from UCBDD for utilities and janitorial services. The lease period ends January 31, 2011. The Organization received payments of \$103,442 and \$84,355 during the years ended June 30, 2010 and 2009, respectively.

Labor and rent donated by UCBDD are handled on an in-kind basis. The value of this in-kind support was calculated at \$188,186 and \$235,449 for the years ended June 30, 2010 and 2009, respectively, and is comprised of the following:

<u>Description</u>	<u>2010</u>	<u>2009</u>
In-kind labor	\$ 188,186	\$ 221,558
In-kind rent	<u>-</u>	<u>13,891</u>
Total In-kind Support	<u>\$ 188,186</u>	<u>\$ 235,449</u>

## **UNION COUNTY, OHIO**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010**

#### **NOTE 23 - U-CO INDUSTRIES, INC. - (Continued)**

##### **F. Concentration of Risk**

The Organization provides services to businesses in Union County and Central Ohio. Due to the nature of the Organization's business and the specialization of its workforce, the Organization generally conducts most of its business with fewer than ten customers. Credit risk with respect to trade receivables consists of reliance on these businesses as the Organization extends credit to its customers in the ordinary course of its business. One customer in the automotive industry accounted for 99% of the Organization's sales, accounts receivable, and accounts payable for the years ended June 30, 2010 and 2009.

The Organization places its cash in accounts with financial institutions that are insured through the Federal Deposit Insurance Corporation up to \$100,000 as of June 30, 2009 and \$250,000 as of October 3, 2009. At June 30, 2010 and 2009 and at various times during the year the Organization had on deposit funds in excess of insured balances.

##### **G. Board Designated Cash**

Surplus cash has been presented on the statement of financial position as board designated. The Board has determined that this amount is not to fund current operation without the Board's specific approval. In the statement of activities and changes in net assets, transfers represent the change in surplus cash that the Board has designated as Board Designated.

##### **H. Contingencies**

During 1998, the Organization entered into an agreement with the Ohio Department of Developmental Disabilities for the funding of a facility in Marysville. The agreement was amended in June 2008 to assign the contract to the new Square Drive facility. The Organization becomes liable for the remaining obligation on a \$273,830 note, if, prior to the expiration of the fifteen year note term, the Organization ceases to use the facility for developmentally disabled services. The note obligation is reduced each month beginning October 31, 1998 by \$1,521 (the original principal divided by the total number of months). As of June 30, 2010 and 2009, the Organization was in compliance with the agreement and no obligation has been recorded in the financial statements. The remaining contingent obligation at June 30, 2010 and 2009 was \$59,329 and \$77,584, respectively.

#### **NOTE 24 - UNION COUNTY AIRPORT AUTHORITY**

The Union County Airport Authority (the "Airport Authority") was established according to Section 308.03 of the Ohio Revised Code. The Airport Authority is governed by a six member Board of Trustees appointed by the Union County Commissioners. The County Commissioners budget funds for airport operations and are responsible for the debt and deficits of the Airport Authority. Due to the imposition of will exerted by the County Commissioners as well as the financial burden for the Airport Authority, the Airport Authority is presented separately as a component unit of Union County. The Airport Authority operates on a year ending December 31. The Airport Authority does not issue separate financial statements.

## UNION COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 24 - UNION COUNTY AIRPORT AUTHORITY - (Continued)

##### A. Basis of Accounting

The Airport Authority follows the accrual basis of accounting, whereby revenues and expenses are recognized in the period earned or incurred. The measurement focus is on determination of net income, financial position and cash flows. All transactions are accounted for in a single enterprise fund.

The financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental and financial reporting principles. The Airport Authority also applies Financial Accounting Standards Board (FASB) guidance issued on or before November 30, 1989, provided it does not conflict with or contradict GASB pronouncements. The Airport Authority has the option to also apply FASB guidance issued after November 30, 1989 subject to this same limitation. The Airport Authority has elected not to apply this FASB guidance.

Equipment and Depreciation - Property, plant, and equipment are stated at historical cost (or estimated historical cost) and are updated for the cost of additions and retirements during the year. Depreciation is provided on a straight-line basis over the following estimated useful lives:

<u>Description</u>	<u>Useful Live (In Years)</u>
Land improvements	20
Buildings and improvements	6 - 40
Equipment	5 - 10

A summary of capital assets at December 31, 2010, follows:

Land and construction in progress	\$ 844,248
Depreciable capital assets, net	<u>2,160,297</u>
Net capital assets	<u>\$ 3,004,545</u>

##### B. Deposits with Financial Institutions

The Union County Treasurer holds the Airport Authority's cash as custodian for the Airport Authority. The Airport Authority's assets are held in the County's cash and investment pool and valued at the Treasurer's carrying amount.

# **UNION COUNTY, OHIO**

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

### **NOTE 24 - UNION COUNTY AIRPORT AUTHORITY - (Continued)**

#### **C. Airport Long-Term Obligations**

During 2010, the following changes occurred in the Airport activities long-term obligations:

	<u>Interest Rate</u>	<u>Balance 12/31/2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding 12/31/2010</u>	<u>Amount Due in One Year</u>
<b><u>General Obligation Loans:</u></b>						
Union county airport authority	3.80%	\$ 55,548	\$ -	\$ (27,212)	\$ 28,336	\$ 28,246
Total Loans		<u>\$ 55,548</u>	<u>\$ -</u>	<u>\$ (27,212)</u>	<u>\$ 28,336</u>	<u>\$ 28,246</u>

The Airport Authority entered into a loan agreement with the County in 2003 with an issue cost of \$220,000. This loan has a 3.80% interest rate and matures in 2011. Principal and interest payments are reflected as principal retirement and interest expenditure in the Airport Authority fund.

The annual requirements to amortize Airport long-term obligations outstanding as of December 31, 2010, are as follows:

<u>Year Ended December 31,</u>	<u>Airport Authority</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 28,336	\$ 1,073	\$ 29,409
Total	<u>\$ 28,336</u>	<u>\$ 1,073</u>	<u>\$ 29,409</u>

REQUIRED  
SUPPLEMENTARY  
INFORMATION



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## UNION COUNTY, OHIO

### REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2010

#### NOTE 1 - CONDITIONAL ASSESSMENT OF THE COUNTY'S INFRASTRUCTURE

The County reports its roads and bridges infrastructure assets using the modified approach. The following disclosures pertain to the condition assessment and budgeted versus actual expenditure in 2010 for the preservation of these assets.

The Union County Engineer has implemented a ten year program for road repairs and improvements. The plan changes based upon condition inspections, repair and improvement needs, and budget constraints. Factors considered when evaluating a roadway include time since last surface maintenance, current pavement condition, current and future traffic volume, traffic type, pavement width, geometrics, etc. A general overall pavement condition rating is assigned to sections of roadways as a result of annual visual observations. A numerical rating ranging from 0 to 9 is assigned, with 0 being the lowest ranking and 9 being the highest. The practice of the Union County Engineer is to maintain at least 75% of the mileage of the county highway system at an appraisal rating of 5 or more. The most recent assessment found that 95% of the County roads have a numerical rating of 5 or higher.

Each bridge is evaluated annually based on state law and in accordance with Ohio Department of Transportation (ODOT) requirements. Each bridge is given an ODOT sufficiency rating based upon bridge inspection rating factors. The practice of the Union County Engineer is to maintain a bridge system in the County where at least 85% of the structures have a bridge appraisal rating of 5 or more. The most recent inspections found that 95% of the County bridges have a numerical rating of 5 or higher.

The general overall ratings for roads and ODOT sufficiency ratings for centerline miles and bridges are as follows:

<u>Condition</u>	<u>Rating</u>
Failed	0
"Imminent" Failure	1
Critical	2
Serious	3
Poor	4
Fair	5
Satisfactory	6
Good	7
Very Good	8
Excellent	9

# **UNION COUNTY, OHIO**

## REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2010

### **NOTE 1 - CONDITIONAL ASSESSMENT OF THE COUNTY'S INFRASTRUCTURE -** (Continued)

The following summarizes the overall ratings as of December 31, 2010.

	2008		2009		2010	
	Centerline Miles	Percent	Centerline Miles	Percent	Centerline Miles	Percent
Condition Assessment of Fair or Better	457	97%	455	98%	444	95%
Condition Assessment of Less than Fair	12	3%	11	2%	22	5%

	2008		2009		2010	
	Bridges	Percent	Bridges	Percent	Bridges	Percent
Condition Assessment of Fair or Better	302	94%	307	96%	302	95%
Condition Assessment of Less than Fair	18	6%	12	4%	17	5%

The following is a comparison of the County budgeted and actual expenditures for roads and bridges.

Year	Budgeted Expenditures	Actual Expenditures	Difference
2010	\$ 8,280,426	\$ 7,458,087	\$ 822,339
2009	8,294,305	7,003,742	1,290,563
2008	8,366,634	8,022,284	344,350
2007	7,654,249	6,888,337	765,912
2006	7,463,784	7,379,103	84,681
2005	5,516,054	4,875,274	640,780

COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Property taxes. . . . .	\$ 3,578,434	\$ 3,591,735	\$ 3,780,735	\$ 189,000
Sales taxes. . . . .	7,337,128	7,360,000	7,338,903	(21,097)
Charges for services. . . . .	1,884,453	1,890,500	2,156,581	266,081
Licenses and permits. . . . .	2,761	2,770	3,238	468
Fines and forfeitures. . . . .	124,600	125,000	108,942	(16,058)
Intergovernmental. . . . .	3,122,578	3,128,559	3,149,020	20,461
Investment income. . . . .	781,293	783,800	800,668	16,868
Rental income. . . . .	394,733	396,000	393,898	(2,102)
Other. . . . .	465,326	466,819	673,630	206,811
Total revenues. . . . .	<u>17,691,306</u>	<u>17,745,183</u>	<u>18,405,615</u>	<u>660,432</u>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive				
Commissioners				
Personal services. . . . .	249,997	253,190	249,110	4,080
Materials and supplies. . . . .	1,247	2,447	2,414	33
Contractual services. . . . .	251,296	246,693	156,942	89,751
Other. . . . .	39,897	39,897	35,142	4,755
Total commissioners. . . . .	<u>542,437</u>	<u>542,227</u>	<u>443,608</u>	<u>98,619</u>
Environmental engineer - general:				
Personal services. . . . .	56,744	56,744	56,181	563
Total environmental engineer. . . . .	<u>56,744</u>	<u>56,744</u>	<u>56,181</u>	<u>563</u>
Auditor - general				
Personal services. . . . .	260,152	260,152	258,966	1,186
Materials and supplies. . . . .	25,471	25,470	19,197	6,273
Contractual services. . . . .	61,943	77,786	54,346	23,440
Other. . . . .	7,000	7,000	4,674	2,326
Total auditor. . . . .	<u>354,566</u>	<u>370,408</u>	<u>337,183</u>	<u>33,225</u>
Treasurer				
Personal services. . . . .	121,157	121,157	120,535	622
Materials and supplies. . . . .	26,000	26,000	22,434	3,566
Contractual services. . . . .	6,639	6,639	6,069	570
Other. . . . .	3,175	3,175	1,321	1,854
Total treasurer. . . . .	<u>156,971</u>	<u>156,971</u>	<u>150,359</u>	<u>6,612</u>
Prosecutor				
Personal services. . . . .	459,998	459,998	459,454	544
Materials and supplies. . . . .	15,000	15,000	13,629	1,371
Contractual services. . . . .	38,380	53,380	27,763	25,617
Other. . . . .	146,117	146,117	143,455	2,662
Total prosecutor. . . . .	<u>659,495</u>	<u>674,495</u>	<u>644,301</u>	<u>30,194</u>

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**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
Risk management				
Personal services . . . . .	\$ 99,256	\$ 99,256	\$ 99,222	\$ 34
Materials and supplies. . . . .	6,589	6,589	4,941	1,648
Contractual services. . . . .	10,000	10,000	9,942	58
Capital outlay . . . . .	10,000	10,000	-	10,000
Other . . . . .	119,697	220,131	156,040	64,091
Total risk management. . . . .	245,542	345,976	270,145	75,831
Data processing				
Personal services . . . . .	126,007	126,007	123,191	2,816
Materials and supplies . . . . .	2,000	2,000	1,374	626
Contractual services . . . . .	148,836	148,836	125,703	23,133
Other . . . . .	800	800	57	743
Total data processing . . . . .	277,643	277,643	250,325	27,318
Board of elections				
Personal services . . . . .	307,720	293,720	277,927	15,793
Materials and supplies . . . . .	35,083	31,083	30,012	1,071
Contractual services. . . . .	63,000	81,000	76,251	4,749
Capital outlay . . . . .	30,621	41,242	29,629	11,613
Other . . . . .	7,700	7,700	4,199	3,501
Total board of elections . . . . .	444,124	454,745	418,018	36,727
Recorder				
Personal services . . . . .	159,291	159,291	147,493	11,798
Materials and supplies. . . . .	8,500	8,500	4,504	3,996
Contractual services. . . . .	13,000	13,000	10,925	2,075
Other. . . . .	2,500	2,500	1,831	669
Total recorder. . . . .	183,291	183,291	164,753	18,538
Maintenance and operations				
Personal services . . . . .	473,434	473,434	470,727	2,707
Materials and supplies. . . . .	122,000	122,000	110,068	11,932
Contractual services. . . . .	1,130,378	1,136,769	1,071,645	65,124
Other . . . . .	1,965	1,965	125	1,840
Total maintenance and operations . . . . .	1,727,777	1,734,168	1,652,565	81,603
Assessing property				
Personal services . . . . .	57,720	57,720	57,593	127
Total assessing property . . . . .	57,720	57,720	57,593	127
Insurance and bonds				
Contractual services . . . . .	217,023	235,594	227,113	8,481
Other. . . . .	1,000	1,210	1,028	182
Total insurance and bonds . . . . .	218,023	236,804	228,141	8,663

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**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
Bureau of inspection				
Contractual services. . . . .	\$ 81,259	\$ 82,101	\$ 74,221	\$ 7,880
Total bureau of inspection. . . . .	81,259	82,101	74,221	7,880
County planning				
Other. . . . .	44,000	42,555	26,369	16,186
Total county planning . . . . .	44,000	42,555	26,369	16,186
Fringe benefits				
Personal services . . . . .	2,588,450	2,566,869	2,442,525	124,344
Total fringe benefits . . . . .	2,588,450	2,566,869	2,442,525	124,344
Equipment				
Capital outlay . . . . .	363,634	606,650	348,801	257,849
Total equipment . . . . .	363,634	606,650	348,801	257,849
Archives				
Personal services . . . . .	37,500	38,488	37,788	700
Materials and supplies. . . . .	5,000	4,535	4,535	-
Contractual services. . . . .	700	432	411	21
Other . . . . .	400	145	144	1
Total archives . . . . .	43,600	43,600	42,878	722
Total general government - legislative and executive . . . . .	8,045,276	8,432,967	7,607,966	825,001
Judicial				
Drug court grant				
Personal services . . . . .	-	42,250	40,824	1,426
Materials and supplies. . . . .	-	9,735	2,702	7,033
Contractual services. . . . .	-	5,000	-	5,000
Other. . . . .	-	5,000	-	5,000
Total common pleas court . . . . .	-	61,985	43,526	18,459
Common pleas court				
Personal services . . . . .	216,378	319,269	319,179	90
Materials and supplies. . . . .	26,000	12,392	11,528	864
Contractual services. . . . .	46,200	28,402	25,179	3,223
Capital outlay. . . . .	1,415	3,620	2,205	1,415
Other. . . . .	166,585	164,985	164,797	188
Total common pleas court . . . . .	456,578	528,668	522,888	5,780
Juvenile court				
Personal services . . . . .	421,354	423,330	413,281	10,049
Contractual services . . . . .	33,000	37,000	31,971	5,029
Other. . . . .	2,555	3,055	2,253	802
Total juvenile court . . . . .	456,909	463,385	447,505	15,880
Probate court				
Personal services . . . . .	138,735	138,785	138,594	191
Materials and supplies . . . . .	28,000	23,776	23,618	158
Contractual services . . . . .	14,850	14,850	7,454	7,396
Other. . . . .	1,250	1,200	981	219
Total probate court. . . . .	182,835	178,611	170,647	7,964

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**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
Clerk of courts				
Personal services . . . . .	\$ 302,044	\$ 302,044	\$ 302,044	\$ -
Materials and supplies . . . . .	51,569	61,232	57,904	3,328
Contractual services . . . . .	12,823	19,079	18,096	983
Capital outlay. . . . .	-	3,745	3,677	68
Other . . . . .	1,924	1,924	1,807	117
Total clerk of courts . . . . .	368,360	388,024	383,528	4,496
Public defender				
Contractual services . . . . .	401,010	401,010	401,010	-
Other. . . . .	4,000	4,000	2,345	1,655
Total public defender. . . . .	405,010	405,010	403,355	1,655
Court of appeals				
Personal services. . . . .	1,000	1,745	1,745	-
Other . . . . .	12,300	11,555	10,972	583
Total court of appeals . . . . .	13,300	13,300	12,717	583
Jury commission				
Personal services. . . . .	840	840	840	-
Materials and supplies . . . . .	1,000	1,000	1,000	-
Total jury commission . . . . .	1,840	1,840	1,840	-
County court				
Personal services . . . . .	86,268	86,268	86,268	-
Contractual services . . . . .	4,000	4,000	3,520	480
Total county court . . . . .	90,268	90,268	89,788	480
Juvenile probation				
Personal services. . . . .	107,787	95,873	58,805	37,068
Other . . . . .	3,000	3,000	1,838	1,162
Total juvenile probation . . . . .	110,787	98,873	60,643	38,230
Total general government - judicial. . . . .	2,085,887	2,229,964	2,136,437	93,527
Total general government . . . . .	10,131,163	10,662,931	9,744,403	918,528

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**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
Public safety				
Coroner				
Personal services . . . . .	\$ 47,044	\$ 51,044	\$ 49,814	\$ 1,230
Materials and supplies . . . . .	700	700	378	322
Contractual services . . . . .	10,400	36,400	34,897	1,503
Capital outlay . . . . .	400	400	-	400
Other . . . . .	1,924	1,924	1,748	176
Total coroner . . . . .	60,468	90,468	86,837	3,631
Sheriff				
Personal services . . . . .	387,623	395,122	383,339	11,783
Materials and supplies . . . . .	17,129	17,129	6,595	10,534
Contractual services . . . . .	76,000	76,000	54,921	21,079
Other . . . . .	29,961	32,322	30,841	1,481
Total sheriff . . . . .	510,713	520,573	475,696	44,877
Law enforcement				
Personal services . . . . .	1,730,857	1,595,203	1,545,097	50,106
Materials and supplies . . . . .	128,180	142,830	141,183	1,647
Contractual services . . . . .	80,217	80,217	75,114	5,103
Other . . . . .	15,000	15,000	7,068	7,932
Total law enforcement . . . . .	1,954,254	1,833,250	1,768,462	64,788
Communication				
Personal services . . . . .	32,837	32,837	32,837	-
Total communication . . . . .	32,837	32,837	32,837	-
Jail				
Personal services . . . . .	326,367	380,758	371,221	9,537
Materials and supplies . . . . .	14,650	8,050	4,676	3,374
Contractual services . . . . .	1,365,572	1,365,572	1,353,493	12,079
Other . . . . .	5,800	5,800	2,399	3,401
Total jail . . . . .	1,712,389	1,760,180	1,731,789	28,391
Investigation				
Personal services . . . . .	473,672	419,281	281,985	137,296
Materials and supplies . . . . .	15,000	6,950	6,023	927
Contractual services . . . . .	14,000	14,000	6,577	7,423
Other . . . . .	13,200	13,200	4,030	9,170
Total investigation . . . . .	515,872	453,431	298,615	154,816
Community service				
Personal services . . . . .	319,473	278,106	71,367	206,739
Materials and supplies . . . . .	4,000	4,000	-	4,000
Contractual services . . . . .	5,060	5,060	1,029	4,031
Other . . . . .	3,100	3,100	448	2,652
Total community service . . . . .	331,633	290,266	72,844	217,422

- - Continued

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
Pursuit sheriff				
Other . . . . .	\$ 15,000	\$ 15,000	\$ 10,435	\$ 4,565
Total pursuit sheriff . . . . .	15,000	15,000	10,435	4,565
Detention home COYC				
Contractual services . . . . .	324,568	324,568	324,568	-
Total detention home COYC . . . . .	324,568	324,568	324,568	-
Total public safety . . . . .	5,457,734	5,320,573	4,802,083	518,490
Public works				
Engineer				
Personal services . . . . .	121,052	121,052	120,213	839
Contractual services . . . . .	4,200	4,200	3,784	416
Total engineer . . . . .	125,252	125,252	123,997	1,255
Total public works . . . . .	125,252	125,252	123,997	1,255
Health				
Agriculture				
Contractual services . . . . .	1,200	1,200	1,200	-
Total agriculture . . . . .	1,200	1,200	1,200	-
Humane society				
Contractual services . . . . .	76,482	77,927	77,927	-
Total humane society . . . . .	76,482	77,927	77,927	-
Other health department				
Contractual services . . . . .	308,311	308,311	244,762	63,549
Total other health department . . . . .	308,311	308,311	244,762	63,549
Total health . . . . .	385,993	387,438	323,889	63,549
Human services				
Veteran's services				
Personal services . . . . .	193,648	192,748	184,423	8,325
Materials and supplies . . . . .	14,000	11,000	10,433	567
Contractual services . . . . .	99,000	71,500	68,209	3,291
Capital outlay . . . . .	24,000	26,467	25,510	957
Other . . . . .	266,182	295,115	292,295	2,820
Total veteran's services . . . . .	596,830	596,830	580,870	15,960
Children's services				
Other . . . . .	235,070	235,070	235,070	-
Total children's services . . . . .	235,070	235,070	235,070	-
Other endowments				
Other . . . . .	42,144	42,144	39,544	2,600
Total other endowments . . . . .	42,144	42,144	39,544	2,600

- - Continued

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONCLUDED)  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
Public assistance				
Other . . . . .	\$ 902,326	\$ 902,326	\$ 721,822	\$ 180,504
Total public assistance . . . . .	902,326	902,326	721,822	180,504
Total human services . . . . .	1,776,370	1,776,370	1,577,306	199,064
Economic development				
Economic development				
Contractual services . . . . .	131,080	132,646	122,995	9,651
Total economic development . . . . .	131,080	132,646	122,995	9,651
Total economic development . . . . .	131,080	132,646	122,995	9,651
Intergovernmental				
Agriculture				
Intergovernmental . . . . .	271,109	271,109	271,109	-
Total agriculture . . . . .	271,109	271,109	271,109	-
Conservation and recreation				
Intergovernmental . . . . .	228,095	228,095	228,095	-
Total conservation and recreation . . . . .	228,095	228,095	228,095	-
Historical society				
Intergovernmental . . . . .	20,000	20,000	20,000	-
Total historical society . . . . .	20,000	20,000	20,000	-
Other				
Intergovernmental . . . . .	201,065	58,301	470	57,831
Total other . . . . .	201,065	58,301	470	57,831
Refund and reimbursement				
Intergovernmental . . . . .	-	-	12,395	(12,395)
Total refund and reimbursement . . . . .	-	-	12,395	(12,395)
Total intergovernmental . . . . .	720,269	577,505	532,069	45,436
Total expenditures . . . . .	18,727,861	18,982,715	17,226,742	1,755,973
Excess (deficiency) of revenues over (under) expenditures . . . . .	(1,036,555)	(1,237,532)	1,178,873	2,416,405
<b>Other financing sources (uses):</b>				
Advances in . . . . .	-	-	85,235	85,235
Advances out . . . . .	-	-	(370,713)	(370,713)
Transfer in . . . . .	-	-	25,000	25,000
Transfers out . . . . .	(899,713)	(966,059)	(966,059)	-
Total other financing sources (uses) . . . . .	(899,713)	(966,059)	(1,226,537)	(260,478)
Net change in fund balance . . . . .	(1,936,268)	(2,203,591)	(47,664)	2,155,927
<b>Fund balance at beginning of year . . . . .</b>	4,183,300	4,183,300	4,183,300	-
<b>Prior year encumbrances appropriated. . . . .</b>	170,220	170,220	170,220	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 2,417,252</u>	<u>\$ 2,149,929</u>	<u>\$ 4,305,856</u>	<u>\$ 2,155,927</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COUNTY BOARD OF DEVELOPMENTAL DISABILITIES  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Property taxes. . . . .	\$ 5,132,004	\$ 5,132,004	\$ 5,612,482	\$ 480,478
Intergovernmental. . . . .	3,059,677	3,059,677	3,669,994	610,317
Contributions and donations. . . . .	-	-	5,779	5,779
Other. . . . .	136,473	136,473	133,908	(2,565)
Total revenues. . . . .	<u>8,328,154</u>	<u>8,328,154</u>	<u>9,422,163</u>	<u>1,094,009</u>
<b>Expenditures:</b>				
Current:				
Human services				
Personal services . . . . .	4,208,345	4,308,045	4,145,394	162,651
Materials and supplies . . . . .	58,088	60,698	48,162	12,536
Contractual services . . . . .	2,734,324	3,416,855	3,272,059	144,796
Capital outlay. . . . .	49,966	76,773	45,274	31,499
Other. . . . .	3,973,159	3,437,472	523,223	2,914,249
Total expenditures . . . . .	<u>11,023,882</u>	<u>11,299,843</u>	<u>8,034,112</u>	<u>3,265,731</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(2,695,728)</u>	<u>(2,971,689)</u>	<u>1,388,051</u>	<u>4,359,740</u>
<b>Other financing uses:</b>				
Transfers out . . . . .	(369,000)	(204,561)	-	204,561
Total other financing uses . . . . .	<u>(369,000)</u>	<u>(204,561)</u>	<u>-</u>	<u>204,561</u>
Net change in fund balance . . . . .	(3,064,728)	(3,176,250)	1,388,051	4,564,301
<b>Fund balance at beginning of year . . . . .</b>	10,549,779	10,549,779	10,549,779	-
<b>Prior year encumbrances appropriated. . . . .</b>	11,114	11,114	11,114	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 7,496,165</u>	<u>\$ 7,384,643</u>	<u>\$ 11,948,944</u>	<u>\$ 4,564,301</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MOTOR VEHICLE AND GASOLINE TAX  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Sales tax. . . . .	\$ 970,000	\$ 970,000	\$ 937,188	\$ (32,812)
Charges for services. . . . .	450,000	450,000	676,029	226,029
Licenses and permits . . . . .	2,000	2,000	2,150	150
Intergovernmental. . . . .	4,210,000	4,210,000	4,276,620	66,620
Investment income. . . . .	50,000	50,000	26,861	(23,139)
Other . . . . .	72,000	72,000	74,507	2,507
Total revenues . . . . .	<u>5,754,000</u>	<u>5,754,000</u>	<u>5,993,355</u>	<u>239,355</u>
<b>Expenditures:</b>				
Current:				
Public works				
Engineer				
Personal services . . . . .	559,520	568,098	423,592	144,506
Materials and supplies. . . . .	18,000	18,000	14,025	3,975
Contractual services. . . . .	222,058	212,159	184,113	28,046
Capital outlay . . . . .	31,422	37,469	7,196	30,273
Other . . . . .	40,198	43,703	30,586	13,117
Total engineer . . . . .	<u>871,198</u>	<u>879,429</u>	<u>659,512</u>	<u>219,917</u>
Roads				
Personal services . . . . .	1,661,000	1,661,000	1,183,603	477,397
Materials and supplies. . . . .	1,422,236	1,449,216	1,392,027	57,189
Contractual services. . . . .	1,884,697	1,956,377	1,857,032	99,345
Capital outlay . . . . .	284,204	319,291	202,083	117,208
Other . . . . .	4,392	4,772	389,065	(384,293)
Total roads . . . . .	<u>5,256,529</u>	<u>5,390,656</u>	<u>5,023,810</u>	<u>366,846</u>
Bridges and culverts				
Materials and supplies . . . . .	35,000	17,000	12,421	4,579
Contractual services . . . . .	220,000	177,508	176,554	954
Principal payment . . . . .	184,198	68,173	65,198	2,975
Other . . . . .	330,047	383,094	100,997	282,097
Total bridges and culverts . . . . .	<u>769,245</u>	<u>645,775</u>	<u>355,170</u>	<u>290,605</u>
Total expenditures. . . . .	<u>6,896,972</u>	<u>6,915,860</u>	<u>6,038,492</u>	<u>877,368</u>
Excess of expenditures over revenues . . . . .	<u>(1,142,972)</u>	<u>(1,161,860)</u>	<u>(45,137)</u>	<u>1,116,723</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	-	-	9,392	9,392
Transfers out . . . . .	<u>(100,000)</u>	<u>(211,834)</u>	<u>(116,025)</u>	<u>95,809</u>
Total other financing sources (uses) . . . . .	<u>(100,000)</u>	<u>(211,834)</u>	<u>(106,633)</u>	<u>105,201</u>
Net change in fund balance . . . . .	<u>(1,242,972)</u>	<u>(1,373,694)</u>	<u>(151,770)</u>	<u>1,221,924</u>
<b>Fund balance at beginning of year . . . . .</b>	<u>1,394,140</u>	<u>1,394,140</u>	<u>1,394,140</u>	<u>-</u>
<b>Prior year encumbrances appropriated. . . . .</b>	<u>161,254</u>	<u>161,254</u>	<u>161,254</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 312,422</u>	<u>\$ 181,700</u>	<u>\$ 1,403,624</u>	<u>\$ 1,221,924</u>

## UNION COUNTY, OHIO

### INDIVIDUAL FUND SCHEDULES FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

#### **Nonmajor Special Revenue Funds**

The special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or for major capital projects) that are legally restricted to expenditures for specified purposes. Following is a description of all special revenue funds:

##### ***Real Estate Assessment***

To account for State mandated county-wide real estate reappraisals that are funded by charges to the County's political subdivisions.

##### ***Computerized Legal Research***

To account for filing fees collected by the courts used for legal research computerization.

##### ***Delinquent Real Estate Collection***

To account for five percent of all collections of certified delinquent real estate taxes, personal property taxes and manufactured home taxes for the purpose of collecting delinquent real estate taxes.

##### ***Treasurer Prepaid Interest***

To account for interest earned from real estate tax prepayments to be used for the tax repayment program.

##### ***Federal Chip***

To account for grant revenues and distribution for this home repair program.

##### ***Law Library***

Created under HB 420, the law library fund accounts for fees, fines and other sources for the purposes of operating and maintaining a county law library to provide legal research, references and library services.

##### ***Probate Court Conduct of Business***

To account for the fees assessed on marriage licenses pursuant to Section 2101.19(A) of the Ohio Revised Code. This fund is used by the probate court to pay for costs incurred by the court.

##### ***Indigent Guardianship***

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

##### ***Probate and Juvenile Special Projects***

To account for fees collected by the probate and juvenile courts used for special projects.

##### ***Common Pleas Special Projects***

A special projects fund established by the Court of Common Pleas to perpetuate the efficient operation of the court and to account for the requisite court fees charged under provisions established in Ohio Revised Code Section 2303.201.

##### ***Clerk of Courts Computerization***

To account for fees collected by the Clerk of Courts used for computerization of the court system.

##### ***Probate and Juvenile Court Computer***

To account for fees collected by the probate and juvenile courts used for computerization.

##### ***Probate and Juvenile Court Computer Research***

To account for fees collected by the probate and juvenile courts used for legal research computerization.

##### ***Juvenile Court Indigent Offenders***

To account for State monies used for the treatment and rehabilitation of indigent offenders.

## UNION COUNTY, OHIO

### INDIVIDUAL FUND SCHEDULES FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

#### **Nonmajor Special Revenue Funds - (Continued)**

##### ***Certificate Title Administration***

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

##### ***Dispute Resolution***

A fund established by the Court of Common Pleas to perpetuate mediation in the areas of civil litigation, domestic relations and criminal victim and perpetrator issue reconciliation, and to account for the requisite court fees established under provisions of Ohio Revised Code 2302.202.

##### ***Economic Development***

To account for joint revenues between the County and the City of Marysville to maintain a director of economic development.

##### ***Convention and Tourist Bureau***

To account for monies collected and distributed related to the "County Lodging Tax".

##### ***DUI***

To account for fines collected through the courts from offenders operating motor vehicles under the influence of alcohol or drugs. These monies are used for enforcement and education programs.

##### ***Forfeitures***

A fund established to account for revenues derived from the seizure of assets as a result of criminal activities for the purposes of supporting law enforcement activities.

##### ***Sheriff CCW Rotary***

To account for the collection and distribution of fees associated with the issuance of concealed handgun licenses.

##### ***Law Enforcement Grants***

A combination of competitive grants, based on availability and need, that may or may not be received in a given year.

##### ***Sheriff Policing Rotary***

To account for contract fees collected for services which include patrols, dispatching, and the shooting range.

##### ***DARE Community Education***

To account for grants, fundraising and expenditure activity for various education programs including DARE and Safety Town.

##### ***Youth Services Subsidy***

To account for State grant monies received from the Ohio Department of Youth Services and used for placement of children, diversion program-juvenile delinquency prevention, and other related activities.

##### ***9-1-1 Emergency***

To account for the 9-1-1 emergency phone system for the County, funded by a county-wide property tax.

##### ***Local Emergency Planning***

To account for State monies and local revenues used to operate the County emergency program and increase community awareness of emergency plans.

##### ***Juvenile Tobacco***

To account for revenues and expenditures with the juvenile court smoking cessation program.

##### ***Law Enforcement Memorial***

To account for contribution and grant money received for the construction of a Union County Law Enforcement Memorial.

##### ***Juvenile Special Projects***

To account for court costs collected and expenditure activity for various court projects as determined necessary by the court.

## **UNION COUNTY, OHIO**

### **INDIVIDUAL FUND SCHEDULES FUND DESCRIPTIONS - GOVERNMENTAL FUNDS**

#### **Nonmajor Special Revenue Funds - (Continued)**

##### ***VOCA Grant***

Funds established to account for federal Victims of Crime Act (VOCA) grant awards to assist primary and secondary victims of crime to stabilize their lives, and understand and participate in the criminal justice system.

##### ***VAWA Grant***

Fund established to account for Violence Against Women Act (VAWA) grant awards to strengthen the criminal justice system's response to violence against women and enhance services to victims of sexual assault, domestic violence and stalking.

##### ***VOCA Stimulus***

Funds established to account for federal Victims of Crime Act (VOCA) stimulus monies to assist primary and secondary victims of crime to stabilize their lives, and understand and participate in the criminal justice system.

##### ***Road and Bridge***

To account for revenues derived from court fines. Monies are used for a law enforcement officer's salary, scales, fleet insurance, and traffic control signs.

##### ***Ditch Rotary***

To pay for equipment, materials, and labor related to the general maintenance of water courses within the County.

##### ***Ditch Maintenance***

To account for special assessment revenues which are used to provide irrigation ditches and maintain existing ditches.

##### ***Dog and Kennel***

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

##### ***ADAMH***

To account for a county-wide property tax levy and federal and State grants used to fund the costs of various services related to alcohol and drug dependencies and mental health consultation and support.

##### ***Preschool Grant***

To account for grant expenses associated with preschool for the mentally retarded.

##### ***Community Support Services***

To account for grant revenue of ODMH and HUD funds and all related expenses. This fund also contains activity related to the Wings Enrichment Center and housing rentals for the disabled.

##### ***Public Assistance***

To account for various federal and State grants as well as transfers from the general fund used to provide public assistance to general relief recipients and for certain public social services.

##### ***Coordination Transportation***

To provide transportation services to seniors or disadvantaged citizens.

##### ***Child Support Enforcement Agency***

To account for poundage fees on child support payments and other local, State and federal revenues used to administer the County Child Support Enforcement Agency.

##### ***Children Services***

To account for various monies received from federal, State, and local grants used for children's support programs, including: emergency care, medical costs, counseling, foster care, parental counseling and training and education costs.



## **UNION COUNTY, OHIO**

### **INDIVIDUAL FUND SCHEDULES FUND DESCRIPTIONS - GOVERNMENTAL FUNDS**

#### **Nonmajor Special Revenue Funds - (Continued)**

##### ***Adult Basic Literacy Education Grant***

To account for State and federal grants and local revenues used to pay for adult basic literacy education.

##### ***Senior Services***

To account for revenues and expenditures related to Union County Senior Services.

##### ***Workplace Investment Act***

To account for revenues and expenditures associated with the Workforce Investment Act of 1998. This was included in the Public Assistance fund prior to 2004.

##### ***Collaborative Family Risk***

To account for revenues and expenditures associated with FFT and MST Programs.

#### **Nonmajor Debt Service Funds**

The debt service funds are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest, and related costs.

##### ***Bond Retirement***

To account for the retirement of debt.

##### ***Sales Tax Debt***

To account for activity related to debt issued specifically for construction of a new sheriff's facility and renovation of the London Avenue property. The County's general fund transfers permissive sales tax to support repayment of this debt.

#### **Nonmajor Capital Project Funds**

The capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). Following is a description of the capital projects funds.

##### ***Capital Improvements***

To account for various capital improvements to County facilities and other assets.

##### ***ARRA EECBG***

To account for the activity involved in the upgrade of the HVAC system and controls in the County Courthouse.

##### ***Federal Grant and Recapture CDBG***

To account for federal grant monies received for payments to individuals/companies for community development block grant reinvestments projects.

##### ***Ditch Equipment Building***

To account for special assessments and/or note proceeds used for activities related to the construction of ditches.

##### ***DD Capital***

To account for various capital improvements at the DD school and workshop.

##### ***Sheriff's Facility Construction***

To account for various capital improvements to sheriff facilities and other assets.

##### ***AG Center***

To account for building renovation costs.

**UNION COUNTY, OHIO**

**INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS**

**Nonmajor Capital Project Funds**

***London Ave. Government Building***

To account for funds used to purchase and refurbish an office building.

***Boylan and Phelps Ditch***

To account for funds used for activities related to the construction of ditches.

***Main Street Building***

To account for funds used to purchase and renovate a building for archives and office space.

***Lower Green JT Ditch***

To account for funds used for activities related to the construction of the lower green JT ditch.

***Capital Swamp Ditch***

To account for funds used for activities related to the construction of the lower green JT ditch.

***Capital Project Issue II***

To account for funds received for Issue II certified projects.

**UNION COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2010

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 6,567,705	\$ 150,973	\$ 1,627,361	\$ 8,346,039
Cash and cash equivalents in segregated accounts. . . . .	615,820	-	269,718	885,538
Receivables (net of allowance for uncollectibles):				
Sales taxes . . . . .	156,519	-	-	156,519
Real estate and other taxes . . . . .	1,608,083	-	-	1,608,083
Accounts. . . . .	76,900	-	-	76,900
Accrued interest . . . . .	1,334	-	-	1,334
Due from other governments . . . . .	1,651,680	-	-	1,651,680
Special assessments . . . . .	96,470	-	-	96,470
Prepayments. . . . .	16,888	-	-	16,888
Materials and supplies inventory . . . . .	6,896	-	-	6,896
Due from other funds. . . . .	2,000	-	-	2,000
Total assets . . . . .	<u>\$ 10,800,295</u>	<u>\$ 150,973</u>	<u>\$ 1,897,079</u>	<u>\$ 12,848,347</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 477,602	\$ -	\$ -	\$ 477,602
Accrued wages and benefits payable . . . . .	220,721	-	-	220,721
Compensated absences payable. . . . .	30,992	-	-	30,992
Due to other funds. . . . .	52,000	-	-	52,000
Due to other governments . . . . .	145,933	-	-	145,933
Interfund loans payable. . . . .	-	-	285,478	285,478
Deferred revenue . . . . .	1,139,406	-	-	1,139,406
Unearned revenue . . . . .	1,518,283	-	-	1,518,283
Total liabilities . . . . .	<u>3,584,937</u>	<u>-</u>	<u>285,478</u>	<u>3,870,415</u>
<b>Fund balances:</b>				
Reserved for encumbrances . . . . .	213,627	-	258,370	471,997
Reserved for prepayments . . . . .	16,888	-	-	16,888
Reserved for materials and supplies inventory. . . . .	6,896	-	-	6,896
Reserved for debt service . . . . .	2,000	150,973	-	152,973
Unreserved, undesignated, reported in:				
Special revenue funds. . . . .	6,975,947	-	-	6,975,947
Capital projects funds. . . . .	-	-	1,353,231	1,353,231
Total fund balances. . . . .	<u>7,215,358</u>	<u>150,973</u>	<u>1,611,601</u>	<u>8,977,932</u>
Total liabilities and fund balances . . . . .	<u>\$ 10,800,295</u>	<u>\$ 150,973</u>	<u>\$ 1,897,079</u>	<u>\$ 12,848,347</u>

**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Property taxes . . . . .	\$ 1,325,409	\$ -	\$ -	\$ 1,325,409
Sales taxes . . . . .	938,747	-	-	938,747
Charges for services . . . . .	2,443,124	-	-	2,443,124
Licenses and permits . . . . .	143,655	-	-	143,655
Fines and forfeitures . . . . .	252,841	-	-	252,841
Intergovernmental . . . . .	9,442,057	-	1,708,045	11,150,102
Special assessments . . . . .	104,352	-	116,686	221,038
Investment income . . . . .	9,941	-	1,221	11,162
Rental income . . . . .	51,376	-	-	51,376
Contributions and donations . . . . .	7,833	-	-	7,833
Other. . . . .	871,363	95,788	-	967,151
Total revenues . . . . .	15,590,698	95,788	1,825,952	17,512,438
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	3,015,213	-	15,586	3,030,799
Judicial . . . . .	408,300	-	-	408,300
Public safety. . . . .	1,967,266	-	-	1,967,266
Public works. . . . .	168,791	-	-	168,791
Health . . . . .	2,879,696	-	-	2,879,696
Human services . . . . .	5,683,163	-	-	5,683,163
Economic development . . . . .	187,491	-	-	187,491
Intergovernmental . . . . .	-	901,601	-	901,601
Capital outlay. . . . .	-	-	1,686,313	1,686,313
Debt service:				
Principal retirement . . . . .	21,794	835,000	-	856,794
Interest and fiscal charges . . . . .	314	341,306	-	341,620
Bond issuance costs . . . . .	-	18,399	-	18,399
Total expenditures . . . . .	14,332,028	2,096,306	1,701,899	18,130,233
Excess (deficiency) of revenues over (under) expenditures . . . . .	1,258,670	(2,000,518)	124,053	(617,795)
<b>Other financing sources (uses):</b>				
Sale of bonds . . . . .	-	920,000	-	920,000
Transfers in . . . . .	52,947	1,022,113	-	1,075,060
Transfers out . . . . .	(25,000)	-	-	(25,000)
Total other financing sources (uses). . . . .	27,947	1,942,113	-	1,970,060
Net change in fund balances . . . . .	1,286,617	(58,405)	124,053	1,352,265
<b>Fund balances at beginning of year . . . . .</b>	5,931,348	209,378	1,487,548	7,628,274
<b>(Decrease) in reserve for inventory. . . . .</b>	(2,607)	-	-	(2,607)
<b>Fund balances at end of year . . . . .</b>	<u>\$ 7,215,358</u>	<u>\$ 150,973</u>	<u>\$ 1,611,601</u>	<u>\$ 8,977,932</u>

**UNION COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2010

	<b>Real Estate Assessment</b>	<b>Computerized Legal Research</b>	<b>Delinquent Real Estate Collection</b>	<b>Treasurer Prepaid Interest</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 761,360	\$ 35,523	\$ 253,033	\$ 56,360
Cash and cash equivalents in segregated accounts.	-	-	-	-
Receivables (net of allowance for uncollectible):				
Sales taxes . . . . .	-	-	-	-
Real estate and other taxes . . . . .	-	-	-	-
Accounts. . . . .	200	204	-	-
Accrued interest . . . . .	-	-	-	1,294
Due from other governments . . . . .	-	-	-	-
Special assessments . . . . .	-	-	-	-
Prepayments . . . . .	2,153	-	178	-
Materials and supplies inventory . . . . .	-	-	-	-
Due from other funds. . . . .	-	-	-	-
Total assets. . . . .	<u>\$ 763,713</u>	<u>\$ 35,727</u>	<u>\$ 253,211</u>	<u>\$ 57,654</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 52	\$ -	\$ -	\$ -
Accrued wages and benefits payable . . . . .	12,486	-	2,117	672
Compensated absences payable . . . . .	-	-	-	-
Due to other funds . . . . .	-	-	-	-
Due to other governments. . . . .	8,059	-	1,413	455
Deferred revenue. . . . .	-	-	-	-
Unearned revenue . . . . .	-	-	-	-
Total liabilities. . . . .	<u>20,597</u>	<u>-</u>	<u>3,530</u>	<u>1,127</u>
<b>Fund balances:</b>				
Reserved for encumbrances. . . . .	57,410	-	-	-
Reserved for prepayments. . . . .	2,153	-	178	-
Reserved for materials and supplies inventory . . .	-	-	-	-
Reserved for debt service . . . . .	-	-	-	-
Unreserved:				
Undesignated (deficit), reported in:				
Special revenue funds . . . . .	683,553	35,727	249,503	56,527
Total fund balances (deficit). . . . .	<u>743,116</u>	<u>35,727</u>	<u>249,681</u>	<u>56,527</u>
Total liabilities and fund balances . . . . .	<u>\$ 763,713</u>	<u>\$ 35,727</u>	<u>\$ 253,211</u>	<u>\$ 57,654</u>

<b>Federal Chip</b>	<b>Law Library</b>	<b>Probate Court Conduct of Business</b>	<b>Indigent Guardianship</b>	<b>Probate and Juvenile Special Projects</b>	<b>Common Pleas Special Projects</b>
\$ 76,459	\$ 149,206	\$ 3,079	\$ 4,015	\$ 14,299	\$ 219,122
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	14	350	180	17,250
40	-	-	-	-	-
-	-	-	-	-	7,750
-	-	-	-	-	-
-	51	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 76,499</u>	<u>\$ 149,257</u>	<u>\$ 3,093</u>	<u>\$ 4,365</u>	<u>\$ 14,479</u>	<u>\$ 244,122</u>
\$ 351	\$ 9,186	\$ -	\$ -	\$ -	\$ -
-	2,067	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	729	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>351</u>	<u>11,982</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	51	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>76,148</u>	<u>137,224</u>	<u>3,093</u>	<u>4,365</u>	<u>14,479</u>	<u>244,122</u>
<u>76,148</u>	<u>137,275</u>	<u>3,093</u>	<u>4,365</u>	<u>14,479</u>	<u>244,122</u>
<u>\$ 76,499</u>	<u>\$ 149,257</u>	<u>\$ 3,093</u>	<u>\$ 4,365</u>	<u>\$ 14,479</u>	<u>\$ 244,122</u>

- - Continued

**UNION COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2010

	<b>Clerk of Courts Computerization</b>	<b>Probate and Juvenile Court Computer</b>	<b>Probate and Juvenile Court Computer Research</b>	<b>Juvenile Court Indigent Offenders</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 19,265	\$ 25,568	\$ 5,705	\$ 1,783
Cash and cash equivalents in segregated accounts.	-	-	-	-
Receivables (net of allowance for uncollectible):				
Sales taxes . . . . .	-	-	-	-
Real estate and other taxes . . . . .	-	-	-	-
Accounts. . . . .	1,333	583	129	29
Accrued interest . . . . .	-	-	-	-
Due from other governments . . . . .	-	-	-	-
Special assessments . . . . .	-	-	-	-
Prepayments . . . . .	-	471	-	-
Materials and supplies inventory . . . . .	-	-	-	-
Due from other funds. . . . .	-	-	-	-
Total assets. . . . .	<u>\$ 20,598</u>	<u>\$ 26,622</u>	<u>\$ 5,834</u>	<u>\$ 1,812</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ -	\$ -	\$ -	\$ -
Accrued wages and benefits payable . . . . .	-	-	-	-
Compensated absences payable . . . . .	-	-	-	-
Due to other funds . . . . .	-	-	-	-
Due to other governments. . . . .	-	-	-	-
Deferred revenue. . . . .	-	-	-	-
Unearned revenue . . . . .	-	-	-	-
Total liabilities. . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>				
Reserved for encumbrances. . . . .	-	-	-	-
Reserved for prepayments. . . . .	-	471	-	-
Reserved for materials and supplies inventory . . .	-	-	-	-
Reserved for debt service . . . . .	-	-	-	-
Unreserved:				
Undesignated (deficit), reported in:				
Special revenue funds . . . . .	<u>20,598</u>	<u>26,151</u>	<u>5,834</u>	<u>1,812</u>
Total fund balances (deficit). . . . .	<u>20,598</u>	<u>26,622</u>	<u>5,834</u>	<u>1,812</u>
Total liabilities and fund balances . . . . .	<u>\$ 20,598</u>	<u>\$ 26,622</u>	<u>\$ 5,834</u>	<u>\$ 1,812</u>

<b>Certificate Title Administration</b>	<b>Dispute Resolution</b>	<b>Economic Development</b>	<b>Convention and Tourist Bureau</b>	<b>DUI</b>	<b>Forfeitures</b>
\$ 236,519	\$ 93,053	\$ 26,160	\$ 221,214	\$ 6,767	\$ 5,799
-	-	-	-	615,820	-
-	-	-	-	-	-
-	-	-	-	-	-
27,177	3,510	5,633	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
319	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 264,015</u>	<u>\$ 96,563</u>	<u>\$ 31,793</u>	<u>\$ 221,214</u>	<u>\$ 622,587</u>	<u>\$ 5,799</u>
\$ 398	\$ -	\$ -	\$ -	\$ -	\$ -
5,402	-	4,256	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,797	391	2,750	-	7	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>9,597</u>	<u>391</u>	<u>7,006</u>	<u>-</u>	<u>7</u>	<u>-</u>
-	-	-	-	-	-
319	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>254,099</u>	<u>96,172</u>	<u>24,787</u>	<u>221,214</u>	<u>622,580</u>	<u>5,799</u>
<u>254,418</u>	<u>96,172</u>	<u>24,787</u>	<u>221,214</u>	<u>622,580</u>	<u>5,799</u>
<u>\$ 264,015</u>	<u>\$ 96,563</u>	<u>\$ 31,793</u>	<u>\$ 221,214</u>	<u>\$ 622,587</u>	<u>\$ 5,799</u>

- - Continued



**UNION COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2010

	<b>Sheriff CCW Rotary</b>	<b>Law Enforcement Grants</b>	<b>Sheriff Policing Rotary</b>	<b>DARE Community Education</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 41,091	\$ 74,383	\$ 97,844	\$ 33,640
Cash and cash equivalents in segregated accounts.	-	-	-	-
Receivables (net of allowance for uncollectible):				
Sales taxes . . . . .	-	-	-	-
Real estate and other taxes . . . . .	-	-	-	-
Accounts. . . . .	134	-	1,532	-
Accrued interest . . . . .	-	-	-	-
Due from other governments . . . . .	-	15,624	-	-
Special assessments . . . . .	-	-	-	-
Prepayments . . . . .	163	-	179	1,174
Materials and supplies inventory . . . . .	-	-	-	-
Due from other funds. . . . .	-	-	-	-
Total assets. . . . .	<u>\$ 41,388</u>	<u>\$ 90,007</u>	<u>\$ 99,555</u>	<u>\$ 34,814</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 489	\$ -	\$ 1,592	\$ -
Accrued wages and benefits payable . . . . .	-	-	-	-
Compensated absences payable . . . . .	-	-	-	-
Due to other funds . . . . .	-	-	-	-
Due to other governments. . . . .	-	960	41	-
Deferred revenue. . . . .	-	15,624	300	-
Unearned revenue . . . . .	-	-	-	-
Total liabilities. . . . .	<u>489</u>	<u>16,584</u>	<u>1,933</u>	<u>-</u>
<b>Fund balances:</b>				
Reserved for encumbrances. . . . .	-	-	-	-
Reserved for prepayments. . . . .	163	-	179	1,174
Reserved for materials and supplies inventory . . . . .	-	-	-	-
Reserved for debt service . . . . .	-	-	-	-
Unreserved:				
Undesignated (deficit), reported in:				
Special revenue funds . . . . .	<u>40,736</u>	<u>73,423</u>	<u>97,443</u>	<u>33,640</u>
Total fund balances (deficit). . . . .	<u>40,899</u>	<u>73,423</u>	<u>97,622</u>	<u>34,814</u>
Total liabilities and fund balances . . . . .	<u>\$ 41,388</u>	<u>\$ 90,007</u>	<u>\$ 99,555</u>	<u>\$ 34,814</u>

<b>Youth Services Subsidy</b>	<b>9-1-1 Emergency</b>	<b>Local Emergency Planning</b>	<b>Juvenile Tobacco</b>	<b>Law Enforcement Memorial</b>	<b>Juvenile Special Projects</b>
\$ 106,812	\$ 1,196,922	\$ 65,706	\$ 455	\$ 287	\$ 38,707
-	-	-	-	-	-
-	-	-	-	-	-
-	917,941	-	-	-	-
-	-	-	-	-	723
-	-	-	-	-	-
113,116	57,787	-	-	-	1,634
-	-	-	-	-	-
-	1,727	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 219,928</u>	<u>\$ 2,174,377</u>	<u>\$ 65,706</u>	<u>\$ 455</u>	<u>\$ 287</u>	<u>\$ 41,064</u>
\$ 619	\$ 29,616	\$ -	\$ -	\$ -	\$ -
7,329	35,727	267	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,643	24,090	178	-	-	291
44,727	98,602	-	-	-	-
-	865,736	-	-	-	-
<u>57,318</u>	<u>1,053,771</u>	<u>445</u>	<u>-</u>	<u>-</u>	<u>291</u>
-	-	-	-	-	-
-	1,727	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>162,610</u>	<u>1,118,879</u>	<u>65,261</u>	<u>455</u>	<u>287</u>	<u>40,773</u>
<u>162,610</u>	<u>1,120,606</u>	<u>65,261</u>	<u>455</u>	<u>287</u>	<u>40,773</u>
<u>\$ 219,928</u>	<u>\$ 2,174,377</u>	<u>\$ 65,706</u>	<u>\$ 455</u>	<u>\$ 287</u>	<u>\$ 41,064</u>

- - Continued

**UNION COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2010

	<u>VOCA Grant</u>	<u>VAWA Grant</u>	<u>VOCA Stimulus</u>	<u>Road and Bridge</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 16,013	\$ 18,740	\$ -	\$ 27,025
Cash and cash equivalents in segregated accounts.	-	-	-	-
Receivables (net of allowance for uncollectible):				
Sales taxes . . . . .	-	-	-	-
Real estate and other taxes . . . . .	-	-	-	-
Accounts. . . . .	-	-	-	-
Accrued interest . . . . .	-	-	-	-
Due from other governments . . . . .	7,954	8,814	-	1,919
Special assessments . . . . .	-	-	-	-
Prepayments . . . . .	30	-	-	-
Materials and supplies inventory . . . . .	1,220	-	-	-
Due from other funds. . . . .	2,000	-	-	-
Total assets. . . . .	<u>\$ 27,217</u>	<u>\$ 27,554</u>	<u>\$ -</u>	<u>\$ 28,944</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 45	\$ 120	\$ -	\$ -
Accrued wages and benefits payable . . . . .	4,105	2,016	-	1,995
Compensated absences payable . . . . .	4,106	-	-	-
Due to other funds . . . . .	-	2,000	-	-
Due to other governments. . . . .	2,733	1,174	878	1,273
Deferred revenue. . . . .	-	8,814	-	-
Unearned revenue . . . . .	-	-	-	-
Total liabilities. . . . .	<u>10,989</u>	<u>14,124</u>	<u>878</u>	<u>3,268</u>
<b>Fund balances:</b>				
Reserved for encumbrances. . . . .	-	-	-	-
Reserved for prepayments. . . . .	30	-	-	-
Reserved for materials and supplies inventory . . . . .	1,220	-	-	-
Reserved for debt service . . . . .	2,000	-	-	-
Unreserved:				
Undesignated (deficit), reported in:				
Special revenue funds . . . . .	<u>12,978</u>	<u>13,430</u>	<u>(878)</u>	<u>25,676</u>
Total fund balances (deficit). . . . .	<u>16,228</u>	<u>13,430</u>	<u>(878)</u>	<u>25,676</u>
Total liabilities and fund balances . . . . .	<u>\$ 27,217</u>	<u>\$ 27,554</u>	<u>\$ -</u>	<u>\$ 28,944</u>

<b>Ditch Rotary</b>	<b>Ditch Maintenance</b>	<b>Dog and Kennel</b>	<b>ADAMH</b>	<b>Preschool Grant</b>	<b>Community Support Services</b>
\$ 10,245	\$ 297,224	\$ 161,576	\$ 626,659	\$ 23,239	\$ 41,441
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	690,142	-	-
-	-	28	-	-	401
-	-	-	-	-	-
-	-	-	577,191	-	97,224
-	96,470	-	-	-	-
-	-	245	6,160	-	30
-	-	-	1,368	-	-
-	-	-	-	-	-
<u>\$ 10,245</u>	<u>\$ 393,694</u>	<u>\$ 161,849</u>	<u>\$ 1,901,520</u>	<u>\$ 23,239</u>	<u>\$ 139,096</u>
\$ -	\$ -	\$ 1,480	\$ 216,281	\$ -	\$ 3,341
-	-	2,715	12,874	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,629	8,407	-	-
-	96,470	-	262,305	-	30,000
-	-	-	652,547	-	-
<u>-</u>	<u>96,470</u>	<u>5,824</u>	<u>1,152,414</u>	<u>-</u>	<u>33,341</u>
-	-	1,361	-	-	-
-	-	245	6,160	-	30
-	-	-	1,368	-	-
-	-	-	-	-	-
<u>10,245</u>	<u>297,224</u>	<u>154,419</u>	<u>741,578</u>	<u>23,239</u>	<u>105,725</u>
<u>10,245</u>	<u>297,224</u>	<u>156,025</u>	<u>749,106</u>	<u>23,239</u>	<u>105,755</u>
<u>\$ 10,245</u>	<u>\$ 393,694</u>	<u>\$ 161,849</u>	<u>\$ 1,901,520</u>	<u>\$ 23,239</u>	<u>\$ 139,096</u>

- - Continued

**UNION COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONCLUDED)  
DECEMBER 31, 2010

	<b>Public Assistance</b>	<b>Coordination Transportation</b>	<b>Child Support Enforcement Agency</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 57,244	\$ 242,810	\$ 136,820
Cash and cash equivalents in segregated accounts.	-	-	-
Receivables (net of allowance for uncollectible):			
Sales taxes . . . . .	-	-	-
Real estate and other taxes . . . . .	-	-	-
Accounts . . . . .	1,850	171	13,711
Accrued interest . . . . .	-	-	-
Due from other governments . . . . .	428,770	51,634	45,932
Special assessments . . . . .	-	-	-
Prepayments . . . . .	3,454	-	-
Materials and supplies inventory . . . . .	4,186	23	-
Due from other funds . . . . .	-	-	-
Total assets . . . . .	<u>\$ 495,504</u>	<u>\$ 294,638</u>	<u>\$ 196,463</u>
<b>Liabilities:</b>			
Accounts payable . . . . .	\$ 8,512	\$ 9,125	\$ 257
Accrued wages and benefits payable . . . . .	75,311	26,165	14,601
Compensated absences payable . . . . .	25,048	1,838	-
Due to other funds . . . . .	-	50,000	-
Due to other governments . . . . .	48,618	16,512	10,026
Deferred revenue . . . . .	296,670	41,398	45,932
Unearned revenue . . . . .	-	-	-
Total liabilities . . . . .	<u>454,159</u>	<u>145,038</u>	<u>70,816</u>
<b>Fund balances:</b>			
Reserved for encumbrances . . . . .	-	-	-
Reserved for prepayments . . . . .	3,454	-	-
Reserved for materials and supplies inventory . . . . .	4,186	23	-
Reserved for debt service . . . . .	-	-	-
Unreserved:			
Undesignated (deficit), reported in:			
Special revenue funds . . . . .	<u>33,705</u>	<u>149,577</u>	<u>125,647</u>
Total fund balances (deficit) . . . . .	<u>41,345</u>	<u>149,600</u>	<u>125,647</u>
Total liabilities and fund balances . . . . .	<u>\$ 495,504</u>	<u>\$ 294,638</u>	<u>\$ 196,463</u>

<b>Children Services</b>	<b>Adult Basic Literacy Education Grant</b>	<b>Senior Services</b>	<b>Workplace Investment Act</b>	<b>Collaborative Family Risk</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ 343,478	\$ -	\$ 593,291	\$ 14,313	\$ 87,451	\$ 6,567,705
-	-	-	-	-	615,820
-	-	156,519	-	-	156,519
-	-	-	-	-	1,608,083
1,758	-	-	-	-	76,900
-	-	-	-	-	1,334
13,614	7,384	3,023	212,310	-	1,651,680
-	-	-	-	-	96,470
-	-	-	554	-	16,888
-	-	99	-	-	6,896
-	-	-	-	-	2,000
<u>\$ 358,850</u>	<u>\$ 7,384</u>	<u>\$ 752,932</u>	<u>\$ 227,177</u>	<u>\$ 87,451</u>	<u>\$ 10,800,295</u>
\$ 46,926	\$ -	\$ 110,835	\$ 21,019	\$ 17,358	\$ 477,602
-	-	10,616	-	-	220,721
-	-	-	-	-	30,992
-	-	-	-	-	52,000
-	-	6,842	37	-	145,933
-	7,384	82,273	108,907	-	1,139,406
-	-	-	-	-	1,518,283
<u>46,926</u>	<u>7,384</u>	<u>210,566</u>	<u>129,963</u>	<u>17,358</u>	<u>3,584,937</u>
-	-	152,753	2,103	-	213,627
-	-	-	554	-	16,888
-	-	99	-	-	6,896
-	-	-	-	-	2,000
<u>311,924</u>	<u>-</u>	<u>389,514</u>	<u>94,557</u>	<u>70,093</u>	<u>6,975,947</u>
<u>311,924</u>	<u>-</u>	<u>542,366</u>	<u>97,214</u>	<u>70,093</u>	<u>7,215,358</u>
<u>\$ 358,850</u>	<u>\$ 7,384</u>	<u>\$ 752,932</u>	<u>\$ 227,177</u>	<u>\$ 87,451</u>	<u>\$ 10,800,295</u>

**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Real Estate Assessment</b>	<b>Computerized Legal Research</b>	<b>Delinquent Real Estate Collection</b>	<b>Treasurer Prepaid Interest</b>
<b>Revenues:</b>				
Property taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Sales taxes . . . . .	-	-	-	-
Charges for services . . . . .	846,805	2,764	111,100	-
Licenses and permits . . . . .	65	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	-	-	-	-
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	9,545
Rental income . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	-
Other . . . . .	4,069	-	-	-
Total revenues . . . . .	<u>850,939</u>	<u>2,764</u>	<u>111,100</u>	<u>9,545</u>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	594,493	-	62,733	16,880
Judicial . . . . .	-	-	-	-
Public safety. . . . .	-	-	-	-
Public works. . . . .	-	-	-	-
Health. . . . .	-	-	-	-
Human services . . . . .	-	-	-	-
Economic development . . . . .	-	-	-	-
Debt service:				
Principal retirement . . . . .	-	-	-	-
Interest and fiscal charges . . . . .	-	-	-	-
Total expenditures . . . . .	<u>594,493</u>	<u>-</u>	<u>62,733</u>	<u>16,880</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>256,446</u>	<u>2,764</u>	<u>48,367</u>	<u>(7,335)</u>
<b>Other financing sources (uses):</b>				
Transfers in. . . . .	-	-	-	-
Transfers out. . . . .	-	-	-	-
Total other financing sources (uses) . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances . . . . .	256,446	2,764	48,367	(7,335)
<b>Fund balance (deficit)</b>				
at beginning of year . . . . .	486,670	32,963	201,314	63,862
Increase (decrease) in reserve for inventory . . . . .	-	-	-	-
<b>Fund balance (deficit)</b>				
at end of year . . . . .	<u>\$ 743,116</u>	<u>\$ 35,727</u>	<u>\$ 249,681</u>	<u>\$ 56,527</u>

<u>Federal Chip</u>	<u>Law Library</u>	<u>Probate Court Conduct of Business</u>	<u>Indigent Guardianship</u>	<u>Probate and Juvenile Special Projects</u>	<u>Common Pleas Special Projects</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	96	253	4,445	2,420	168,889
-	-	-	-	-	-
-	191,218	-	-	-	-
457,379	-	-	-	-	-
-	-	-	-	-	-
396	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
30,000	131,681	-	-	-	-
<u>487,775</u>	<u>322,995</u>	<u>253</u>	<u>4,445</u>	<u>2,420</u>	<u>168,889</u>
515,606	-	-	-	-	-
-	182,573	-	3,916	-	32,418
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>515,606</u>	<u>182,573</u>	<u>-</u>	<u>3,916</u>	<u>-</u>	<u>32,418</u>
<u>(27,831)</u>	<u>140,422</u>	<u>253</u>	<u>529</u>	<u>2,420</u>	<u>136,471</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(27,831)	140,422	253	529	2,420	136,471
103,979	(3,147)	2,840	3,836	12,059	107,651
-	-	-	-	-	-
<u>\$ 76,148</u>	<u>\$ 137,275</u>	<u>\$ 3,093</u>	<u>\$ 4,365</u>	<u>\$ 14,479</u>	<u>\$ 244,122</u>

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**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Clerk of Courts Computerization</u>	<u>Probate and Juvenile Court Computer</u>	<u>Probate and Juvenile Court Computer Research</u>	<u>Juvenile Court Indigent Offenders</u>
<b>Revenues:</b>				
Property taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Sales taxes . . . . .	-	-	-	-
Charges for services . . . . .	16,225	8,551	1,815	453
Licenses and permits . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	-	-	-	-
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Rental income . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	-
Other . . . . .	-	-	-	-
Total revenues . . . . .	<u>16,225</u>	<u>8,551</u>	<u>1,815</u>	<u>453</u>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	-	-	-	-
Judicial . . . . .	11,166	5,393	-	-
Public safety. . . . .	-	-	-	-
Public works. . . . .	-	-	-	-
Health. . . . .	-	-	-	-
Human services . . . . .	-	-	-	-
Economic development . . . . .	-	-	-	-
Debt service:				
Principal retirement . . . . .	-	-	-	-
Interest and fiscal charges . . . . .	-	-	-	-
Total expenditures . . . . .	<u>11,166</u>	<u>5,393</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>5,059</u>	<u>3,158</u>	<u>1,815</u>	<u>453</u>
<b>Other financing sources (uses):</b>				
Transfers in. . . . .	-	-	-	-
Transfers out. . . . .	-	-	-	-
Total other financing sources (uses) . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances . . . . .	5,059	3,158	1,815	453
<b>Fund balance (deficit)</b>				
<b>at beginning of year . . . . .</b>	15,539	23,464	4,019	1,359
<b>Increase (decrease) in reserve for inventory . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance (deficit)</b>				
<b>at end of year . . . . .</b>	<u>\$ 20,598</u>	<u>\$ 26,622</u>	<u>\$ 5,834</u>	<u>\$ 1,812</u>

<b>Certificate Title Administration</b>	<b>Dispute Resolution</b>	<b>Economic Development</b>	<b>Convention and Tourist Bureau</b>	<b>DUI</b>	<b>Forfeitures</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
299,013	48,844	22,533	-	600	-
-	-	-	-	-	-
-	-	-	-	458	-
2,290	-	54,046	88,892	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	363,689	-
<u>301,303</u>	<u>48,844</u>	<u>76,579</u>	<u>88,892</u>	<u>364,747</u>	<u>-</u>
-	-	-	-	-	-
149,116	23,718	-	-	-	-
-	-	-	-	1,036	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	97,491	90,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>149,116</u>	<u>23,718</u>	<u>97,491</u>	<u>90,000</u>	<u>1,036</u>	<u>-</u>
<u>152,187</u>	<u>25,126</u>	<u>(20,912)</u>	<u>(1,108)</u>	<u>363,711</u>	<u>-</u>
-	-	-	-	-	-
(25,000)	-	-	-	-	-
(25,000)	-	-	-	-	-
127,187	25,126	(20,912)	(1,108)	363,711	-
127,231	71,046	45,699	222,322	258,869	5,799
-	-	-	-	-	-
<u>\$ 254,418</u>	<u>\$ 96,172</u>	<u>\$ 24,787</u>	<u>\$ 221,214</u>	<u>\$ 622,580</u>	<u>\$ 5,799</u>

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**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Sheriff CCW Rotary</b>	<b>Law Enforcement Grants</b>	<b>Sheriff Policing Rotary</b>	<b>DARE Community Education</b>
<b>Revenues:</b>				
Property taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Sales taxes . . . . .	-	-	-	-
Charges for services . . . . .	7,784	-	42,122	25,254
Licenses and permits . . . . .	11,916	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	-	40,753	12,410	2,636
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Rental income . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	5,638
Other . . . . .	-	-	6,946	1,690
Total revenues . . . . .	<u>19,700</u>	<u>40,753</u>	<u>61,478</u>	<u>35,218</u>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	-	-	-	-
Judicial . . . . .	-	-	-	-
Public safety. . . . .	8,914	59,335	51,968	41,478
Public works. . . . .	-	-	-	-
Health. . . . .	-	-	-	-
Human services . . . . .	-	-	-	-
Economic development . . . . .	-	-	-	-
Debt service:				
Principal retirement . . . . .	-	-	-	-
Interest and fiscal charges . . . . .	-	-	-	-
Total expenditures . . . . .	<u>8,914</u>	<u>59,335</u>	<u>51,968</u>	<u>41,478</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>10,786</u>	<u>(18,582)</u>	<u>9,510</u>	<u>(6,260)</u>
<b>Other financing sources (uses):</b>				
Transfers in. . . . .	-	52,947	-	-
Transfers out. . . . .	-	-	-	-
Total other financing sources (uses) . . . . .	<u>-</u>	<u>52,947</u>	<u>-</u>	<u>-</u>
Net change in fund balances . . . . .	10,786	34,365	9,510	(6,260)
<b>Fund balance (deficit)</b>				
at beginning of year . . . . .	30,113	39,058	88,112	41,074
Increase (decrease) in reserve for inventory . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance (deficit)</b>				
at end of year . . . . .	<u>\$ 40,899</u>	<u>\$ 73,423</u>	<u>\$ 97,622</u>	<u>\$ 34,814</u>

<b>Youth Services Subsidy</b>	<b>9-1-1 Emergency</b>	<b>Local Emergency Planning</b>	<b>Juvenile Tobacco</b>	<b>Law Enforcement Memorial</b>	<b>Juvenile Special Projects</b>
\$ -	\$ 775,222	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	9,334
-	-	-	-	-	-
-	-	-	-	-	-
294,124	345,041	15,749	-	-	20,994
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	17,325	-	-	-	-
<u>294,124</u>	<u>1,137,588</u>	<u>15,749</u>	<u>-</u>	<u>-</u>	<u>30,328</u>
-	-	-	-	-	-
-	-	-	-	-	-
165,263	1,380,491	8,459	-	10	19,720
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>165,263</u>	<u>1,380,491</u>	<u>8,459</u>	<u>-</u>	<u>10</u>	<u>19,720</u>
<u>128,861</u>	<u>(242,903)</u>	<u>7,290</u>	<u>-</u>	<u>(10)</u>	<u>10,608</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
128,861	(242,903)	7,290	-	(10)	10,608
33,749	1,363,509	57,971	455	297	30,165
-	-	-	-	-	-
<u>\$ 162,610</u>	<u>\$ 1,120,606</u>	<u>\$ 65,261</u>	<u>\$ 455</u>	<u>\$ 287</u>	<u>\$ 40,773</u>

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**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>VOCA Grant</b>	<b>VAWA Grant</b>	<b>VOCA Stimulus</b>	<b>Road and Bridge</b>
<b>Revenues:</b>				
Property taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Sales taxes . . . . .	-	-	-	-
Charges for services . . . . .	-	-	-	-
Licenses and permits . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	48,869
Intergovernmental . . . . .	125,566	49,736	67,837	-
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Rental income . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	-
Other . . . . .	1,368	-	-	-
Total revenues . . . . .	<u>126,934</u>	<u>49,736</u>	<u>67,837</u>	<u>48,869</u>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	-	-	-	-
Judicial . . . . .	-	-	-	-
Public safety. . . . .	130,427	35,805	64,360	-
Public works. . . . .	-	-	-	78,161
Health. . . . .	-	-	-	-
Human services . . . . .	-	-	-	-
Economic development . . . . .	-	-	-	-
Debt service:				
Principal retirement . . . . .	-	-	-	-
Interest and fiscal charges . . . . .	-	-	-	-
Total expenditures . . . . .	<u>130,427</u>	<u>35,805</u>	<u>64,360</u>	<u>78,161</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(3,493)</u>	<u>13,931</u>	<u>3,477</u>	<u>(29,292)</u>
<b>Other financing sources (uses):</b>				
Transfers in. . . . .	-	-	-	-
Transfers out. . . . .	-	-	-	-
Total other financing sources (uses) . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances . . . . .	(3,493)	13,931	3,477	(29,292)
<b>Fund balance (deficit)</b>				
at beginning of year . . . . .	19,721	(501)	(4,355)	54,968
Increase (decrease) in reserve for inventory . . . . .	-	-	-	-
<b>Fund balance (deficit)</b>				
at end of year . . . . .	<u>\$ 16,228</u>	<u>\$ 13,430</u>	<u>\$ (878)</u>	<u>\$ 25,676</u>

<u>Ditch Rotary</u>	<u>Ditch Maintenance</u>	<u>Dog and Kennel</u>	<u>ADAMH</u>	<u>Preschool Grant</u>	<u>Community Support Services</u>
\$ -	\$ -	\$ -	\$ 550,187	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	131,674	-	-	-
-	-	12,296	-	-	-
-	-	-	2,148,890	20,535	271,801
-	104,352	-	-	-	-
-	-	-	-	-	-
-	-	-	11,550	-	39,826
-	-	2,195	-	-	-
6,275	-	10	65,011	-	-
<u>6,275</u>	<u>104,352</u>	<u>146,175</u>	<u>2,775,638</u>	<u>20,535</u>	<u>311,627</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
28,936	61,694	-	-	-	-
-	-	77,384	2,437,680	19,106	345,526
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	21,794	-	-
-	-	-	314	-	-
<u>28,936</u>	<u>61,694</u>	<u>77,384</u>	<u>2,459,788</u>	<u>19,106</u>	<u>345,526</u>
<u>(22,661)</u>	<u>42,658</u>	<u>68,791</u>	<u>315,850</u>	<u>1,429</u>	<u>(33,899)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(22,661)</u>	<u>42,658</u>	<u>68,791</u>	<u>315,850</u>	<u>1,429</u>	<u>(33,899)</u>
32,906	254,566	87,234	433,715	21,810	139,654
-	-	-	(459)	-	-
<u>\$ 10,245</u>	<u>\$ 297,224</u>	<u>\$ 156,025</u>	<u>\$ 749,106</u>	<u>\$ 23,239</u>	<u>\$ 105,755</u>

- - Continued

**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONCLUDED)  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Public Assistance</b>	<b>Coordination Transportation</b>	<b>Child Support Enforcement Agency</b>	<b>Children Services</b>
<b>Revenues:</b>				
Property taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Sales taxes . . . . .	-	-	-	-
Charges for services . . . . .	-	654,880	168,944	-
Licenses and permits . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	2,556,420	244,953	663,217	1,153,350
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Rental income . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	-
Other . . . . .	164,461	55	5,093	45,956
Total revenues . . . . .	<u>2,720,881</u>	<u>899,888</u>	<u>837,254</u>	<u>1,199,306</u>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	1,825,501	-	-	-
Judicial . . . . .	-	-	-	-
Public safety. . . . .	-	-	-	-
Public works. . . . .	-	-	-	-
Health. . . . .	-	-	-	-
Human services . . . . .	1,060,755	834,323	831,484	1,015,806
Economic development . . . . .	-	-	-	-
Debt service:				
Principal retirement . . . . .	-	-	-	-
Interest and fiscal charges . . . . .	-	-	-	-
Total expenditures . . . . .	<u>2,886,256</u>	<u>834,323</u>	<u>831,484</u>	<u>1,015,806</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(165,375)</u>	<u>65,565</u>	<u>5,770</u>	<u>183,500</u>
<b>Other financing sources (uses):</b>				
Transfers in. . . . .	-	-	-	-
Transfers out. . . . .	-	-	-	-
Total other financing sources (uses) . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances . . . . .	(165,375)	65,565	5,770	183,500
<b>Fund balance (deficit)</b>				
at beginning of year . . . . .	205,825	84,048	119,877	128,424
Increase (decrease) in reserve for inventory . . . . .	<u>895</u>	<u>(13)</u>	<u>-</u>	<u>-</u>
<b>Fund balance (deficit)</b>				
at end of year . . . . .	<u>\$ 41,345</u>	<u>\$ 149,600</u>	<u>\$ 125,647</u>	<u>\$ 311,924</u>

<b>Adult Basic Literacy Education Grant</b>	<b>Senior Services</b>	<b>Workplace Investment Act</b>	<b>Collaborative Family Risk</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ -	\$ -	\$ -	\$ -	1,325,409
-	938,747	-	-	938,747
-	-	-	-	2,443,124
-	-	-	-	143,655
-	-	-	-	252,841
30,384	252,774	301,640	220,640	9,442,057
-	-	-	-	104,352
-	-	-	-	9,941
-	-	-	-	51,376
-	-	-	-	7,833
-	27,734	-	-	871,363
<u>30,384</u>	<u>1,219,255</u>	<u>301,640</u>	<u>220,640</u>	<u>15,590,698</u>
-	-	-	-	3,015,213
-	-	-	-	408,300
-	-	-	-	1,967,266
-	-	-	-	168,791
-	-	-	-	2,879,696
52,372	1,359,526	336,008	192,889	5,683,163
-	-	-	-	187,491
-	-	-	-	21,794
-	-	-	-	314
<u>52,372</u>	<u>1,359,526</u>	<u>336,008</u>	<u>192,889</u>	<u>14,332,028</u>
<u>(21,988)</u>	<u>(140,271)</u>	<u>(34,368)</u>	<u>27,751</u>	<u>1,258,670</u>
-	-	-	-	52,947
-	-	-	-	(25,000)
-	-	-	-	27,947
(21,988)	(140,271)	(34,368)	27,751	1,286,617
21,988	685,667	131,582	42,342	5,931,348
-	(3,030)	-	-	(2,607)
<u>\$ -</u>	<u>\$ 542,366</u>	<u>\$ 97,214</u>	<u>\$ 70,093</u>	<u>\$ 7,215,358</u>



**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
REAL ESTATE ASSESSMENT  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services. . . . .	\$ 780,000	\$ 780,000	\$ 846,805	\$ 66,805
Licenses and permits . . . . .	60	60	65	5
Fines and forfeitures. . . . .	300	300	-	(300)
Other. . . . .	3,000	3,000	3,869	869
Total revenues . . . . .	<u>783,360</u>	<u>783,360</u>	<u>850,739</u>	<u>67,379</u>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive				
Personal services . . . . .	362,400	362,400	328,460	33,940
Materials and supplies. . . . .	11,000	11,000	9,762	1,238
Contractual services. . . . .	320,000	320,000	299,784	20,216
Other . . . . .	40,000	40,000	15,499	24,501
Total expenditures. . . . .	<u>733,400</u>	<u>733,400</u>	<u>653,505</u>	<u>79,895</u>
Net change in fund balance . . . . .	49,960	49,960	197,234	147,274
<b>Fund balance at beginning of year . . . . .</b>	<u>506,716</u>	<u>506,716</u>	<u>506,716</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 556,676</u>	<u>\$ 556,676</u>	<u>\$ 703,950</u>	<u>\$ 147,274</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COMPUTERIZED LEGAL RESEARCH  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 2,800	\$ 2,800	\$ 2,762	\$ (38)
Total revenues . . . . .	<u>2,800</u>	<u>2,800</u>	<u>2,762</u>	<u>(38)</u>
Net change in fund balance . . . . .	2,800	2,800	2,762	(38)
<b>Fund balance at beginning of year . . . . .</b>	<u>32,761</u>	<u>32,761</u>	<u>32,761</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ 35,561</u></u>	<u><u>\$ 35,561</u></u>	<u><u>\$ 35,523</u></u>	<u><u>\$ (38)</u></u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DELINQUENT REAL ESTATE COLLECTION  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 90,000	\$ 90,000	\$ 111,100	\$ 21,100
Total revenues . . . . .	90,000	90,000	111,100	21,100
<b>Expenditures:</b>				
Current:				
General government				
Legislative and executive				
Treasurer				
Personal services . . . . .	52,950	52,950	50,508	2,442
Materials and supplies . . . . .	1,200	1,200	766	434
Contractual services . . . . .	500	500	244	256
Capital outlay . . . . .	2,000	2,000	900	1,100
Other . . . . .	3,950	3,950	1,256	2,694
Total treasurer . . . . .	60,600	60,600	53,674	6,926
Prosecutor				
Personal services. . . . .	35,000	35,000	14,488	20,512
Total prosecutor . . . . .	35,000	35,000	14,488	20,512
Total expenditures . . . . .	95,600	95,600	68,162	27,438
Net change in fund balance. . . . .	(5,600)	(5,600)	42,938	48,538
<b>Fund balance at beginning of year . . . . .</b>	<b>210,095</b>	<b>210,095</b>	<b>210,095</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 204,495</b>	<b>\$ 204,495</b>	<b>\$ 253,033</b>	<b>\$ 48,538</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TREASURER PREPAID INTEREST  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Interest . . . . .	\$ 3,500	\$ 3,500	\$ 9,284	\$ 5,784
Total revenues . . . . .	<u>3,500</u>	<u>3,500</u>	<u>9,284</u>	<u>5,784</u>
<b>Expenditures:</b>				
Current:				
General government				
Legislative and executive				
Personal services . . . . .	15,240	15,240	14,324	916
Materials and supplies . . . . .	1,300	2,450	2,450	-
Other. . . . .	2,000	850	-	850
Total expenditures . . . . .	<u>18,540</u>	<u>18,540</u>	<u>16,774</u>	<u>1,766</u>
Net change in fund balance. . . . .	(15,040)	(15,040)	(7,490)	7,550
<b>Fund balance at beginning of year . . . . .</b>	<u>63,653</u>	<u>63,653</u>	<u>63,653</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 48,613</u>	<u>\$ 48,613</u>	<u>\$ 56,163</u>	<u>\$ 7,550</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FEDERAL CHIP  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 374,663	\$ 752,861	\$ 503,409	\$ (249,452)
Interest . . . . .	-	-	389	389
Other . . . . .	-	-	30,000	30,000
Total revenues . . . . .	<u>374,663</u>	<u>752,861</u>	<u>533,798</u>	<u>(219,063)</u>
<b>Expenditures:</b>				
Current:				
General government				
Legislative and executive				
Contractual services. . . . .	374,663	704,643	520,130	184,513
Total expenditures . . . . .	<u>374,663</u>	<u>704,643</u>	<u>520,130</u>	<u>184,513</u>
Excess of revenues over expenditures . . . . .	<u>-</u>	<u>48,218</u>	<u>13,668</u>	<u>(34,550)</u>
<b>Other financing sources (uses):</b>				
Advance in . . . . .	-	-	85,235	85,235
Advance out. . . . .	-	-	(85,235)	(85,235)
Total other financing sources (uses) . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance. . . . .	<u>-</u>	<u>48,218</u>	<u>13,668</u>	<u>(34,550)</u>
<b>Fund balance at beginning of year . . . . .</b>	<u>62,782</u>	<u>62,782</u>	<u>62,782</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 62,782</u>	<u>\$ 111,000</u>	<u>\$ 76,450</u>	<u>\$ (34,550)</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
LAW LIBRARY  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ -	\$ -	\$ 96	\$ 96
Fines and forfeitures . . . . .	185,897	185,897	191,218	5,321
Other . . . . .	-	-	131,681	131,681
Total revenues . . . . .	<u>185,897</u>	<u>185,897</u>	<u>322,995</u>	<u>137,098</u>
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Personal services . . . . .	55,433	58,896	56,530	2,366
Materials and supplies . . . . .	2,600	2,600	1,405	1,195
Contractual services . . . . .	106,337	126,337	108,236	18,101
Capital outlay . . . . .	-	5,000	2,444	2,556
Other . . . . .	18,800	6,800	5,174	1,626
Total expenditures . . . . .	<u>183,170</u>	<u>199,633</u>	<u>173,789</u>	<u>25,844</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>2,727</u>	<u>(13,736)</u>	<u>149,206</u>	<u>162,942</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	<u>85,500</u>	<u>85,500</u>	<u>-</u>	<u>(85,500)</u>
Total other financing sources . . . . .	<u>85,500</u>	<u>85,500</u>	<u>-</u>	<u>(85,500)</u>
Net change in fund balance . . . . .	88,227	71,764	149,206	77,442
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ 88,227</u></u>	<u><u>\$ 71,764</u></u>	<u><u>\$ 149,206</u></u>	<u><u>\$ 77,442</u></u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PROBATE COURT CONDUCT OF BUSINESS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 300	\$ 300	\$ 265	\$ (35)
Total revenues . . . . .	<u>300</u>	<u>300</u>	<u>265</u>	<u>(35)</u>
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Capital outlay . . . . .	300	300	-	300
Total expenditures . . . . .	<u>300</u>	<u>300</u>	<u>-</u>	<u>300</u>
Net change in fund balance . . . . .	-	-	265	265
<b>Fund balance at beginning of year . . . . .</b>	<u>2,814</u>	<u>2,814</u>	<u>2,814</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 2,814</u>	<u>\$ 2,814</u>	<u>\$ 3,079</u>	<u>\$ 265</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
INDIGENT GUARDIANSHIP  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 4,700	\$ 4,700	\$ 4,500	\$ (200)
Total revenues . . . . .	<u>4,700</u>	<u>4,700</u>	<u>4,500</u>	<u>(200)</u>
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Contractual services . . . . .	4,650	4,650	3,916	734
Total expenditures . . . . .	<u>4,650</u>	<u>4,650</u>	<u>3,916</u>	<u>734</u>
Net change in fund balance. . . . .	50	50	584	534
<b>Fund balance at beginning of year . . . . .</b>	<u>3,431</u>	<u>3,431</u>	<u>3,431</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 3,481</u>	<u>\$ 3,481</u>	<u>\$ 4,015</u>	<u>\$ 534</u>



**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PROBATE AND JUVENILE SPECIAL PROJECTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 2,500	\$ 2,500	\$ 2,480	\$ (20)
Total revenues . . . . .	<u>2,500</u>	<u>2,500</u>	<u>2,480</u>	<u>(20)</u>
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Other. . . . .	3,000	3,000	-	3,000
Total expenditures . . . . .	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Net change in fund balance. . . . .	(500)	(500)	2,480	2,980
<b>Fund balance at beginning of year . . . . .</b>	<u>11,819</u>	<u>11,819</u>	<u>11,819</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 11,319</u>	<u>\$ 11,319</u>	<u>\$ 14,299</u>	<u>\$ 2,980</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COMMON PLEAS SPECIAL PROJECTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 120,000	\$ 120,000	\$ 159,651	\$ 39,651
Total revenues . . . . .	<u>120,000</u>	<u>120,000</u>	<u>159,651</u>	<u>39,651</u>
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Other. . . . .	120,602	120,644	32,460	88,184
Total expenditures. . . . .	<u>120,602</u>	<u>120,644</u>	<u>32,460</u>	<u>88,184</u>
Net change in fund balance. . . . .	(602)	(644)	127,191	127,835
<b>Fund balance at beginning of year . . . . .</b>	91,329	91,329	91,329	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>602</u>	<u>602</u>	<u>602</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 91,329</u>	<u>\$ 91,287</u>	<u>\$ 219,122</u>	<u>\$ 127,835</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CLERK OF COURTS COMPUTERIZATION  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 15,000	\$ 15,000	\$ 16,142	\$ 1,142
Total revenues . . . . .	<u>15,000</u>	<u>15,000</u>	<u>16,142</u>	<u>1,142</u>
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Contractual services . . . . .	2,340	2,340	2,340	-
Capital outlay . . . . .	<u>13,678</u>	<u>14,696</u>	<u>9,844</u>	<u>4,852</u>
Total expenditures. . . . .	<u>16,018</u>	<u>17,036</u>	<u>12,184</u>	<u>4,852</u>
Net change in fund balance. . . . .	(1,018)	(2,036)	3,958	5,994
<b>Fund balance at beginning of year . . . . .</b>	14,289	14,289	14,289	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>1,018</u>	<u>1,018</u>	<u>1,018</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 14,289</u>	<u>\$ 13,271</u>	<u>\$ 19,265</u>	<u>\$ 5,994</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PROBATE AND JUVENILE COURT COMPUTER  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 9,800	\$ 9,800	\$ 8,755	\$ (1,045)
Total revenues . . . . .	<u>9,800</u>	<u>9,800</u>	<u>8,755</u>	<u>(1,045)</u>
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Other . . . . .	10,000	10,000	5,864	4,136
Total expenditures . . . . .	<u>10,000</u>	<u>10,000</u>	<u>5,864</u>	<u>4,136</u>
Net change in fund balance. . . . .	(200)	(200)	2,891	3,091
<b>Fund balance at beginning of year . . . . .</b>	<u>22,677</u>	<u>22,677</u>	<u>22,677</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 22,477</u>	<u>\$ 22,477</u>	<u>\$ 25,568</u>	<u>\$ 3,091</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PROBATE AND JUVENILE COURT COMPUTER RESEARCH  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services. . . . .	\$ 2,000	\$ 2,000	\$ 1,842	\$ (158)
Total revenues . . . . .	<u>2,000</u>	<u>2,000</u>	<u>1,842</u>	<u>(158)</u>
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Other . . . . .	5,000	5,000	-	5,000
Total expenditures. . . . .	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Net change in fund balance. . . . .	(3,000)	(3,000)	1,842	4,842
<b>Fund balance at beginning of year . . . . .</b>	<u>3,863</u>	<u>3,863</u>	<u>3,863</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 863</u>	<u>\$ 863</u>	<u>\$ 5,705</u>	<u>\$ 4,842</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
JUVENILE COURT INDIGENT OFFENDERS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 500	\$ 500	\$ 450	\$ (50)
Total revenues . . . . .	<u>500</u>	<u>500</u>	<u>450</u>	<u>(50)</u>
Net change in fund balance. . . . .	500	500	450	(50)
<b>Fund balance at beginning of year . . . . .</b>	<u>1,333</u>	<u>1,333</u>	<u>1,333</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u><u>\$ 1,833</u></u>	<u><u>\$ 1,833</u></u>	<u><u>\$ 1,783</u></u>	<u><u>\$ (50)</u></u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CERTIFICATE TITLE ADMINISTRATION  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 170,000	\$ 170,000	\$ 289,186	\$ 119,186
Intergovernmental . . . . .	-	2,240	2,290	50
Total revenues . . . . .	<u>170,000</u>	<u>172,240</u>	<u>291,476</u>	<u>119,236</u>
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Personal services . . . . .	128,611	138,756	134,625	4,131
Materials and supplies . . . . .	7,600	7,600	6,798	802
Contractual services . . . . .	6,700	6,700	6,147	553
Capital outlay . . . . .	1,000	1,000	-	1,000
Other . . . . .	200	200	153	47
Total expenditures . . . . .	<u>144,111</u>	<u>154,256</u>	<u>147,723</u>	<u>6,533</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>25,889</u>	<u>17,984</u>	<u>143,753</u>	<u>125,769</u>
<b>Other financing sources:</b>				
Transfers out . . . . .	-	(25,000)	(25,000)	-
Total other financing sources . . . . .	<u>-</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
Net change in fund balance. . . . .	25,889	(7,016)	118,753	125,769
<b>Fund balance at beginning of year . . . . .</b>	<u>117,766</u>	<u>117,766</u>	<u>117,766</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u><u>\$ 143,655</u></u>	<u><u>\$ 110,750</u></u>	<u><u>\$ 236,519</u></u>	<u><u>\$ 125,769</u></u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DISPUTE RESOLUTION  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 49,000	\$ 49,000	\$ 48,704	\$ (296)
Total revenues . . . . .	49,000	49,000	48,704	(296)
<b>Expenditures:</b>				
Current:				
General government				
Judicial				
Personal services . . . . .	21,072	21,072	21,071	1
Other . . . . .	20,000	20,000	9,019	10,981
Total expenditures . . . . .	41,072	41,072	30,090	10,982
Net change in fund balance. . . . .	7,928	7,928	18,614	10,686
<b>Fund balance at beginning of year . . . . .</b>	71,482	71,482	71,482	-
<b>Prior year encumbrances appropriated . . . . .</b>	2,957	2,957	2,957	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 82,367</u>	<u>\$ 82,367</u>	<u>\$ 93,053</u>	<u>\$ 10,686</u>



**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ECONOMIC DEVELOPMENT  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 21,000	\$ 21,000	\$ 16,900	\$ (4,100)
Intergovernmental . . . . .	80,000	80,000	54,046	(25,954)
Total revenues . . . . .	<u>101,000</u>	<u>101,000</u>	<u>70,946</u>	<u>(30,054)</u>
<b>Expenditures:</b>				
Current:				
Economic development				
Materials and supplies . . . . .	97,103	97,632	97,330	302
Total expenditures . . . . .	<u>97,103</u>	<u>97,632</u>	<u>97,330</u>	<u>302</u>
Net change in fund balance. . . . .	3,897	3,368	(26,384)	(29,752)
<b>Fund balance at beginning of year . . . . .</b>	<u>52,544</u>	<u>52,544</u>	<u>52,544</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 56,441</u>	<u>\$ 55,912</u>	<u>\$ 26,160</u>	<u>\$ (29,752)</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CONVENTION AND TOURIST BUREAU  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 130,000	\$ 130,000	\$ 109,528	\$ (20,472)
Total revenues . . . . .	130,000	130,000	109,528	(20,472)
<b>Expenditures:</b>				
Current:				
Economic development				
Contractual services . . . . .	\$ 130,000	90,000	90,000	-
Total expenditures . . . . .	130,000	90,000	90,000	-
Net change in fund balance. . . . .	-	40,000	19,528	(20,472)
<b>Fund balance at beginning of year . . . . .</b>	<b>201,686</b>	<b>201,686</b>	<b>201,686</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 201,686</b>	<b>\$ 241,686</b>	<b>\$ 221,214</b>	<b>\$ (20,472)</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DUI  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 700	\$ 700	\$ 600	\$ (100)
Fines and forfeitures . . . . .	300	300	458	158
Total revenues . . . . .	<u>1,000</u>	<u>1,000</u>	<u>1,058</u>	<u>58</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services . . . . .	7,445	7,445	1,117	6,328
Materials and supplies. . . . .	381	381	-	381
Total expenditures . . . . .	<u>7,826</u>	<u>7,826</u>	<u>1,117</u>	<u>6,709</u>
Net change in fund balance. . . . .	(6,826)	(6,826)	(59)	6,767
<b>Fund balance at beginning of year . . . . .</b>	<u>6,826</u>	<u>6,826</u>	<u>6,826</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,767</u>	<u>\$ 6,767</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FORFEITURES  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Expenditures:</b>				
Current:				
Public safety				
Fines and forfeitures. . . . .	\$ 5,799	\$ 5,799	\$ -	\$ 5,799
Total expenditures . . . . .	5,799	5,799	-	5,799
Net change in fund balance. . . . .	(5,799)	(5,799)	-	5,799
<b>Fund balance at beginning of year . . . . .</b>	<b>5,799</b>	<b>5,799</b>	<b>5,799</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,799</b>	<b>\$ 5,799</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SHERIFF CCW ROTARY  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 9,000	\$ 9,000	\$ 7,784	\$ (1,216)
Licenses and permits . . . . .	14,000	14,000	11,916	(2,084)
Total revenues. . . . .	<u>23,000</u>	<u>23,000</u>	<u>19,700</u>	<u>(3,300)</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Materials and supplies . . . . .	4,000	4,000	643	3,357
Contractual services . . . . .	18,142	18,142	8,841	9,301
Other. . . . .	15,000	15,000	-	15,000
Total expenditures . . . . .	<u>37,142</u>	<u>37,142</u>	<u>9,484</u>	<u>27,658</u>
Net change in fund balance. . . . .	(14,142)	(14,142)	10,216	24,358
<b>Fund balance at beginning of year . . . . .</b>	<u>30,875</u>	<u>30,875</u>	<u>30,875</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 16,733</u>	<u>\$ 16,733</u>	<u>\$ 41,091</u>	<u>\$ 24,358</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
LAW ENFORCEMENT GRANTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 1,300	\$ 39,946	\$ 40,753	\$ 807
Total revenues . . . . .	<u>1,300</u>	<u>39,946</u>	<u>40,753</u>	<u>807</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services . . . . .	45,709	61,304	51,269	10,035
Materials and supplies . . . . .	9,303	10,618	1,946	8,672
Contractual services. . . . .	10,278	11,153	4,950	6,203
Capital outlay . . . . .	1,600	725	-	725
Other . . . . .	407	407	250	157
Total expenditures . . . . .	<u>67,297</u>	<u>84,207</u>	<u>58,415</u>	<u>25,792</u>
Excess of expenditures over revenues . . . . .	<u>(65,997)</u>	<u>(44,261)</u>	<u>(17,662)</u>	<u>26,599</u>
<b>Other financing sources:</b>				
Transfer in . . . . .	-	52,947	52,947	-
Total other financing sources. . . . .	<u>-</u>	<u>52,947</u>	<u>52,947</u>	<u>-</u>
Net change in fund balance. . . . .	(65,997)	8,686	35,285	26,599
<b>Fund balance at beginning of year . . . . .</b>	38,941	38,941	38,941	-
<b>Prior year encumbrances appropriated . . . . .</b>	157	157	157	-
<b>Fund balance (deficit) at end of year. . . . .</b>	<u>\$ (26,899)</u>	<u>\$ 47,784</u>	<u>\$ 74,383</u>	<u>\$ 26,599</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SHERIFF POLICING ROTARY  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 70,000	\$ 70,000	\$ 40,991	\$ (29,009)
Intergovernmental . . . . .	4,500	4,500	12,410	7,910
Other . . . . .	10,000	10,000	7,286	(2,714)
Total revenues . . . . .	<u>84,500</u>	<u>84,500</u>	<u>60,687</u>	<u>(23,813)</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services . . . . .	7,995	7,995	3,083	4,912
Materials and supplies. . . . .	8,000	8,000	641	7,359
Contractual services. . . . .	97,000	97,000	35,819	61,181
Capital outlay . . . . .	54,059	54,059	13,523	40,536
Other . . . . .	5,000	5,000	-	5,000
Total expenditures . . . . .	<u>172,054</u>	<u>172,054</u>	<u>53,066</u>	<u>118,988</u>
Net change in fund balance. . . . .	(87,554)	(87,554)	7,621	95,175
<b>Fund balance at beginning of year . . . . .</b>	<u>90,223</u>	<u>90,223</u>	<u>90,223</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 2,669</u>	<u>\$ 2,669</u>	<u>\$ 97,844</u>	<u>\$ 95,175</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DARE COMMUNITY EDUCATION  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 1,882	\$ 2,636	\$ 2,636	\$ -
Charges for services . . . . .	18,033	25,254	25,254	-
Donations . . . . .	-	-	5,638	5,638
Other . . . . .	12,140	17,000	1,690	(15,310)
Total revenues. . . . .	<u>32,055</u>	<u>44,890</u>	<u>35,218</u>	<u>(9,672)</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services . . . . .	19,750	19,750	19,750	-
Materials and supplies . . . . .	11,125	11,125	8,974	2,151
Contractual services . . . . .	8,912	8,912	230	8,682
Capital outlay . . . . .	12,081	12,081	2,385	9,696
Other . . . . .	31,439	31,439	11,292	20,147
Total expenditures. . . . .	<u>83,307</u>	<u>83,307</u>	<u>42,631</u>	<u>40,676</u>
Net change in fund balance. . . . .	(51,252)	(38,417)	(7,413)	31,004
<b>Fund balance at beginning of year . . . . .</b>	<u>41,053</u>	<u>41,053</u>	<u>41,053</u>	<u>-</u>
<b>Fund balance (deficit) at end of year. . . . .</b>	<u>\$ (10,199)</u>	<u>\$ 2,636</u>	<u>\$ 33,640</u>	<u>\$ 31,004</u>



**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
YOUTH SERVICES SUBSIDY  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 200,000	\$ 200,000	\$ 225,735	\$ 25,735
Total revenues . . . . .	<u>200,000</u>	<u>200,000</u>	<u>225,735</u>	<u>25,735</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services. . . . .	124,103	157,493	139,061	18,432
Contractual services . . . . .	70,000	36,829	26,548	10,281
Capital outlay . . . . .	1,500	1,500	-	1,500
Other . . . . .	8,775	8,556	7,101	1,455
Total expenditures . . . . .	<u>204,378</u>	<u>204,378</u>	<u>172,710</u>	<u>31,668</u>
Net change in fund balance. . . . .	(4,378)	(4,378)	53,025	57,403
<b>Fund balance at beginning of year . . . . .</b>	<u>53,787</u>	<u>53,787</u>	<u>53,787</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 49,409</u>	<u>\$ 49,409</u>	<u>\$ 106,812</u>	<u>\$ 57,403</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
9-1-1 EMERGENCY  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Property taxes . . . . .	\$ 719,073	\$ 719,073	\$ 770,665	\$ 51,592
Intergovernmental . . . . .	471,879	471,879	345,037	(126,842)
Other . . . . .	-	-	17,325	17,325
Total revenues . . . . .	<u>1,190,952</u>	<u>1,190,952</u>	<u>1,133,027</u>	<u>(57,925)</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services . . . . .	1,024,452	1,024,452	893,593	130,859
Materials and supplies . . . . .	7,200	7,200	4,315	2,885
Contractual services . . . . .	227,777	227,777	158,045	69,732
Capital outlay . . . . .	525,646	525,646	259,094	266,552
Other . . . . .	22,500	22,500	2,311	20,189
Total expenditures . . . . .	<u>1,807,575</u>	<u>1,807,575</u>	<u>1,317,358</u>	<u>490,217</u>
Net change in fund balance . . . . .	(616,623)	(616,623)	(184,331)	432,292
<b>Fund balance at beginning of year . . . . .</b>	<u>1,360,257</u>	<u>1,360,257</u>	<u>1,360,257</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 743,634</u>	<u>\$ 743,634</u>	<u>\$ 1,175,926</u>	<u>\$ 432,292</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
LOCAL EMERGENCY PLANNING  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 15,800	\$ 15,800	\$ 15,749	\$ (51)
Total revenues. . . . .	<u>15,800</u>	<u>15,800</u>	<u>15,749</u>	<u>(51)</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services. . . . .	5,691	5,691	5,678	13
Materials and supplies . . . . .	1,545	1,545	48	1,497
Contractual services . . . . .	1,545	1,545	160	1,385
Capital outlay . . . . .	25,000	25,000	-	25,000
Other. . . . .	7,000	7,000	2,555	4,445
Total expenditures . . . . .	<u>40,781</u>	<u>40,781</u>	<u>8,441</u>	<u>32,340</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(24,981)</u>	<u>(24,981)</u>	<u>7,308</u>	<u>32,289</u>
<b>Other financing uses :</b>				
Transfers out . . . . .	(11,615)	(11,615)	-	11,615
Total other financing uses . . . . .	<u>(11,615)</u>	<u>(11,615)</u>	<u>-</u>	<u>11,615</u>
Net change in fund balance. . . . .	(36,596)	(36,596)	7,308	43,904
<b>Fund balance at beginning of year . . . . .</b>	<u>58,398</u>	<u>58,398</u>	<u>58,398</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 21,802</u>	<u>\$ 21,802</u>	<u>\$ 65,706</u>	<u>\$ 43,904</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
JUVENILE TOBACCO  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Fund balance at beginning of year . . . . .</b>	<u>\$ 455</u>	<u>\$ 455</u>	<u>\$ 455</u>	<u>\$ -</u>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ 455</u></u>	<u><u>\$ 455</u></u>	<u><u>\$ 455</u></u>	<u><u>\$ -</u></u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
LAW ENFORCEMENT MEMORIAL  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Expenditures:</b>				
Current:				
Public safety				
Contractual services. . . . .	\$ 297	\$ 297	\$ 10	\$ 287
Total expenditures . . . . .	<u>297</u>	<u>297</u>	<u>10</u>	<u>287</u>
Net change in fund balance. . . . .	(297)	(297)	(10)	287
<b>Fund balance at beginning of year . . . . .</b>	<u>297</u>	<u>297</u>	<u>297</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 287</u>	<u>\$ 287</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
JUVENILE SPECIAL PROJECTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 11,200	\$ 11,200	\$ 9,360	\$ (1,840)
Intergovernmental . . . . .	20,000	20,000	24,335	4,335
Total revenues . . . . .	<u>31,200</u>	<u>31,200</u>	<u>33,695</u>	<u>2,495</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services. . . . .	20,000	25,752	21,286	4,466
Other. . . . .	9,500	9,158	1,162	7,996
Total expenditures . . . . .	<u>29,500</u>	<u>34,910</u>	<u>22,448</u>	<u>12,462</u>
Net change in fund balance . . . . .	1,700	(3,710)	11,247	14,957
<b>Fund balance at beginning of year . . . . .</b>	<u>27,460</u>	<u>27,460</u>	<u>27,460</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 29,160</u>	<u>\$ 23,750</u>	<u>\$ 38,707</u>	<u>\$ 14,957</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
VOCA GRANT  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 24,260	\$ 116,665	\$ 120,206	\$ 3,541
Other . . . . .	284	1,368	1,368	-
Total revenues. . . . .	<u>24,544</u>	<u>118,033</u>	<u>121,574</u>	<u>3,541</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services. . . . .	76,000	93,920	93,671	249
Materials and supplies . . . . .	4,383	2,626	1,643	983
Contractual services . . . . .	17,550	13,466	13,416	50
Capital outlay . . . . .	520	2,509	1,989	520
Other . . . . .	26,195	26,084	14,427	11,657
Total expenditures . . . . .	<u>124,648</u>	<u>138,605</u>	<u>125,146</u>	<u>13,459</u>
Excess of expenditures over revenues . . . . .	<u>(100,104)</u>	<u>(20,572)</u>	<u>(3,572)</u>	<u>17,000</u>
<b>Other financing sources:</b>				
Advance in . . . . .	-	4,285	15,030	10,745
Advance out. . . . .	-	(4,285)	(15,030)	(10,745)
Total other financing sources. . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance. . . . .	<u>(100,104)</u>	<u>(20,572)</u>	<u>(3,572)</u>	<u>17,000</u>
<b>Fund balance at beginning of year . . . . .</b>	<b>18,337</b>	<b>18,337</b>	<b>18,337</b>	<b>-</b>
<b>Prior year encumbrances appropriated. . . . .</b>	<b><u>1,248</u></b>	<b><u>1,248</u></b>	<b><u>1,248</u></b>	<b><u>-</u></b>
<b>Fund balance (deficit) at end of year . . . . .</b>	<b><u>\$ (80,519)</u></b>	<b><u>\$ (987)</u></b>	<b><u>\$ 16,013</u></b>	<b><u>\$ 17,000</u></b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
VAWA GRANT  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 835	\$ 52,503	\$ 49,736	\$ (2,767)
Total revenues . . . . .	835	52,503	49,736	(2,767)
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services. . . . .	35,700	35,700	31,139	4,561
Materials and supplies . . . . .	2,235	2,221	2,221	-
Contractual services . . . . .	-	537	537	-
Capital outlay . . . . .	2,300	1,763	1,460	303
Other . . . . .	3,937	3,890	284	3,606
Total expenditures . . . . .	44,172	44,111	35,641	8,470
Net change in fund balance. . . . .	(43,337)	8,392	14,095	5,703
<b>Fund balance at beginning of year . . . . .</b>	4,273	4,273	4,273	-
<b>Prior year encumbrances appropriated . . . . .</b>	372	372	372	-
<b>Fund balance (deficit) at end of year. . . . .</b>	<u>\$ (38,692)</u>	<u>\$ 13,037</u>	<u>\$ 18,740</u>	<u>\$ 5,703</u>



**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
VOCA STIMULUS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 51,368	\$ 67,837	\$ 67,837	\$ -
Total revenues . . . . .	<u>51,368</u>	<u>67,837</u>	<u>67,837</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services. . . . .	55,890	58,953	58,953	-
Contractual services . . . . .	9,405	9,405	9,405	-
Total expenditures. . . . .	<u>65,295</u>	<u>68,358</u>	<u>68,358</u>	<u>-</u>
Excess of revenues over expenditures . . . . .	<u>(13,927)</u>	<u>(521)</u>	<u>(521)</u>	<u>-</u>
<b>Other financing sources :</b>				
Advance in . . . . .	-	-	15,030	15,030
Advance out . . . . .	-	-	(15,030)	(15,030)
Total other financing sources . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance. . . . .	<u>(13,927)</u>	<u>(521)</u>	<u>(521)</u>	<u>-</u>
<b>Fund balance at beginning of year . . . . .</b>	<u>521</u>	<u>521</u>	<u>521</u>	<u>-</u>
<b>Fund balance (deficit) at end of year . . . . .</b>	<u>\$ (13,406)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ROAD AND BRIDGE  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 45,000	\$ 45,000	\$ 48,869	\$ 3,869
Total revenues . . . . .	<u>45,000</u>	<u>45,000</u>	<u>48,869</u>	<u>3,869</u>
<b>Expenditures:</b>				
Current:				
Public works				
Personal services . . . . .	58,000	58,000	53,874	4,126
Capital outlay. . . . .	35,000	35,000	24,203	10,797
Total expenditures . . . . .	<u>93,000</u>	<u>93,000</u>	<u>78,077</u>	<u>14,923</u>
Net change in fund balance. . . . .	(48,000)	(48,000)	(29,208)	18,792
<b>Fund balance at beginning of year. . . . .</b>	<u>56,233</u>	<u>56,233</u>	<u>56,233</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 8,233</u>	<u>\$ 8,233</u>	<u>\$ 27,025</u>	<u>\$ 18,792</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DITCH ROTARY  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Other . . . . .	\$ 139,361	\$ 139,361	\$ 6,275	\$ (133,086)
Total revenues. . . . .	<u>139,361</u>	<u>139,361</u>	<u>6,275</u>	<u>(133,086)</u>
<b>Expenditures:</b>				
Current:				
Public works				
Personal services. . . . .	19,961	19,961	12,226	7,735
Materials and supplies . . . . .	6,000	3,345	1,183	2,162
Capital outlay. . . . .	12,000	12,000	8,577	3,423
Other. . . . .	7,200	9,854	7,183	2,671
Total expenditures . . . . .	<u>45,161</u>	<u>45,160</u>	<u>29,169</u>	<u>15,991</u>
Net change in fund balance. . . . .	94,200	94,201	(22,894)	(117,095)
<b>Fund balance at beginning of year . . . . .</b>	<u>33,139</u>	<u>33,139</u>	<u>33,139</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 127,339</u>	<u>\$ 127,340</u>	<u>\$ 10,245</u>	<u>\$ (117,095)</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DITCH MAINTENANCE  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Special assessments . . . . .	\$ 97,276	\$ 97,276	\$ 104,352	\$ 7,076
Total revenues . . . . .	97,276	97,276	104,352	7,076
<b>Expenditures:</b>				
Current:				
Public works				
Contractual services . . . . .	300,158	300,158	81,172	218,986
Total expenditures. . . . .	300,158	300,158	81,172	218,986
Net change in fund balance . . . . .	(202,882)	(202,882)	23,180	226,062
<b>Fund balance at beginning of year . . . . .</b>	<b>274,044</b>	<b>274,044</b>	<b>274,044</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 71,162</b>	<b>\$ 71,162</b>	<b>\$ 297,224</b>	<b>\$ 226,062</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DOG AND KENNEL  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Licenses and permits . . . . .	\$ 100,000	\$ 100,000	\$ 131,674	\$ 31,674
Fines and forfeitures . . . . .	6,000	6,000	12,500	6,500
Contributions and donations . . . . .	1,500	1,500	2,195	695
Other . . . . .	-	-	10	10
Total revenues . . . . .	<u>107,500</u>	<u>107,500</u>	<u>146,379</u>	<u>38,879</u>
<b>Expenditures:</b>				
Current:				
Health				
Personal services. . . . .	96,707	95,708	63,210	32,498
Materials and supplies . . . . .	6,856	7,056	6,360	696
Contractual services . . . . .	8,634	9,433	6,031	3,402
Other . . . . .	2,180	2,180	1,845	335
Total expenditures . . . . .	<u>114,377</u>	<u>114,377</u>	<u>77,446</u>	<u>36,931</u>
Net change in fund balance . . . . .	(6,877)	(6,877)	68,933	75,810
<b>Fund balance at beginning of year . . . . .</b>	<u>91,282</u>	<u>91,282</u>	<u>91,282</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 84,405</u>	<u>\$ 84,405</u>	<u>\$ 160,215</u>	<u>\$ 75,810</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ADAMH  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Property taxes . . . . .	\$ 524,884	\$ 524,884	\$ 546,693	\$ 21,809
Intergovernmental. . . . .	1,848,116	1,914,555	2,046,920	132,365
Rental income. . . . .	60,000	60,000	11,550	(48,450)
Other. . . . .	60,500	60,500	65,011	4,511
Total revenues . . . . .	<u>2,493,500</u>	<u>2,559,939</u>	<u>2,670,174</u>	<u>110,235</u>
<b>Expenditures:</b>				
Current:				
Health				
Personal services. . . . .	308,166	333,966	312,171	21,795
Materials and supplies . . . . .	5,500	5,850	4,990	860
Contractual services . . . . .	2,239,222	2,279,972	2,116,790	163,182
Capital outlay . . . . .	2,000	2,000	204	1,796
Other. . . . .	17,500	17,600	6,353	11,247
Debt service:				
Principal retirement. . . . .	21,978	21,978	21,794	184
Interest and fiscal charges . . . . .	1,800	1,950	314	1,636
Total expenditures . . . . .	<u>2,596,166</u>	<u>2,663,316</u>	<u>2,462,616</u>	<u>200,700</u>
Excess of expenditures over revenues . . . . .	<u>(102,666)</u>	<u>(103,377)</u>	<u>207,558</u>	<u>310,935</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	24,000	24,000	-	(24,000)
Transfers out. . . . .	(51,000)	(51,000)	-	51,000
Total other financing sources (uses). . . . .	<u>(27,000)</u>	<u>(27,000)</u>	<u>-</u>	<u>27,000</u>
Net change in fund balance. . . . .	(129,666)	(130,377)	207,558	337,935
<b>Fund balance at beginning of year . . . . .</b>	<u>403,004</u>	<u>403,004</u>	<u>403,004</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 273,338</u>	<u>\$ 272,627</u>	<u>\$ 610,562</u>	<u>\$ 337,935</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PRESCHOOL GRANT  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 18,670	\$ 18,670	\$ 20,535	\$ 1,865
Total revenues . . . . .	<u>18,670</u>	<u>18,670</u>	<u>20,535</u>	<u>1,865</u>
<b>Expenditures:</b>				
Current:				
Health				
Contractual services . . . . .	20,547	20,547	19,106	1,441
Total expenditures. . . . .	<u>20,547</u>	<u>20,547</u>	<u>19,106</u>	<u>1,441</u>
Net change in fund balance. . . . .	(1,877)	(1,877)	1,429	3,306
<b>Fund balance at beginning of year . . . . .</b>	<u>21,810</u>	<u>21,810</u>	<u>21,810</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 19,933</u>	<u>\$ 19,933</u>	<u>\$ 23,239</u>	<u>\$ 3,306</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COMMUNITY SUPPORT SERVICES  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 330,000	\$ 330,000	\$ 293,196	\$ (36,804)
Rental income . . . . .	70,000	70,000	39,425	(30,575)
Total revenues . . . . .	<u>400,000</u>	<u>400,000</u>	<u>332,621</u>	<u>(67,379)</u>
<b>Expenditures:</b>				
Current:				
Health				
Contractual services . . . . .	378,000	378,000	342,137	35,863
Capital outlay. . . . .	8,000	8,000	2,548	5,452
Other. . . . .	<u>4,000</u>	<u>4,000</u>	<u>1,189</u>	<u>2,811</u>
Total expenditures . . . . .	<u>390,000</u>	<u>390,000</u>	<u>345,874</u>	<u>44,126</u>
Net change in fund balance. . . . .	10,000	10,000	(13,253)	(23,253)
<b>Fund balance at beginning of year. . . . .</b>	<u>54,694</u>	<u>54,694</u>	<u>54,694</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 64,694</u>	<u>\$ 64,694</u>	<u>\$ 41,441</u>	<u>\$ (23,253)</u>



**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PUBLIC ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 3,294,206	\$ 2,977,008	\$ 2,623,941	\$ (353,067)
Other . . . . .	113,000	136,000	162,611	26,611
Total revenues . . . . .	<u>3,407,206</u>	<u>3,113,008</u>	<u>2,786,552</u>	<u>(326,456)</u>
<b>Expenditures:</b>				
Current:				
General government				
Legislative and executive				
DJFS				
Personal services . . . . .	1,107,710	1,120,652	1,092,914	27,738
Materials and supplies . . . . .	34,000	31,500	26,141	5,359
Contractual services. . . . .	526,500	608,600	572,310	36,290
Capital outlay . . . . .	10,000	14,500	12,727	1,773
Other. . . . .	121,000	121,000	86,586	34,414
Total legislative and executive . . . . .	<u>1,799,210</u>	<u>1,896,252</u>	<u>1,790,678</u>	<u>105,574</u>
Human services				
Public social services				
Personal services . . . . .	705,871	705,871	699,298	6,573
Materials and supplies . . . . .	1,000	-	-	-
Contractual services. . . . .	570,000	470,000	372,664	97,336
Capital outlay . . . . .	1,000	-	-	-
Other. . . . .	100,000	105,000	83,814	21,186
Total human services . . . . .	<u>1,377,871</u>	<u>1,280,871</u>	<u>1,155,776</u>	<u>125,095</u>
Total expenditures . . . . .	<u>3,177,081</u>	<u>3,177,123</u>	<u>2,946,454</u>	<u>230,669</u>
Net change in fund balance. . . . .	230,125	(64,115)	(159,902)	(95,787)
<b>Fund balance at beginning of year. . . . .</b>	<u>217,146</u>	<u>217,146</u>	<u>217,146</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 447,271</u>	<u>\$ 153,031</u>	<u>\$ 57,244</u>	<u>\$ (95,787)</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COORDINATION TRANSPORTATION  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 575,000	\$ 575,000	\$ 654,709	\$ 79,709
Intergovernmental . . . . .	128,135	128,135	196,516	68,381
Other . . . . .	-	-	55	55
Total revenues . . . . .	<u>703,135</u>	<u>703,135</u>	<u>851,280</u>	<u>148,145</u>
<b>Expenditures:</b>				
Current:				
Human services				
Personal services . . . . .	569,200	585,092	582,776	2,316
Materials and supplies . . . . .	5,000	3,000	1,793	1,207
Contractual services . . . . .	85,500	81,202	80,892	310
Capital outlay . . . . .	15,000	2,564	2,564	-
Other . . . . .	101,000	115,843	115,082	761
Total expenditures . . . . .	<u>775,700</u>	<u>787,701</u>	<u>783,107</u>	<u>4,594</u>
Net change in fund balance. . . . .	(72,565)	(84,566)	68,173	152,739
<b>Fund balance at beginning of year . . . . .</b>	<u>174,637</u>	<u>174,637</u>	<u>174,637</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 102,072</u>	<u>\$ 90,071</u>	<u>\$ 242,810</u>	<u>\$ 152,739</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CHILD SUPPORT ENFORCEMENT AGENCY  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 152,500	\$ 152,500	\$ 155,604	\$ 3,104
Intergovernmental . . . . .	598,000	598,000	681,477	83,477
Other . . . . .	15,000	15,000	5,040	(9,960)
Total revenues. . . . .	<u>765,500</u>	<u>765,500</u>	<u>842,121</u>	<u>76,621</u>
<b>Expenditures:</b>				
Current:				
Human services				
Personal services. . . . .	371,440	414,111	409,508	4,603
Materials and supplies . . . . .	4,000	2,200	1,863	337
Contractual services . . . . .	330,000	418,900	413,127	5,773
Capital outlay . . . . .	-	1,800	1,794	6
Other. . . . .	18,800	10,900	10,767	133
Total expenditures. . . . .	<u>724,240</u>	<u>847,911</u>	<u>837,059</u>	<u>10,852</u>
Net change in fund balance . . . . .	41,260	(82,411)	5,062	87,473
<b>Fund balance at beginning of year . . . . .</b>	<u>131,758</u>	<u>131,758</u>	<u>131,758</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 173,018</u>	<u>\$ 49,347</u>	<u>\$ 136,820</u>	<u>\$ 87,473</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CHILDREN SERVICES  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 1,262,448	\$ 1,262,448	\$ 1,213,473	\$ (48,975)
Other . . . . .	62,000	62,000	44,198	(17,802)
Total revenues . . . . .	<u>1,324,448</u>	<u>1,324,448</u>	<u>1,257,671</u>	<u>(66,777)</u>
<b>Expenditures:</b>				
Current:				
Human services				
Materials and supplies. . . . .	1,061	-	-	-
Contractual services. . . . .	1,167,519	1,167,519	1,000,491	167,028
Other. . . . .	126,000	127,111	112,383	14,728
Total expenditures. . . . .	<u>1,294,580</u>	<u>1,294,630</u>	<u>1,112,874</u>	<u>181,756</u>
Net change in fund balance. . . . .	29,868	29,818	144,797	114,979
<b>Fund balance at beginning of year . . . . .</b>	<u>198,681</u>	<u>198,681</u>	<u>198,681</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u><u>\$ 228,549</u></u>	<u><u>\$ 228,499</u></u>	<u><u>\$ 343,478</u></u>	<u><u>\$ 114,979</u></u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ADULT BASIC LITERACY EDUCATION GRANT  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 38,500	\$ 31,000	\$ 30,384	\$ (616)
Total revenues . . . . .	<u>38,500</u>	<u>31,000</u>	<u>30,384</u>	<u>(616)</u>
<b>Expenditures:</b>				
Current:				
Human services				
Contractual services . . . . .	52,988	52,988	52,372	616
Total expenditures . . . . .	<u>52,988</u>	<u>52,988</u>	<u>52,372</u>	<u>616</u>
Net change in fund balance. . . . .	(14,488)	(21,988)	(21,988)	-
<b>Fund balance at beginning of year . . . . .</b>	<u>21,988</u>	<u>21,988</u>	<u>21,988</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 7,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SENIOR SERVICES  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Sales taxes . . . . .	\$ 878,093	\$ 970,000	\$ 937,188	\$ (32,812)
Intergovernmental. . . . .	253,923	280,500	251,456	(29,044)
Other. . . . .	14,484	16,000	27,734	11,734
Total revenues . . . . .	<u>1,146,500</u>	<u>1,266,500</u>	<u>1,216,378</u>	<u>(50,122)</u>
<b>Expenditures:</b>				
Current:				
Human services				
Personal services . . . . .	220,699	241,345	239,227	2,118
Materials and supplies. . . . .	20,000	9,000	8,534	466
Contractual services. . . . .	785,000	1,130,321	1,127,536	2,785
Capital outlay . . . . .	11,752	34,238	32,145	2,093
Other . . . . .	53,216	51,216	49,275	1,941
Total expenditures. . . . .	<u>1,090,667</u>	<u>1,466,120</u>	<u>1,456,717</u>	<u>9,403</u>
Net change in fund balance. . . . .	55,833	(199,620)	(240,339)	(40,719)
<b>Fund balance at beginning of year. . . . .</b>	679,125	679,125	679,125	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>1,752</u>	<u>1,752</u>	<u>1,752</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 736,710</u>	<u>\$ 481,257</u>	<u>\$ 440,538</u>	<u>\$ (40,719)</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
WORKPLACE INVESTMENT ACT  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 492,000	\$ 334,500	\$ 328,183	\$ (6,317)
Total revenues . . . . .	<u>492,000</u>	<u>334,500</u>	<u>328,183</u>	<u>(6,317)</u>
<b>Expenditures:</b>				
Current:				
Human services				
Personal services . . . . .	8,430	3,142	3,143	(1)
Contractual services . . . . .	123,000	121,281	121,281	-
Other . . . . .	144,570	204,507	202,289	2,218
Total expenditures . . . . .	<u>276,000</u>	<u>328,930</u>	<u>326,713</u>	<u>2,217</u>
Net change in fund balance . . . . .	216,000	5,570	1,470	(4,100)
<b>Fund balance at beginning of year . . . . .</b>	<u>10,740</u>	<u>10,740</u>	<u>10,740</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 226,740</u>	<u>\$ 16,310</u>	<u>\$ 12,210</u>	<u>\$ (4,100)</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COLLABORATIVE FAMILY RISK  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 224,000	\$ 224,000	\$ 220,640	\$ (3,360)
Total revenues . . . . .	<u>224,000</u>	<u>224,000</u>	<u>220,640</u>	<u>(3,360)</u>
<b>Expenditures:</b>				
Current:				
Human services . . . . .				
Contractual services . . . . .	124,000	224,000	192,151	31,849
Total expenditures . . . . .	<u>124,000</u>	<u>224,000</u>	<u>192,151</u>	<u>31,849</u>
Net change in fund balance . . . . .	100,000	-	28,489	28,489
<b>Fund balance at beginning of year . . . . .</b>	<u>58,962</u>	<u>58,962</u>	<u>58,962</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 158,962</u>	<u>\$ 58,962</u>	<u>\$ 87,451</u>	<u>\$ 28,489</u>



**UNION COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR DEBT SERVICE FUNDS  
DECEMBER 31, 2010

	<b>Bond Retirement</b>	<b>Sales Tax Debt</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . .	\$ -	\$ 150,973	\$ 150,973
Total assets . . . . .	<u>\$ -</u>	<u>\$ 150,973</u>	<u>\$ 150,973</u>
<b>Fund balances:</b>			
Reserved for debt service . . . . .	\$ -	\$ 150,973	\$ 150,973
Total fund balances . . . . .	<u>-</u>	<u>150,973</u>	<u>150,973</u>
Total liabilities and fund balances . . . . .	<u>\$ -</u>	<u>\$ 150,973</u>	<u>\$ 150,973</u>

# **UNION COUNTY, OHIO**

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR DEBT SERVICE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Bond Retirement</b>	<b>Sales Tax Debt</b>	<b>Total Nonmajor Debt Service Funds</b>
<b>Revenues:</b>			
Other . . . . .	\$ 95,788	\$ -	\$ 95,788
Total revenues . . . . .	95,788	-	95,788
<b>Expenditures:</b>			
Intergovernmental . . . . .	901,601	-	901,601
Debt service:			
Principal retirement. . . . .	685,000	150,000	835,000
Interest and fiscal charges . . . . .	221,701	119,605	341,306
Bond issuance costs . . . . .	18,399	-	18,399
Total expenditures . . . . .	1,826,701	269,605	2,096,306
Excess of expenditures over revenues . . . . .	(1,730,913)	(269,605)	(2,000,518)
<b>Other financing sources:</b>			
Sale of bonds . . . . .	920,000	-	920,000
Transfers in . . . . .	810,913	211,200	1,022,113
Total other financing sources . . . . .	1,730,913	211,200	1,942,113
Net change in fund balance. . . . .	-	(58,405)	(58,405)
<b>Fund balance at beginning of year . . . . .</b>	<b>-</b>	<b>209,378</b>	<b>209,378</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ -</b>	<b>\$ 150,973</b>	<b>\$ 150,973</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
BOND RETIREMENT  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Expenditures:</b>				
Current:				
Intergovernmental	\$ -	\$ -	901,601	\$ (901,601)
Debt service:				
Principal retirement . . . . .	685,000	685,000	685,000	-
Interest and fiscal charges . . . . .	30,789	221,701	221,701	-
Bond issuance costs. . . . .	-	-	18,399	(18,399)
Total expenditures. . . . .	<u>715,789</u>	<u>906,701</u>	<u>1,826,701</u>	<u>(920,000)</u>
Excess of expenditures over revenues . . . . .	<u>(715,789)</u>	<u>(906,701)</u>	<u>(1,826,701)</u>	<u>(920,000)</u>
<b>Other financing sources:</b>				
Sale of bonds. . . . .	-	-	920,000	920,000
Transfers in . . . . .	<u>906,701</u>	<u>906,701</u>	<u>906,701</u>	<u>-</u>
Cost of issuance. . . . .	-	-	-	-
Total other financing sources . . . . .	<u>906,701</u>	<u>906,701</u>	<u>1,826,701</u>	<u>920,000</u>
Net change in fund balance. . . . .	190,912	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 190,912</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SALES TAX DEBT  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Expenditures:</b>				
Debt service:				
Principal retirement. . . . .	\$ 150,000	\$ 150,000	\$ 150,000	\$ -
Interest and fiscal charges . . . . .	119,605	119,605	119,605	-
Total expenditures . . . . .	<u>269,605</u>	<u>269,605</u>	<u>269,605</u>	<u>-</u>
Excess of expenditures over revenues . . . . .	<u>(269,605)</u>	<u>(269,605)</u>	<u>(269,605)</u>	<u>-</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	<u>210,000</u>	<u>210,000</u>	<u>211,200</u>	<u>1,200</u>
Total other financing sources . . . . .	<u>210,000</u>	<u>210,000</u>	<u>211,200</u>	<u>1,200</u>
Net change in fund balance. . . . .	(59,605)	(59,605)	(58,405)	1,200
<b>Fund balance at beginning of year. . . . .</b>	<u>209,378</u>	<u>209,378</u>	<u>209,378</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ 149,773</u></u>	<u><u>\$ 149,773</u></u>	<u><u>\$ 150,973</u></u>	<u><u>\$ 1,200</u></u>

**UNION COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS (CONTINUED)  
DECEMBER 31, 2010

	<b>Capital Improvements</b>	<b>ARRA EECBG</b>	<b>Federal Grant and Recapture CDBG</b>	<b>Ditch Equipment Building</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 1,039,178	\$ 326,470	\$ 3,441	\$ 3,081
Cash and cash equivalents in segregated accounts . .	-	-	-	-
Total assets . . . . .	<u>\$ 1,039,178</u>	<u>\$ 326,470</u>	<u>\$ 3,441</u>	<u>\$ 3,081</u>
<b>Liabilities:</b>				
Interfund loans payable . . . . .	\$ -	\$ 285,478	\$ -	\$ -
Total liabilities . . . . .	<u>-</u>	<u>285,478</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>				
Reserved for encumbrances. . . . .	-	258,370	-	-
Unreserved, undesignated, reported in:				
Capital projects funds. . . . .	<u>1,039,178</u>	<u>(217,378)</u>	<u>3,441</u>	<u>3,081</u>
Total fund balances . . . . .	<u>1,039,178</u>	<u>40,992</u>	<u>3,441</u>	<u>3,081</u>
Total liabilities and fund balances . . . . .	<u>\$ 1,039,178</u>	<u>\$ 326,470</u>	<u>\$ 3,441</u>	<u>\$ 3,081</u>

<u>DD Capital</u>	<u>Sheriff's Facility Construction</u>	<u>AG Center</u>	<u>London Ave. Government Building</u>	<u>Boylan and Phelps Ditch</u>	<u>Main Street Building</u>
\$ 1,701	\$ 3,807	\$ 325	\$ 42,396	\$ 30,405	\$ 67,422
-	-	-	269,718	-	-
<u>\$ 1,701</u>	<u>\$ 3,807</u>	<u>\$ 325</u>	<u>\$ 312,114</u>	<u>\$ 30,405</u>	<u>\$ 67,422</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,701</u>	<u>3,807</u>	<u>325</u>	<u>312,114</u>	<u>30,405</u>	<u>67,422</u>
<u>1,701</u>	<u>3,807</u>	<u>325</u>	<u>312,114</u>	<u>30,405</u>	<u>67,422</u>
<u>\$ 1,701</u>	<u>\$ 3,807</u>	<u>\$ 325</u>	<u>\$ 312,114</u>	<u>\$ 30,405</u>	<u>\$ 67,422</u>

- - Continued

**UNION COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS (CONCLUDED)  
DECEMBER 31, 2010

	<b>Lower Green JT Ditch</b>	<b>Capital Swamp Ditch</b>	<b>Capital Project Issue II</b>	<b>Total Nonmajor Capital Project Funds</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 96,174	\$ 12,961	\$ -	\$ 1,627,361
Cash and cash equivalents in segregated accounts. . . . .	-	-	-	269,718
Total assets . . . . .	<u>\$ 96,174</u>	<u>\$ 12,961</u>	<u>\$ -</u>	<u>\$ 1,897,079</u>
<b>Liabilities:</b>				
Interfund loans payable . . . . .	\$ -	\$ -	\$ -	\$ 285,478
Total liabilities . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>285,478</u>
<b>Fund balances:</b>				
Reserved for encumbrances. . . . .	-	-	-	258,370
Unreserved, undesignated, reported in:				
Capital projects funds. . . . .	<u>96,174</u>	<u>12,961</u>	<u>-</u>	<u>1,353,231</u>
Total fund balances . . . . .	<u>96,174</u>	<u>12,961</u>	<u>-</u>	<u>1,611,601</u>
Total liabilities and fund balances . . . . .	<u>\$ 96,174</u>	<u>\$ 12,961</u>	<u>\$ -</u>	<u>\$ 1,897,079</u>

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**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Capital Improvements</b>	<b>ARRA EECBG</b>	<b>Federal Grant and Recapture CDBG</b>	<b>Ditch Equipment Building</b>
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ -	\$ 85,000	\$ 16,000	\$ -
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Total revenues. . . . .	-	85,000	16,000	-
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	-	-	-	-
Capital outlay. . . . .	-	44,008	16,000	-
Total expenditures. . . . .	-	44,008	16,000	-
Net change in fund balance . . . . .	-	40,992	-	-
<b>Fund balance at beginning of year . . . . .</b>	<u>1,039,178</u>	<u>-</u>	<u>3,441</u>	<u>3,081</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,039,178</u>	<u>\$ 40,992</u>	<u>\$ 3,441</u>	<u>\$ 3,081</u>

<b>DD Capital</b>	<b>Sheriff's Facility Construction</b>	<b>AG Center</b>	<b>London Ave. Government Building</b>	<b>Boylan and Phelps Ditch</b>	<b>Main Street Building</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	29,633	-
-	-	-	50	-	1,171
-	-	-	50	29,633	1,171
-	-	-	-	-	15,586
-	-	-	19,260	-	-
-	-	-	19,260	-	15,586
-	-	-	(19,210)	29,633	(14,415)
1,701	3,807	325	331,324	772	81,837
<u>\$ 1,701</u>	<u>\$ 3,807</u>	<u>\$ 325</u>	<u>\$ 312,114</u>	<u>\$ 30,405</u>	<u>\$ 67,422</u>
- - Continued					

**UNION COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Lower Green JT Ditch</b>	<b>Capital Swamp Ditch</b>	<b>Capital Projects Issue II</b>	<b>Total Nonmajor Capital Project Funds</b>
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ -	\$ -	\$ 1,607,045	\$ 1,708,045
Special assessments . . . . .	74,092	12,961	-	116,686
Investment income . . . . .	-	-	-	1,221
Total revenues . . . . .	<u>74,092</u>	<u>12,961</u>	<u>1,607,045</u>	<u>1,825,952</u>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	-	-	-	15,586
Capital outlay. . . . .	<u>-</u>	<u>-</u>	<u>1,607,045</u>	<u>1,686,313</u>
Total expenditures. . . . .	<u>-</u>	<u>-</u>	<u>1,607,045</u>	<u>1,701,899</u>
Net change in fund balance . . . . .	74,092	12,961	-	124,053
<b>Fund balance at beginning of year . . . . .</b>	<u>22,082</u>	<u>-</u>	<u>-</u>	<u>1,487,548</u>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ 96,174</u></u>	<u><u>\$ 12,961</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,611,601</u></u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CAPITAL IMPROVEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balance at beginning of year . . . . .	\$ 1,039,178	\$ 1,039,178	\$ 1,039,178	\$ -
Fund balance at end of year . . . . .	<u>\$ 1,039,178</u>	<u>\$ 1,039,178</u>	<u>\$ 1,039,178</u>	<u>\$ -</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ARRA EECBG  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ -	\$ 399,400	\$ 85,000	\$ (314,400)
Total revenues . . . . .	-	399,400	85,000	(314,400)
<b>Expenditures:</b>				
Capital outlay				
Contractual services . . . . .	-	370,478	302,378	68,100
Total expenditures . . . . .	-	370,478	302,378	68,100
Excess (deficiency) of revenues over (under) expenditures . . . . .	-	28,922	(217,378)	(246,300)
<b>Other financing sources:</b>				
Advances in . . . . .	-	-	285,478	285,478
Total other financing sources . . . . .	-	-	285,478	285,478
Net change in fund balance. . . . .	-	28,922	68,100	39,178
<b>Fund balance at beginning of year. . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ 28,922</u>	<u>\$ 68,100</u>	<u>\$ 39,178</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FEDERAL GRANT FUND AND RECAPTURE CDBG  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ 77,942	\$ 97,000	\$ 16,000	\$ (81,000)
Total revenues . . . . .	<u>77,942</u>	<u>97,000</u>	<u>16,000</u>	<u>(81,000)</u>
<b>Expenditures:</b>				
Other . . . . .	<u>97,000</u>	<u>97,000</u>	<u>16,000</u>	<u>81,000</u>
Total expenditures . . . . .	<u>97,000</u>	<u>97,000</u>	<u>16,000</u>	<u>81,000</u>
Net change in fund balance. . . . .	(19,058)	-	-	-
<b>Fund balance at beginning of year. . . . .</b>	<u>3,441</u>	<u>3,441</u>	<u>3,441</u>	<u>-</u>
<b>Fund balance (deficit) at end of year . . . . .</b>	<u>\$ (15,617)</u>	<u>\$ 3,441</u>	<u>\$ 3,441</u>	<u>\$ -</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DITCH EQUIPMENT BUILDING  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Fund balance at beginning of year . . . . .</b>	\$ 3,081	\$ 3,081	\$ 3,081	\$ -
<b>Fund balance at end of year . . . . .</b>	<u>\$ 3,081</u>	<u>\$ 3,081</u>	<u>\$ 3,081</u>	<u>\$ -</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DD CAPITAL  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Expenditures:</b>				
Current:				
Human services				
Contractual services . . . . .	\$ 12,000	\$ 12,000	\$ -	\$ 12,000
Capital outlay . . . . .	40,000	40,000	-	40,000
Total expenditures. . . . .	<u>52,000</u>	<u>52,000</u>	<u>-</u>	<u>52,000</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	52,000	52,000	-	(52,000)
Total other financing sources . . . . .	<u>52,000</u>	<u>52,000</u>	<u>-</u>	<u>(52,000)</u>
Net change in fund balance. . . . .	-	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	<u>1,700</u>	<u>1,700</u>	<u>1,700</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,700</u>	<u>\$ 1,700</u>	<u>\$ 1,700</u>	<u>\$ -</u>



**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SHERIFF'S FACILITIES CONSTRUCTION  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Fund balance at beginning of year. . . . .</b>	<u>\$ 3,807</u>	<u>\$ 3,807</u>	<u>\$ 3,807</u>	<u>\$ -</u>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ 3,807</u></u>	<u><u>\$ 3,807</u></u>	<u><u>\$ 3,807</u></u>	<u><u>\$ -</u></u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
AG CENTER  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Fund balance at beginning of year . . . . .</b>	<b>\$ 325</b>	<b>\$ 325</b>	<b>\$ 325</b>	<b>\$ -</b>
<b>Fund balance at end of year . . . . .</b>	<b><u>\$ 325</u></b>	<b><u>\$ 325</u></b>	<b><u>\$ 325</u></b>	<b><u>\$ -</u></b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
LONDON AVE. GOVERNMENT BUILDING  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Interest . . . . .	\$ -	\$ -	\$ 51	\$ 51
Total revenues . . . . .	-	-	51	51
<b>Expenditures:</b>				
Capital outlay				
Contractual services . . . . .	60,900	62,850	19,193	43,657
Total expenditures . . . . .	60,900	62,850	19,193	43,657
Net change in fund balance. . . . .	(60,900)	(62,850)	(19,142)	43,708
Fund balance at beginning of year . . . . .	57,634	57,634	57,634	-
Prior year encumbrances appropriated . . . . .	3,900	3,900	3,900	-
Fund balance (deficit) at end of year. . . . .	\$ 634	\$ (1,316)	\$ 42,392	\$ 43,708

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
BOYLAN AND PHELPS DITCH  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Special assessments . . . . .	\$ -	\$ -	\$ 29,633	\$ 29,633
Total revenues . . . . .	-	-	29,633	29,633
Net change in fund balance. . . . .	-	-	29,633	29,633
<b>Fund balance at beginning of year. . . . .</b>	<u>772</u>	<u>772</u>	<u>772</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 772</u>	<u>\$ 772</u>	<u>\$ 30,405</u>	<u>\$ 29,633</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MAIN STREET BUILDING  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Interest. . . . .	\$ -	\$ -	\$ 1,168	\$ 1,168
Total revenues . . . . .	-	-	1,168	1,168
<b>Expenditures:</b>				
Current:				
General government				
Legislative and executive				
Contractual services. . . . .	81,718	81,718	15,586	66,132
Total expenditures . . . . .	81,718	81,718	15,586	66,132
Net change in fund balance. . . . .	(81,718)	(81,718)	(14,418)	67,300
<b>Fund balance at beginning of year . . . . .</b>	<b>81,814</b>	<b>81,814</b>	<b>81,814</b>	<b>-</b>
<b>Fund balance at end of year. . . . .</b>	<b>\$ 96</b>	<b>\$ 96</b>	<b>\$ 67,396</b>	<b>\$ 67,300</b>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
LOWER GREEN JT DITCH  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Special assessments. . . . .	\$ -	\$ -	\$ 74,092	\$ 74,092
Total revenues . . . . .	-	-	74,092	74,092
Net change in fund balance. . . . .	-	-	74,092	74,092
<b>Fund balance at beginning of year. . . . .</b>	22,082	22,082	22,082	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 22,082</u>	<u>\$ 22,082</u>	<u>\$ 96,174</u>	<u>\$ 74,092</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CAPITAL SWAMP DITCH  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Special assessments. . . . .	\$ -	\$ -	\$ 12,961	\$ 12,961
Total revenues . . . . .	-	-	12,961	12,961
Net change in fund balance. . . . .	-	-	12,961	12,961
<b>Fund balance at beginning of year. . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,961</u>	<u>\$ 12,961</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CAPITAL PROJECT ISSUE II  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ -	\$ 1,416,906	\$ 1,416,906	\$ -
Total revenues . . . . .	-	1,416,906	1,416,906	-
<b>Expenditures:</b>				
Capital outlay				
Contractual services . . . . .	-	1,416,906	1,416,906	-
Total expenditures. . . . .	-	1,416,906	1,416,906	-
Net change in fund balance. . . . .	-	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



## **UNION COUNTY, OHIO**

### **INDIVIDUAL FUND SCHEDULES FUND DESCRIPTIONS - PROPRIETARY FUNDS**

#### **ENTERPRISE FUNDS**

The enterprise funds are used to account for the financing of costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis that are financed or recovered primarily through user charges. The following is a description of the enterprise funds:

#### **Major Enterprise Fund**

##### ***Memorial Hospital of Union County***

Although not a legally separate entity, funds are not co-mingled with the County's treasury but consolidated for annual reporting.

#### **Nonmajor Enterprise Funds**

##### ***Sanitary Sewer***

To account for the operations of the sewer collection system within the County.

##### ***Building and Development***

To account for fees collected from the general public for building and construction permits.

# **UNION COUNTY, OHIO**

## COMBINING STATEMENT OF NET ASSETS NONMAJOR PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Sanitary Sewer</b>	<b>Building and Development</b>	<b>Total Nonmajor Proprietary Funds</b>
<b>Assets:</b>			
Current assets:			
Equity in pooled cash and cash equivalents . . . . .	\$ 1,656,035	\$ 109,375	\$ 1,765,410
Receivables (net of allowance for uncollectibles):			
Accounts . . . . .	810	-	810
Prepayments . . . . .	-	145	145
Total current assets . . . . .	<u>1,656,845</u>	<u>109,520</u>	<u>1,766,365</u>
Noncurrent assets:			
Capital assets:			
Land and construction in progress . . . . .	472,044	-	472,044
Depreciable capital assets, net . . . . .	147,616	15,162	162,778
Total noncurrent assets . . . . .	<u>619,660</u>	<u>15,162</u>	<u>634,822</u>
Total assets . . . . .	<u>2,276,505</u>	<u>124,682</u>	<u>2,401,187</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable . . . . .	9,642	1,397	11,039
Contracts payable . . . . .	19,308	-	19,308
Accrued wages and benefits . . . . .	5,592	14,684	20,276
Due to other governments . . . . .	5,868	21,278	27,146
Current portion of compensated absences payable . . . . .	8,707	40,086	48,793
Current portion of OWDA loans . . . . .	25,130	-	25,130
Total current liabilities . . . . .	<u>74,247</u>	<u>77,445</u>	<u>151,692</u>
Long-term liabilities:			
Compensated absences payable . . . . .	1,169	31,070	32,239
OWDA loans payable . . . . .	433,549	-	433,549
Total long-term liabilities . . . . .	<u>434,718</u>	<u>31,070</u>	<u>465,788</u>
Total liabilities . . . . .	<u>508,965</u>	<u>108,515</u>	<u>617,480</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt . . . . .	160,981	15,162	176,143
Unrestricted . . . . .	1,606,559	1,005	1,607,564
Total net assets . . . . .	<u>\$ 1,767,540</u>	<u>\$ 16,167</u>	<u>\$ 1,783,707</u>

# UNION COUNTY, OHIO

## COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS NONMAJOR PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2010

	Sanitary Sewer	Building and Development	Total Nonmajor Proprietary Funds
<b>Operating revenues:</b>			
Charges for services . . . . .	\$ 221,981	\$ 450,644	\$ 672,625
License and permits . . . . .	350	18,706	19,056
Special assessments . . . . .	38,001	-	38,001
Other . . . . .	9,551	26,584	36,135
Total operating revenues . . . . .	269,883	495,934	765,817
<b>Operating expenses:</b>			
Personal services . . . . .	142,637	379,781	522,418
Contract services . . . . .	132,856	71,741	204,597
Materials and supplies . . . . .	21,219	2,874	24,093
Depreciation . . . . .	11,785	8,496	20,281
Other . . . . .	3,498	7,965	11,463
Total operating expenses . . . . .	311,995	470,857	782,852
Operating income (loss) . . . . .	(42,112)	25,077	(17,035)
<b>Nonoperating revenues (expenses):</b>			
Interest revenue. . . . .	25,855	-	25,855
Total nonoperating revenues (expenses). . . . .	25,855	-	25,855
Income before transfers. . . . .	(16,257)	25,077	8,820
Transfers out . . . . .	(2,368)	-	(2,368)
Change in net assets . . . . .	(18,625)	25,077	6,452
<b>Net assets at beginning of year . . . . .</b>	<u>1,786,165</u>	<u>(8,910)</u>	<u>1,777,255</u>
<b>Net assets at end of year. . . . .</b>	<u>\$ 1,767,540</u>	<u>\$ 16,167</u>	<u>\$ 1,783,707</u>

**UNION COUNTY, OHIO**

COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Sanitary Sewer</b>	<b>Building and Development</b>	<b>Total Nonmajor Proprietary Funds</b>
<b>Cash flows from operating activities:</b>			
Cash received from sales/service charges . . . . .	\$ 222,331	\$ 469,764	\$ 692,095
Cash received from special assessments. . . . .	38,001	-	38,001
Cash received from other operating revenue . . . . .	9,551	26,584	36,135
Cash payments for personal services . . . . .	(139,208)	(370,705)	(509,913)
Cash payments for contract services. . . . .	(167,855)	(78,901)	(246,756)
Cash payments for materials and supplies . . . . .	(21,641)	(2,058)	(23,699)
Cash payments for other expenses. . . . .	(3,498)	(9,980)	(13,478)
Net cash provided by (used in) operating activities. . . .	<u>(62,319)</u>	<u>34,704</u>	<u>(27,615)</u>
<b>Cash flows from noncapital financing activities:</b>			
Cash payments for transfers out . . . . .	<u>(2,368)</u>	<u>-</u>	<u>(2,368)</u>
Net cash used in noncapital financing activities. . . . .	<u>(2,368)</u>	<u>-</u>	<u>(2,368)</u>
<b>Cash flows from capital and related financing activities:</b>			
Acquisition of capital assets. . . . .	(66,915)	-	(66,915)
Principal payments on bonds, notes and loans. . . . .	(25,130)	-	(25,130)
Proceeds from loans . . . . .	<u>119,786</u>	<u>-</u>	<u>119,786</u>
Net cash provided by capital and related financing activities . . . . .	<u>27,741</u>	<u>-</u>	<u>27,741</u>
<b>Cash flows from investing activities:</b>			
Interest received . . . . .	<u>25,855</u>	<u>-</u>	<u>25,855</u>
Net cash provided by investing activities . . . . .	<u>25,855</u>	<u>-</u>	<u>25,855</u>
Net increase (decrease) in cash and investments . . . . .	(11,091)	34,704	23,613
<b>Cash and cash equivalents at beginning of year . . . .</b>	<u>1,667,126</u>	<u>74,671</u>	<u>1,741,797</u>
<b>Cash and cash equivalents at end of year . . . . .</b>	<u><u>\$ 1,656,035</u></u>	<u><u>\$ 109,375</u></u>	<u><u>\$ 1,765,410</u></u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss) . . . . .	\$ (42,112)	\$ 25,077	\$ (17,035)
Adjustments:			
Depreciation . . . . .	11,785	8,496	20,281
Changes in assets and liabilities:			
Decrease in prepayments. . . . .	-	10	10
(Decrease) in accounts payable. . . . .	(35,421)	(8,369)	(43,790)
Increase in accrued wages and benefits. . . . .	676	1	677
Increase in due to other governments. . . . .	539	474	1,013
Increase in compensated absences payable. . . . .	<u>2,214</u>	<u>9,015</u>	<u>11,229</u>
Net cash provided by operating activities . . . . .	<u><u>(62,319)</u></u>	<u><u>34,704</u></u>	<u><u>(27,615)</u></u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SANITARY SEWER  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 254,210	\$ 225,000	\$ 221,981	\$ (3,019)
Tap in fees . . . . .	226	200	-	(200)
Licenses and permits . . . . .	452	400	350	(50)
Special assessment . . . . .	47,453	42,000	38,001	(3,999)
Other . . . . .	2,260	2,000	9,551	7,551
Total operating revenues . . . . .	<u>304,600</u>	<u>269,600</u>	<u>269,883</u>	<u>283</u>
<b>Operating expenses:</b>				
Personal services . . . . .	177,999	177,974	139,208	38,766
Materials and supplies . . . . .	44,619	44,199	23,761	20,438
Contractual services . . . . .	595,487	575,921	360,666	215,255
Capital outlay . . . . .	28,400	28,740	11,216	17,524
Principal . . . . .	8,100	30,862	25,130	5,732
Other . . . . .	4,000	6,025	3,498	2,527
Total operating expenses . . . . .	<u>858,605</u>	<u>863,721</u>	<u>563,479</u>	<u>300,242</u>
Operating (loss) . . . . .	(554,005)	(594,121)	(293,596)	300,525
<b>Nonoperating revenues (expenses):</b>				
Interest revenue . . . . .	40,900	36,200	25,493	(10,707)
Intergovernmental . . . . .	125,163	110,781	131,863	21,082
Transfers out . . . . .	-	(552,368)	(2,368)	550,000
Total nonoperating revenues (expenses):	<u>166,063</u>	<u>(405,387)</u>	<u>154,988</u>	<u>560,375</u>
Net loss . . . . .	(387,942)	(999,508)	(138,608)	860,900
<b>Fund equity at beginning of year. . . . .</b>	<u>1,659,402</u>	<u>1,659,402</u>	<u>1,659,402</u>	<u>-</u>
<b>Prior year encumbrances appropriated . . . . .</b>	<u>7,544</u>	<u>7,544</u>	<u>7,544</u>	<u>-</u>
<b>Fund equity at end of year. . . . .</b>	<u>\$ 1,279,004</u>	<u>\$ 667,438</u>	<u>\$ 1,528,338</u>	<u>\$ 860,900</u>

**UNION COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
BUILDING AND DEVELOPMENT  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 550,000	\$ 550,000	\$ 450,644	\$ (99,356)
Licenses and permits . . . . .	33,000	33,000	18,706	(14,294)
Other . . . . .	30,000	30,000	26,584	(3,416)
Total operating revenues . . . . .	<u>613,000</u>	<u>613,000</u>	<u>495,934</u>	<u>(117,066)</u>
<b>Operating expenses:</b>				
Personal services . . . . .	387,740	381,974	370,291	11,683
Materials and supplies . . . . .	2,800	2,200	2,058	142
Contractual services . . . . .	75,700	96,451	78,831	17,620
Capital outlay . . . . .	2,400	433	70	363
Other. . . . .	9,300	10,037	9,980	57
Total operating expenses . . . . .	<u>477,940</u>	<u>491,095</u>	<u>461,230</u>	<u>29,865</u>
Net income . . . . .	135,060	121,905	34,704	(87,201)
<b>Fund equity at beginning of year. . . . .</b>	64,671	64,671	64,671	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 209,731</u>	<u>\$ 196,576</u>	<u>\$ 109,375</u>	<u>\$ (87,201)</u>

## **UNION COUNTY, OHIO**

### **FUND DESCRIPTIONS - AGENCY FUNDS**

The agency 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. The following are the County's fiduciary funds:

#### **Agency Funds**

Agency funds are purely custodial (assets equal liabilities) and therefore do not involve the measurement of results of operation. The following are the County's agency funds:

##### ***Tax Collection***

To account for the collection of various property taxes. These taxes are periodically distributed to local governments in the County including Union County itself.

##### ***Central Ohio Youth Center***

To account for monies received and expended for a five county joint juvenile detention center for which the Union County Auditor served as fiscal agent.

##### ***Five County JDC Debt***

To account for monies received and expended for the five county joint juvenile detention center's new construction and renovations.

##### ***General Health District***

To account for the funds and sub-funds of the Board of Health for which the County Auditor serves as ex-officio fiscal agent.

##### ***Soil and Water Conservation District***

To account for monies received and expended for the Soil and Water Conservation District for which the County Auditor serves as fiscal agent.

##### ***Marriage License***

To account for monies collected on each marriage license to be used for a battered spouse program providing by Turing Point and Choices, Inc.

##### ***Indigent Counsel and Restitution***

To account for court monies ordered reimbursed to the County or subdivision for attorney fees related to cases involving indigent clients.

##### ***Domestic Violence***

To account for fees collected on each divorce and dissolution case to be used for a battered spouse program provided by Turning Point and Choices, Inc.

##### ***County Courts***

To account for Clerk of Courts, Probate Court, and Juvenile Court receipts which are distributed to various agencies.

##### ***Alimony and Child Support***

To account for the collection of alimony and child support payments and the distribution of such monies to the court designated agencies.

##### ***Payroll***

To account for the payroll taxes and other related payroll deductions accumulated from all funds for distribution to the appropriate government unit and/or organization.

##### ***Joint Recreation Board***

To account for receipts and expenditures associated with this joint activity among Union County, the City of Marysville and Paris township.

**UNION COUNTY, OHIO**

**COMBINING STATEMENTS - FIDUCIARY FUNDS**  
(continued)

***Housing Trust***

To account for the increased funds collected by the Recorder's office in accordance with House Bill 95.

***Union County Family and Children First***

To account for the revenues and expenditures of the council that administers various social programs within the County.

***Other Agency Funds***

Smaller agency funds operated by the County funded by miscellaneous sources. These funds are listed as follows:

Medical and Dental Insurance  
Ditch  
Humane Society

Ohio Child's Trust  
Ohio Elections Commission  
Help Me Grow



**UNION COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Balance</u> <u>12/31/09</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/10</u>
<b>Tax Collections</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ 3,546,598	\$ 89,690,230	\$ 89,499,684	\$ 3,737,144
Receivables:				
Real estate and other taxes . . . . .	85,235,434	88,723,785	85,235,434	88,723,785
Due from other governments . . . . .	1,820,522	1,930,075	1,820,522	1,930,075
Total assets. . . . .	<u>\$ 90,602,554</u>	<u>\$ 180,344,090</u>	<u>\$ 176,555,640</u>	<u>\$ 94,391,004</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	<u>\$ 90,602,554</u>	<u>\$ 180,344,090</u>	<u>\$ 176,555,640</u>	<u>\$ 94,391,004</u>
Total liabilities . . . . .	<u>\$ 90,602,554</u>	<u>\$ 180,344,090</u>	<u>\$ 176,555,640</u>	<u>\$ 94,391,004</u>
<b>Central Ohio Youth Center</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ 167,207	\$ 2,868,163	\$ 2,714,201	\$ 321,169
Total assets. . . . .	<u>\$ 167,207</u>	<u>\$ 2,868,163</u>	<u>\$ 2,714,201</u>	<u>\$ 321,169</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 167,207	\$ 2,868,163	\$ 2,714,201	\$ 321,169
Total liabilities . . . . .	<u>\$ 167,207</u>	<u>\$ 2,868,163</u>	<u>\$ 2,714,201</u>	<u>\$ 321,169</u>
<b>Five County JDC Debt</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ -	\$ 901,601	\$ -	\$ 901,601
Total assets. . . . .	<u>\$ -</u>	<u>\$ 901,601</u>	<u>\$ -</u>	<u>\$ 901,601</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ -	\$ 901,601	\$ -	\$ 901,601
Total liabilities . . . . .	<u>\$ -</u>	<u>\$ 901,601</u>	<u>\$ -</u>	<u>\$ 901,601</u>
<b>General Health District</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ 2,368,390	\$ 3,144,390	\$ 3,011,421	\$ 2,501,359
Total assets. . . . .	<u>\$ 2,368,390</u>	<u>\$ 3,144,390</u>	<u>\$ 3,011,421</u>	<u>\$ 2,501,359</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 2,368,390	\$ 3,144,390	\$ 3,011,421	\$ 2,501,359
Total liabilities . . . . .	<u>\$ 2,368,390</u>	<u>\$ 3,144,390</u>	<u>\$ 3,011,421</u>	<u>\$ 2,501,359</u>
<b>Soil and Water Conservation District</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ 58,104	\$ 392,480	\$ 375,801	\$ 74,783
Total assets. . . . .	<u>\$ 58,104</u>	<u>\$ 392,480</u>	<u>\$ 375,801</u>	<u>\$ 74,783</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 58,104	\$ 392,480	\$ 375,801	\$ 74,783
Total liabilities . . . . .	<u>\$ 58,104</u>	<u>\$ 392,480</u>	<u>\$ 375,801</u>	<u>\$ 74,783</u>
<b>Marriage License</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ -	\$ 4,505	\$ 4,505	\$ -
Total assets. . . . .	<u>\$ -</u>	<u>\$ 4,505</u>	<u>\$ 4,505</u>	<u>\$ -</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ -	\$ 4,505	\$ 4,505	\$ -
Total liabilities . . . . .	<u>\$ -</u>	<u>\$ 4,505</u>	<u>\$ 4,505</u>	<u>\$ -</u>

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**UNION COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Balance 12/31/09</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 12/31/10</b>
<b>Indigent Counsel and Restitution</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ 33,762	\$ 18,050	\$ 48,394	\$ 3,418
Total assets. . . . .	<u>\$ 33,762</u>	<u>\$ 18,050</u>	<u>\$ 48,394</u>	<u>\$ 3,418</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 33,762	\$ 18,050	\$ 48,394	\$ 3,418
Total liabilities. . . . .	<u>\$ 33,762</u>	<u>\$ 18,050</u>	<u>\$ 48,394</u>	<u>\$ 3,418</u>
<b>Domestic Violence</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ -	\$ 6,016	\$ 6,016	\$ -
Total assets. . . . .	<u>\$ -</u>	<u>\$ 6,016</u>	<u>\$ 6,016</u>	<u>\$ -</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ -	\$ 6,016	\$ 6,016	\$ -
Total liabilities . . . . .	<u>\$ -</u>	<u>\$ 6,016</u>	<u>\$ 6,016</u>	<u>\$ -</u>
<b>County Courts</b>				
<b>Assets:</b>				
Cash and cash equivalents in segregated accounts . .	\$ 434,772	\$ 538,346	\$ -	\$ 973,118
Total assets. . . . .	<u>\$ 434,772</u>	<u>\$ 538,346</u>	<u>\$ -</u>	<u>\$ 973,118</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 434,772	\$ 538,346	\$ -	\$ 973,118
Total liabilities . . . . .	<u>\$ 434,772</u>	<u>\$ 538,346</u>	<u>\$ -</u>	<u>\$ 973,118</u>
<b>Alimony and Child Support</b>				
<b>Assets:</b>				
Cash and cash equivalents in segregated accounts . .	\$ 1,042	\$ 464	\$ -	\$ 1,506
Total assets. . . . .	<u>\$ 1,042</u>	<u>\$ 464</u>	<u>\$ -</u>	<u>\$ 1,506</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 1,042	\$ 464	\$ -	\$ 1,506
Total liabilities . . . . .	<u>\$ 1,042</u>	<u>\$ 464</u>	<u>\$ -</u>	<u>\$ 1,506</u>
<b>Payroll</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ 121,115	\$ 19,831,532	\$ 19,895,581	\$ 57,066
Total assets. . . . .	<u>\$ 121,115</u>	<u>\$ 19,831,532</u>	<u>\$ 19,895,581</u>	<u>\$ 57,066</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 121,115	\$ 19,831,532	\$ 19,895,581	\$ 57,066
Total liabilities . . . . .	<u>\$ 121,115</u>	<u>\$ 19,831,532</u>	<u>\$ 19,895,581</u>	<u>\$ 57,066</u>

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**UNION COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Balance 12/31/09</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 12/31/10</b>
<b>Joint Recreation Board</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ 29,783	\$ 142,866	\$ 114,061	\$ 58,588
Total assets. . . . .	<u>\$ 29,783</u>	<u>\$ 142,866</u>	<u>\$ 114,061</u>	<u>\$ 58,588</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 29,783	\$ 142,866	\$ 114,061	\$ 58,588
Total liabilities . . . . .	<u>\$ 29,783</u>	<u>\$ 142,866</u>	<u>\$ 114,061</u>	<u>\$ 58,588</u>
<b>Housing Trust</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ 66,177	\$ 268,725	\$ 252,705	\$ 82,197
Total assets. . . . .	<u>\$ 66,177</u>	<u>\$ 268,725</u>	<u>\$ 252,705</u>	<u>\$ 82,197</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 66,177	\$ 268,725	\$ 252,705	\$ 82,197
Total liabilities . . . . .	<u>\$ 66,177</u>	<u>\$ 268,725</u>	<u>\$ 252,705</u>	<u>\$ 82,197</u>
<b>Union County Family and Children First</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ 14,198	\$ 92,699	\$ 91,998	\$ 14,899
Total assets. . . . .	<u>\$ 14,198</u>	<u>\$ 92,699</u>	<u>\$ 91,998</u>	<u>\$ 14,899</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 14,198	\$ 92,699	\$ 91,998	\$ 14,899
Total liabilities . . . . .	<u>\$ 14,198</u>	<u>\$ 92,699</u>	<u>\$ 91,998</u>	<u>\$ 14,899</u>
<b>Medical and Dental Insurance</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ 218,027	\$ 67,771,328	\$ 67,685,518	\$ 303,837
Total assets. . . . .	<u>\$ 218,027</u>	<u>\$ 67,771,328</u>	<u>\$ 67,685,518</u>	<u>\$ 303,837</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 218,027	\$ 67,771,328	\$ 67,685,518	\$ 303,837
Total liabilities . . . . .	<u>\$ 218,027</u>	<u>\$ 67,771,328</u>	<u>\$ 67,685,518</u>	<u>\$ 303,837</u>
<b>Ditch</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ -	\$ 4,663	\$ 4,663	\$ -
Total assets. . . . .	<u>\$ -</u>	<u>\$ 4,663</u>	<u>\$ 4,663</u>	<u>\$ -</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ -	\$ 4,663	\$ 4,663	\$ -
Total liabilities . . . . .	<u>\$ -</u>	<u>\$ 4,663</u>	<u>\$ 4,663</u>	<u>\$ -</u>

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**UNION COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS (CONCLUDED)  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Balance 12/31/09</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 12/31/10</b>
<b>Humane Society</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ 275	\$ 316	\$ 533	\$ 58
Total assets. . . . .	<u>\$ 275</u>	<u>\$ 316</u>	<u>\$ 533</u>	<u>\$ 58</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 275	\$ 316	\$ 533	\$ 58
Total liabilities . . . . .	<u>\$ 275</u>	<u>\$ 316</u>	<u>\$ 533</u>	<u>\$ 58</u>
<b>Ohio Child's Trust</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ 19,948	\$ 17,070	\$ 17,726	\$ 19,292
Total assets. . . . .	<u>\$ 19,948</u>	<u>\$ 17,070</u>	<u>\$ 17,726</u>	<u>\$ 19,292</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 19,948	\$ 17,070	\$ 17,726	\$ 19,292
Total liabilities . . . . .	<u>\$ 19,948</u>	<u>\$ 17,070</u>	<u>\$ 17,726</u>	<u>\$ 19,292</u>
<b>Ohio Elections Commission</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ 1,875	\$ 60	\$ -	\$ 1,935
Total assets. . . . .	<u>\$ 1,875</u>	<u>\$ 60</u>	<u>\$ -</u>	<u>\$ 1,935</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 1,875	\$ 60	\$ -	\$ 1,935
Total liabilities . . . . .	<u>\$ 1,875</u>	<u>\$ 60</u>	<u>\$ -</u>	<u>\$ 1,935</u>
<b>Help Me Grow</b>				
<b>Assets:</b>				
Equity in pooled cash and equivalents . . . . .	\$ 50,466	\$ 179,530	\$ 159,160	\$ 70,836
Total assets. . . . .	<u>\$ 50,466</u>	<u>\$ 179,530</u>	<u>\$ 159,160</u>	<u>\$ 70,836</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 50,466	\$ 179,530	\$ 159,160	\$ 70,836
Total liabilities . . . . .	<u>\$ 50,466</u>	<u>\$ 179,530</u>	<u>\$ 159,160</u>	<u>\$ 70,836</u>
<b>All Agency Funds</b>				
<b>Assets</b>				
Equity in pooled cash and equivalents . . . . .	\$ 6,695,925	\$ 185,334,224	\$ 183,881,967	\$ 8,148,182
Cash and cash equivalents in segregated accounts . .	435,814	538,810	-	974,624
Receivables:				
Real estate and other taxes . . . . .	85,235,434	88,723,785	85,235,434	88,723,785
Due from other governments . . . . .	<u>1,820,522</u>	<u>1,930,075</u>	<u>1,820,522</u>	<u>1,930,075</u>
Total assets. . . . .	<u>\$ 94,187,695</u>	<u>\$ 276,526,894</u>	<u>\$ 270,937,923</u>	<u>\$ 99,776,666</u>
<b>Liabilities</b>				
Undistributed monies . . . . .	\$ 94,187,695	\$ 276,526,894	\$ 270,937,923	\$ 99,776,666
Total liabilities. . . . .	<u>\$ 94,187,695</u>	<u>\$ 276,526,894</u>	<u>\$ 270,937,923</u>	<u>\$ 99,776,666</u>

# **UNION COUNTY, OHIO**

## BALANCE SHEET DISCRETELY PRESENTED COMPONENT UNIT UNION COUNTY AIRPORT AUTHORITY DECEMBER 31, 2010

	<b>Airport Authority</b>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents. . . . .	\$ 431,833
Receivables (net of allowances of uncollectibles):	
Due from other governments . . . . .	888
Prepayments. . . . .	35
Total assets . . . . .	<u>432,756</u>
<b>Liabilities:</b>	
Accounts payable . . . . .	18,169
Accrued wages and benefits. . . . .	280
Due to other governments . . . . .	191
Total liabilities . . . . .	<u>18,640</u>
<b>Fund balances:</b>	
Unreserved, undesignated . . . . .	414,116
Total net assets . . . . .	<u><u>\$ 414,116</u></u>

### RECONCILIATION OF TOTAL AIRPORT AUTHORITY FUND BALANCE TO NET ASSETS OF AIRPORT AUTHORITY COMPONENT UNIT ACTIVITIES

<b>Total Airport Authority Fund Balances</b>	<b>\$ 414,116</b>
<i>Amounts reported for governmental activities in the statement of net assets are different because of the following:</i>	
Capital assets used in governmental type component unit activities are not financial resources and, therefore, are not reported in the funds.	3,004,545
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
General obligation bonds payable	(28,336)
Net Assets of The Union County Airport Authority	<u><u>3,390,325</u></u>

# UNION COUNTY, OHIO

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES DISCRETELY PRESENTED COMPONENT UNIT UNION COUNTY AIRPORT AUTHORITY FOR THE YEAR ENDED DECEMBER 31, 2010

	<b>Airport Authority</b>
<b>Revenues:</b>	
Charges for services . . . . .	\$ 1,900
Intergovernmental . . . . .	186,073
Investment income . . . . .	472
Rental income . . . . .	187,845
Total revenues . . . . .	<u>376,290</u>
<b>Expenditures:</b>	
Current:	
Conservation and recreation . . . . .	277,162
Debt service:	
Principal retirement . . . . .	27,212
Interest and fiscal charges . . . . .	2,107
Total expenditures . . . . .	<u>306,481</u>
Excess of revenues over expenditures . . . . .	<u>69,809</u>
<b>Other financing sources (uses):</b>	
Operating transfers out . . . . .	<u>(95,788)</u>
Total other financing sources (uses) . . . . .	<u>(95,788)</u>
Net change in fund balance. . . . .	(25,979)
<b>Fund balance at beginning of year . . . . .</b>	<u>440,095</u>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ 414,116</u></u>

### RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF AIRPORT AUTHORITY COMPONENT UNIT FUNDS TO STATEMENT OF ACTIVITIES

<b>Net Change in Airport Authority Fund Balances</b>	<b>\$ (25,979)</b>
--	--------------------

*Amounts reported for discretely presented component units on the statement of activities are different because:*

Governmental type component unit 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 depreciation expense exceeds capital outlays.

Capital asset additions	\$ 210,248	
Current year depreciation	<u>(185,290)</u>	
Total		24,958

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

Intergovernmental revenues	(11,675)
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Repayment of bond principal is an expenditure in the governmental type component unit funds, but the repayment reduces long-term liabilities on the statement of activities.

27,212
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Change in Net Assets of The Airport Authority	<u><u>\$ 14,516</u></u>
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## **STATISTICAL SECTION**



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**UNION COUNTY, OHIO**  
**STATISTICAL SECTION**

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	<b>215-224</b>
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	<b>225-229</b>
These schedules contain information to help the reader assess the affordability of the County's most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	<b>230-236</b>
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.	
<b>Demographic and Economic Information</b>	<b>237-239</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	
<b>Operating Information</b>	<b>240-247</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial reports relates to the services the County provides and the activities it performs.	

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual reports for the relevant year. The County implemented GASB Statement 34 for the year ended December 31, 2003; schedules presenting government wide information include information beginning in that year.

# **UNION COUNTY, OHIO**

## NET ASSETS BY COMPONENT LAST EIGHT YEARS (ACCRUAL BASIS OF ACCOUNTING)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Government activities:</b>				
Invested in capital assets, net of related debt	\$ 65,696,098	\$ 62,877,921	\$ 61,759,667	\$ 57,915,110
Restricted for:				
Capital projects	1,611,601	1,487,548	1,906,616	1,738,603
Debt service	141,519	199,241	196,115	186,530
Human service programs	14,604,807	12,967,423	10,449,860	8,980,021
Public works programs	3,818,027	3,853,142	3,688,199	3,470,964
Health programs	1,325,802	1,358,434	1,057,715	2,146,086
Other purposes	4,568,103	3,584,543	3,765,806	2,377,575
Unrestricted	<u>7,107,783</u>	<u>6,871,486</u>	<u>8,837,717</u>	<u>10,423,629</u>
Total governmental activities net assets	<u><u>\$ 98,873,740</u></u>	<u><u>\$ 93,199,738</u></u>	<u><u>\$ 91,661,695</u></u>	<u><u>\$ 87,238,518</u></u>
<b>Business-type activities:</b>				
Invested in capital assets, net of related debt	\$ 14,143,190	\$ 14,124,261	\$ 13,508,658	\$ 11,782,702
Restricted	2,739,709	2,753,323	4,928,672	4,318,519
Unrestricted	<u>32,266,730</u>	<u>29,464,612</u>	<u>24,126,401</u>	<u>23,134,777</u>
Total business-type activities net assets	<u><u>\$ 49,149,629</u></u>	<u><u>\$ 46,342,196</u></u>	<u><u>\$ 42,563,731</u></u>	<u><u>\$ 39,235,998</u></u>
<b>Primary government:</b>				
Invested in capital assets, net of related debt	\$ 79,839,288	\$ 77,002,182	\$ 75,268,325	\$ 69,697,812
Restricted for:				
Capital projects	2,541,141	1,487,548	2,934,501	1,738,603
Debt service	236,864	199,241	199,840	186,530
Human service programs	14,604,807	12,967,423	10,449,860	8,980,021
Public works programs	3,818,027	3,853,142	3,688,199	3,470,964
Health programs	1,325,802	1,358,434	1,057,715	2,146,086
Other purposes	6,282,927	6,337,866	7,662,868	6,696,094
Unrestricted	<u>39,374,513</u>	<u>36,336,098</u>	<u>32,964,118</u>	<u>33,558,406</u>
Total	<u><u>\$ 148,023,369</u></u>	<u><u>\$ 139,541,934</u></u>	<u><u>\$ 134,225,426</u></u>	<u><u>\$ 126,474,516</u></u>

**Source:** County financial records

**Note:**

2003 was the first year the County implemented GASB Statement No. 34, so comparative information before that date is not available.

<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
\$ 56,089,685	\$ 50,863,277	\$ 49,042,618	\$ 45,104,941
1,432,729	1,885,804	1,553,271	3,010,651
178,705	103,051	167,311	90,000
6,969,391	6,100,622	4,534,666	4,163,061
3,494,643	3,154,052	2,271,894	2,487,400
2,162,353	2,500,644	1,710,375	1,233,090
2,287,368	2,133,744	1,833,401	682,415
6,844,135	6,365,027	4,958,093	7,815,189
<u>\$ 79,459,009</u>	<u>\$ 73,106,221</u>	<u>\$ 66,071,629</u>	<u>\$ 64,586,747</u>
\$ 13,355,372	\$ 12,958,132	\$ 14,630,578	\$ 9,851,629
3,648,108	1,914,465	4,827,773	8,933,332
14,603,007	14,632,020	7,389,812	6,570,941
<u>\$ 31,606,487</u>	<u>\$ 29,504,617</u>	<u>\$ 26,848,163</u>	<u>\$ 25,355,902</u>
\$ 69,445,057	\$ 63,821,409	\$ 63,673,196	\$ 54,956,570
1,432,729	1,885,804	1,553,271	3,010,651
178,705	103,051	167,311	90,000
6,969,391	6,100,622	4,534,666	4,163,061
3,494,643	3,154,052	2,271,894	2,487,400
2,162,353	2,500,644	1,710,375	1,233,090
5,935,476	4,048,209	6,661,174	9,615,747
21,447,142	20,997,047	12,347,905	14,386,130
<u>\$ 111,065,496</u>	<u>\$ 102,610,838</u>	<u>\$ 92,919,792</u>	<u>\$ 89,942,649</u>

# **UNION COUNTY, OHIO**

## CHANGES IN NET ASSETS LAST EIGHT YEARS (ACCRUAL BASIS OF ACCOUNTING)

<b>Expenses</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Governmental activities:				
General government:				
Legislative and executive	\$ 10,817,736	\$ 12,019,993	\$ 13,793,161	\$ 11,990,209
Judicial	2,851,552	2,461,340	2,637,145	2,371,200
Public safety	6,923,020	7,150,858	7,161,068	6,735,640
Public works	4,644,326	5,747,722	3,227,196	3,341,555
Health	3,297,771	3,950,543	4,020,931	3,834,944
Human services	15,210,709	15,526,434	16,904,850	13,834,546
Economic development	315,537	402,363	365,747	298,297
Intergovernmental	1,433,617	576,265	519,194	-
Interest and fiscal charges	313,006	491,417	485,352	328,586
<i>Total governmental activities expense</i>	<u>45,807,274</u>	<u>48,326,935</u>	<u>49,114,644</u>	<u>42,734,977</u>
Business-type activities:				
Memorial hospital	71,780,394	69,262,201	67,061,083	62,879,762
Nonmajor:				
Sanitary sewer district	311,995	175,941	319,305	222,616
Water district	-	-	-	150,000
Building and development	470,857	496,669	679,417	730,837
<i>Total business-type activities expense</i>	<u>72,563,246</u>	<u>69,934,811</u>	<u>68,059,805</u>	<u>63,983,215</u>
<i>Total primary government expenses</i>	<u>\$ 118,370,520</u>	<u>\$ 118,261,746</u>	<u>\$ 117,174,449</u>	<u>\$ 106,718,192</u>
<b>Program revenues</b>				
Governmental activities:				
Charges for services:				
General government:				
Legislative and executive	\$ 2,852,106	\$ 2,657,714	\$ 2,799,982	\$ 2,747,434
Judicial	1,021,837	672,310	696,302	636,768
Public safety	1,411,167	1,038,616	793,587	609,138
Public works	677,752	643,515	800,713	728,309
Health	195,346	256,573	174,411	210,952
Human services	823,824	770,661	1,252,022	1,173,924
Economic development	22,533	22,534	21,876	21,239
Operating grants and contributions				
General government:				
Legislative and executive	501,389	175,388	158,828	391,160
Judicial	133,971	-	7,593	64,316
Public safety	802,050	808,188	983,000	582,840
Public works	4,551,194	4,495,345	4,124,622	-
Health	2,173,817	2,459,350	2,882,747	1,155,472
Human services	7,363,520	8,711,064	8,038,000	6,736,671
Economic development	142,938	79,809	316,391	-
Capital grants and contributions				
General government:				
Legislative and executive	-	-	140,828	201,015
Public works	1,824,731	1,474,017	2,900,836	908,125
Human services	-	-	-	-
<i>Total governmental activities program revenues</i>	<u>24,498,175</u>	<u>24,265,084</u>	<u>26,091,738</u>	<u>16,167,363</u>

2006	2005	2004	2003
\$ 11,776,677	\$ 11,058,550	\$ 11,245,559	\$ 9,250,525
2,181,237	2,248,594	1,960,691	1,909,165
6,270,069	5,631,020	4,709,853	5,625,007
3,089,442	3,427,498	4,554,528	1,464,972
3,888,031	3,345,809	3,201,395	3,482,836
14,604,599	12,759,040	11,339,209	11,616,137
306,202	333,395	394,680	154,969
-	-	1,782,748	666,332
380,135	415,051	451,711	460,618
42,496,392	39,218,957	39,640,374	34,630,561
60,705,526	58,582,150	56,083,372	59,845,387
1,109,238	1,190,025	872,798	666,119
220,104	585,926	439,051	253,638
954,983	920,994	811,553	702,502
62,989,851	61,279,095	58,206,774	61,467,646
\$ 105,486,243	\$ 100,498,052	\$ 97,847,148	\$ 96,098,207

\$ 3,023,987	\$ 3,056,333	\$ 2,843,582	\$ 2,107,002
570,134	574,770	580,135	879,666
871,808	815,211	699,130	560,200
644,593	618,410	644,370	798,534
179,375	170,132	285,042	151,412
1,191,088	1,380,394	1,346,464	1,220,303
20,621	20,621	20,620	79,774
636,094	813,542	798,429	552,417
74,447	107,541	110,276	135,611
691,322	605,893	554,115	532,082
-	-	-	-
2,551,355	2,400,984	2,480,982	2,235,583
5,392,309	4,508,522	4,625,488	4,413,779
-	-	-	-
117,400	234,795	335,590	490,040
2,464,802	785,013	1,826,860	1,548,851
-	-	-	20,144
18,429,335	16,092,161	17,151,083	15,725,398

- (continued)

# **UNION COUNTY, OHIO**

## **CHANGES IN NET ASSETS (CONTINUED)** **LAST EIGHT YEARS** **(ACCRUAL BASIS OF ACCOUNTING)**

<b>Program revenues (continued)</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Business-type activities:				
Charges for services:				
Memorial hospital	71,729,744	69,091,683	67,410,277	66,910,751
Nonmajor:				
Sanitary sewer district	222,331	224,570	264,358	273,086
Water district	-	-	3,989	6,205
Building and development	469,350	446,577	609,618	730,342
Capital grants and contributions				
Memorial hospital	359,032	1,064,803	370,484	557,971
<i>Total business-type activities</i>				
<i>Program revenues</i>	<u>72,780,457</u>	<u>70,827,633</u>	<u>68,658,726</u>	<u>68,478,355</u>
<i>Total primary government</i>				
<i>Program revenues</i>	<u>\$ 97,278,632</u>	<u>\$ 95,092,717</u>	<u>\$ 94,750,464</u>	<u>\$ 84,645,718</u>
<b>Net (expense)/revenue</b>				
Governmental activities	\$ (21,309,099)	\$ (24,061,851)	\$ (23,022,906)	\$ (26,567,614)
Business-type activities	217,211	892,822	598,921	4,495,140
<i>Total primary government net expense</i>	<u>\$ (21,091,888)</u>	<u>\$ (23,169,029)</u>	<u>\$ (22,423,985)</u>	<u>\$ (22,072,474)</u>
<b>General revenues and other changes in net assets</b>				
Governmental activities:				
Property taxes	\$ 10,893,125	\$ 10,264,681	\$ 10,360,679	\$ 11,915,812
Sales taxes	9,298,891	8,001,168	9,565,905	9,379,361
Unrestricted grants and contributions	5,284,472	5,452,939	4,312,843	9,597,276
Interest	768,985	1,001,949	1,516,355	1,800,912
Other	735,260	889,908	1,687,155	1,653,762
Transfers	2,368	(10,751)	3,146	-
<i>Total governmental activities:</i>	<u>26,983,101</u>	<u>25,599,894</u>	<u>27,446,083</u>	<u>34,347,123</u>
Business-type activities:				
Unrestricted grants and contributions	-	-	-	-
Interest	139,436	169,467	565,872	931,447
Gain on sale of capital assets	-	-	-	-
Transfers	(2,368)	10,751	(3,146)	-
Other	2,453,154	2,705,425	2,166,086	2,202,924
<i>Total business-type activities:</i>	<u>2,590,222</u>	<u>2,885,643</u>	<u>2,728,812</u>	<u>3,134,371</u>
<i>Total primary government</i>	<u>\$ 29,573,323</u>	<u>\$ 28,485,537</u>	<u>\$ 30,174,895</u>	<u>\$ 37,481,494</u>
<b>Change in net assets</b>				
Governmental activities:	\$ 5,674,002	\$ 1,538,043	\$ 4,423,177	\$ 7,779,509
Business-type activities:	2,807,433	3,778,465	3,327,733	7,629,511
<i>Total primary government</i>	<u>\$ 8,481,435</u>	<u>\$ 5,316,508</u>	<u>\$ 7,750,910</u>	<u>\$ 15,409,020</u>

**Source:** County financial records

**Note:**

2003 was the first year the County implemented GASB Statement No. 34, so comparative information before that date is not available.

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
60,142,923	58,674,289	54,589,205	57,212,364
332,884	1,143,784	954,578	888,221
64,231	636,889	586,869	625,295
766,433	848,346	798,214	754,349
808,334	543,753	833,980	-
<u>62,114,805</u>	<u>61,847,061</u>	<u>57,762,846</u>	<u>59,480,229</u>
<u>\$ 80,544,140</u>	<u>\$ 77,939,222</u>	<u>\$ 74,913,929</u>	<u>\$ 75,205,627</u>
\$ (24,067,057)	\$ (23,126,796)	\$ (22,489,291)	\$ (18,905,163)
(875,046)	567,966	(443,928)	(1,987,417)
<u>\$ (24,942,103)</u>	<u>\$ (22,558,830)</u>	<u>\$ (22,933,219)</u>	<u>\$ (20,892,580)</u>
\$ 11,242,702	\$ 11,605,612	\$ 10,018,690	\$ 9,429,703
7,163,499	7,115,148	6,844,471	8,388,571
9,108,618	9,157,542	6,239,807	7,232,467
1,542,329	903,077	527,910	542,185
1,362,697	1,380,009	1,530,771	1,510,556
-	-	-	-
<u>30,419,845</u>	<u>30,161,388</u>	<u>25,161,649</u>	<u>27,103,482</u>
-	-	-	662,258
718,364	228,887	102,325	149,025
460,169	-	-	-
-	-	-	-
<u>1,798,383</u>	<u>1,859,601</u>	<u>1,772,797</u>	<u>2,163,101</u>
<u>2,976,916</u>	<u>2,088,488</u>	<u>1,875,122</u>	<u>2,974,384</u>
<u>\$ 33,396,761</u>	<u>\$ 32,249,876</u>	<u>\$ 27,036,771</u>	<u>\$ 30,077,866</u>
\$ 6,352,788	\$ 7,034,592	\$ 2,672,358	\$ 8,198,319
2,101,870	2,656,454	1,431,194	986,967
<u>\$ 8,454,658</u>	<u>\$ 9,691,046</u>	<u>\$ 4,103,552</u>	<u>\$ 9,185,286</u>



**UNION COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED BASIS OF ACCOUNTING)

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
<b>General fund</b>				
Reserved	\$ 3,548,189	\$ 1,089,106	\$ 743,360	\$ 747,942
Unreserved	-	2,377,961	3,665,656	3,089,674
Total general fund	<u>3,548,189</u>	<u>3,467,067</u>	<u>4,409,016</u>	<u>3,837,616</u>
 <b>All other governmental funds</b>				
Reserved	912,165	856,041	431,965	446,049
Unreserved, reported in:				
Special revenue funds	5,588,600	5,962,109	6,396,190	8,150,227
Cap. projects fund	3,383,151	2,751,707	2,864,090	1,401,758
Total all other governmental Funds	<u>9,883,916</u>	<u>9,569,857</u>	<u>9,692,245</u>	<u>9,998,034</u>
Total governmental funds	<u>\$ 13,432,105</u>	<u>\$ 13,036,924</u>	<u>\$ 14,101,261</u>	<u>\$ 13,835,650</u>

**Source:** County financial records

<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
\$ 777,801 4,443,403	\$ 845,718 5,090,874	\$ 899,462 6,775,931	\$ 245,743 6,288,735	\$ 525,319 4,947,149	\$ 863,451 5,810,986
<u>5,221,204</u>	<u>5,936,592</u>	<u>7,675,393</u>	<u>6,534,478</u>	<u>5,472,468</u>	<u>6,674,437</u>
684,784	943,813	612,590	425,736	1,121,733	2,001,621
10,035,585 1,663,846	11,284,106 1,303,416	14,084,346 1,675,771	15,283,376 1,695,857	17,822,141 1,483,648	20,160,285 1,353,231
<u>12,384,215</u>	<u>13,531,335</u>	<u>16,372,707</u>	<u>17,404,969</u>	<u>20,427,522</u>	<u>23,515,137</u>
<u>\$ 17,605,419</u>	<u>\$ 19,467,927</u>	<u>\$ 24,048,100</u>	<u>\$ 23,939,447</u>	<u>\$ 25,899,990</u>	<u>\$ 30,189,574</u>

**UNION COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
<b>Revenues</b>				
Property taxes	\$ 7,051,514	\$ 9,212,683	\$ 9,439,349	\$ 10,046,282
Sales taxes	7,247,373	5,983,016	8,187,253	6,803,685
Charges for services	3,128,084	3,931,159	5,218,750	5,652,805
Licenses and permits	140,079	208,712	138,446	96,808
Fines and forfeitures	116,038	190,320	112,740	373,099
Intergovernmental	14,215,646	13,904,313	16,864,852	17,595,228
Special assessments	41,108	41,677	57,295	91,147
Investment earnings	1,275,488	735,429	542,185	527,910
Rental income	-	-	-	-
Other	1,030,973	1,846,861	1,246,172	1,705,461
Total revenues	<u>34,246,303</u>	<u>36,054,170</u>	<u>41,807,042</u>	<u>42,892,425</u>
<b>Expenditures</b>				
General government:				
Legislative and executive	7,001,821	8,514,138	9,283,243	10,949,185
Judicial	1,500,183	1,628,576	1,662,842	1,799,920
Public safety	4,218,505	4,846,121	5,194,829	5,560,597
Public works	3,787,974	3,680,137	4,020,510	4,554,497
Health	2,928,295	3,448,408	3,364,327	3,040,817
Human services	9,814,676	10,618,297	11,483,709	11,460,825
Economic development	106,860	63,260	235,593	244,776
Intergovernmental	763,909	649,572	663,205	1,176,961
Capital outlay	3,429,797	5,466,427	4,254,021	3,354,540
Debt service				
Principal retirement	462,927	648,804	542,511	565,363
Interest and fiscal charges	438,696	427,969	454,318	460,281
Bond issuance costs	-	-	-	-
Total expenditures	<u>34,453,643</u>	<u>39,991,709</u>	<u>41,159,108</u>	<u>43,167,762</u>
Excess of revenues over (under) expenditures	<u>(207,340)</u>	<u>(3,937,539)</u>	<u>647,934</u>	<u>(275,337)</u>
<b>Other financing sources (uses)</b>				
Transfers in	6,686,942	2,459,007	3,545,026	3,176,210
Transfers out	(6,686,942)	(2,367,987)	(3,540,147)	(3,169,955)
Sale of capital assets	-	16,890	253,647	25,512
Issuance of bonds/other sources	-	3,435,000	-	-
Total other financing sources (uses)	<u>-</u>	<u>3,542,910</u>	<u>258,526</u>	<u>31,767</u>
Net change in fund balance	<u>\$ (207,340)</u>	<u>\$ (394,629)</u>	<u>\$ 906,460</u>	<u>\$ (243,570)</u>
Debt service as a percentage of noncapital expenditures	2.9%	3.1%	3.0%	2.6%

**Source:** County financial records

2005	2006	2007	2008	2009	2010
\$ 11,606,766	\$ 11,160,274	\$ 11,534,140	\$ 11,009,045	\$ 10,966,686	\$ 10,774,173
7,084,993	7,120,385	8,369,261	9,433,349	8,981,387	9,232,138
6,097,268	5,635,607	5,343,223	5,761,653	4,836,343	5,270,357
94,460	180,251	118,402	128,261	131,311	149,043
141,674	164,042	235,629	192,350	561,756	883,143
17,154,412	21,396,153	19,777,156	22,584,156	22,747,753	22,216,858
89,389	88,551	126,962	97,984	118,378	221,038
903,077	1,542,329	1,800,912	1,516,355	1,018,093	806,883
84,593	521,706	430,510	449,072	526,924	447,374
1,508,496	1,319,146	1,484,520	1,713,362	1,542,400	1,826,325
44,765,128	49,128,444	49,220,715	52,885,587	51,431,031	51,827,332
10,554,369	12,236,331	11,043,570	12,270,523	11,414,974	10,184,817
1,930,903	1,989,364	2,170,932	2,461,789	2,475,547	2,540,917
5,694,979	6,386,829	6,596,109	7,054,154	6,852,816	6,718,534
4,266,177	6,979,286	5,539,221	8,189,213	5,895,941	6,231,680
3,292,537	3,896,255	3,694,242	3,806,892	3,819,033	3,178,564
12,859,327	14,265,234	13,873,946	16,835,929	15,427,818	15,033,670
248,882	305,905	296,826	283,263	959,955	310,486
335,732	667,141	638,179	676,156	-	1,433,617
861,815	45,914	391,053	3,109,724	1,706,028	1,686,313
585,557	611,771	567,807	600,000	3,630,375	856,794
416,828	382,123	325,986	485,352	421,651	341,620
-	-	-	-	176,378	18,399
41,047,106	47,766,153	45,137,871	55,772,995	52,780,516	48,535,411
3,718,022	1,362,291	4,082,844	(2,887,408)	(1,349,485)	3,291,921
1,500,530	931,130	1,746,800	1,297,061	1,063,200	1,109,452
(1,500,530)	(931,130)	(1,746,800)	(1,293,915)	(1,073,951)	(1,107,084)
18,936	537,301	400,000			
-	-	42,280	3,000,000	3,015,122	920,000
18,936	537,301	442,280	3,003,146	3,004,371	922,368
\$ 3,736,958	\$ 1,899,592	\$ 4,525,124	\$ 115,738	\$ 1,654,886	\$ 4,214,289
2.6%	2.4%	2.1%	2.3%	8.4%	2.7%

# UNION COUNTY, OHIO

## ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN YEARS

Year	Real Property		Personal Property	
	Residential Property	Commercial/Utility Property	General Tangible	Utility
2001	\$ 508,203,710	\$ 142,941,850	\$ 198,335,360	\$ 67,930,360
2002	605,098,020	160,071,330	201,889,553	49,373,040
2003	640,161,440	173,541,860	203,292,500	51,063,100
2004	667,252,290	179,445,910	238,986,460	52,013,960
2005	751,898,720	207,204,030	175,853,243	54,180,240
2006	804,078,830	218,700,810	102,984,000	54,697,210
2007	852,330,970	229,413,290	102,984,000	55,416,250
2008	969,568,317	249,268,670	58,786,230	50,922,180
2009	987,109,240	250,813,100	-	52,115,040
2010	977,083,700	252,127,160	-	51,952,330

### Notes:

Property is assessed every year. The assessed value of real property (including public utility real property) is 35 percent of estimated true 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 true value for railroad property to 88 percent for electric transmission and distribution property. Other tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. This is being phased out with a replacement amount provided by the State through 2010.

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%, 2-1/2%, and homestead exemptions before being billed.

**Source:** Union County Auditor

<b>Total</b>		<b>Assessed Value as a Percentage of Actual Value</b>	<b>Total Direct Tax Rate</b>
<b>Assessed Value</b>	<b>Estimated Actual Value</b>		
\$ 917,411,280	\$ 2,730,950,917	33.59%	10.6000
1,016,431,943	3,066,342,862	33.15%	10.6000
1,068,058,900	3,212,658,127	33.25%	10.6000
1,137,698,620	3,453,699,426	32.94%	10.6000
1,189,136,233	3,534,583,872	33.64%	10.6000
1,180,460,850	3,413,483,463	34.58%	10.6000
1,240,144,510	3,582,770,897	34.61%	10.6000
1,328,545,397	3,785,200,130	35.10%	10.8500
1,290,037,380	3,596,142,608	35.87%	10.8500
1,281,163,190	3,571,067,767	35.88%	10.8500

# **UNION COUNTY, OHIO**

## **DIRECT AND OVERLAPPING PROPERTY TAX RATES (RATE PER \$1,000 OF ASSESSED VALUE) LAST TEN YEARS**

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<u>Union County</u>										
<i>County Unvoted Millage:</i>										
General	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40
<i>County Voted Millage:</i>										
DD	6.20	6.20	6.20	6.20	6.20	6.20	6.20	6.20	6.20	6.20
Mental Health	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
9-1-1	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.75	0.75	0.75
Total County	<u>10.60</u>	<u>10.60</u>	<u>10.60</u>	<u>10.60</u>	<u>10.60</u>	<u>10.60</u>	<u>10.60</u>	<u>10.85</u>	<u>10.85</u>	<u>10.85</u>
<u>Union County Health District</u>	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
<u>School Districts within the County</u>										
Fairbanks LSD	37.00	37.00	36.80	41.70	41.70	40.90	45.50	45.50	46.00	45.80
Marysville EVSD	47.56	47.56	52.56	52.56	52.56	54.06	54.06	58.06	58.06	58.06
North Union LSD	34.70	34.70	41.30	41.30	41.30	41.40	41.25	39.55	37.70	37.70
<u>Overlapping School Districts</u>										
Benjamin Logan LSD	41.90	41.65	41.65	39.70	39.70	39.40	39.30	36.80	35.71	35.71
Triad LSD	36.40	36.15	36.10	28.85	28.85	28.80	28.75	28.60	28.60	28.60
Jonathon Alder LSD	40.10	49.00	48.60	48.10	48.10	38.60	38.10	38.10	38.10	37.60
Hilliard CSD	65.61	64.44	64.44	74.40	74.40	73.14	75.89	82.79	82.85	82.95
Dublin CSD	65.22	64.60	64.60	64.60	64.60	72.50	72.50	72.50	80.40	80.40
Buckeye Valley LSD	34.33	33.95	33.52	33.20	33.20	33.06	32.80	34.80	34.95	34.73
<u>Corporations</u>										
Richwood	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	10.70
Unionville Center	3.95	3.95	3.95	3.95	3.95	3.95	3.95	3.95	3.95	3.95
Plain City	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Magnetic Springs	5.90	5.90	5.90	5.90	5.90	5.90	5.90	5.90	5.90	10.90
Marysville	4.50	4.50	4.50	4.50	4.50	4.50	5.20	4.50	5.20	4.50
Milford Center	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
<u>Joint Vocational Schools</u>										
Tolles Career & Technical Center	1.10	0.50	0.50	0.50	0.50	0.50	1.30	1.30	1.30	1.30
Ohio Hi Point JVS	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Tri-Rivers JVS	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40
Delaware Co JVS	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20
<u>Township / Fire</u>										
Allen	6.60	6.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60
Claibourne	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60
Darby	3.30	6.30	6.30	6.50	6.30	6.30	6.50	6.30	4.80	4.60
Dover	5.40	5.40	4.90	4.90	4.90	4.90	4.90	4.90	4.90	5.40
Jackson	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Jerome	13.90	13.90	13.90	13.90	13.90	13.90	13.90	15.10	15.10	15.10
Leesburg	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Liberty	6.40	6.40	6.40	5.40	5.40	7.15	7.15	7.15	7.15	7.15
Millcreek	6.95	6.50	6.50	6.20	6.20	6.20	6.20	8.20	8.20	8.20
Paris	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Taylor	6.20	6.20	6.20	6.20	6.20	7.70	7.70	7.95	7.95	7.95
Union	8.30	8.30	8.30	8.30	8.30	8.30	8.30	8.30	8.30	7.10
Washington	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20
York	5.40	5.40	5.40	5.40	5.40	8.90	8.90	8.90	8.90	8.90

**Note:**

For Darby Twp ,this is what is collected in district 7. For other districts in this Township, the rate is 1.60 with an additional 12.5 mills for the Pleasant Valley Fire District which started to be collected for this district in 1995 tax year.

\* Also, please note that in 2006 tax rates for Claibourne, Jackson and York the rate does not include the 8.90 mills for the Northern Union County Fire District.

\* For 2006 in Washington Township, the rate does not reflect the 4.50 mills for the Southeast Hardin/Northwest Union County Fire District.

The rates represented in this Table represent the original voted rates.

**Source:** Union County Auditor

**UNION COUNTY, OHIO**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**REAL ESTATE AND TANGIBLE PERSONAL PROPERTY TAX**  
**DECEMBER 31, 2010 AND DECEMBER 31, 2001**

<b>2010</b>		
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Percentage of Total County Taxable Assessed Value</b>
Honda of America	\$ 78,014,950	6.09%
Ohio Power Company	18,223,910	1.42%
Union Rural Electric	14,543,130	1.14%
O M Scotts & Sons	13,789,030	1.08%
Dayton Power & Light	11,423,850	0.89%
Ohio Edison	5,550,500	0.43%
Nestle USA	5,170,400	0.40%
Select Sires	3,952,580	0.31%
Tartan Ridge LLC	3,557,770	0.28%
Watkins Glen Holdings	3,396,510	0.27%
Total	<u>\$ 157,622,630</u>	<u>12.31%</u>
Total County Assessed Valuation	<u>\$ 1,281,163,190</u>	

<b>2001</b>		
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Percentage of Total County Taxable Assessed Value</b>
Honda of America	\$ 54,459,440	5.94%
O M Scotts & Sons	30,936,084	3.37%
NHG Development	12,774,057	1.39%
Ohio Power Company	12,043,585	1.31%
Union Rural Electric	10,619,394	1.16%
Dayton Power and Light	10,035,991	1.09%
Watkin Glen Holding	8,797,314	0.96%
Select Sires	8,288,942	0.90%
Connolly Construction	8,137,914	0.89%
Dominion Homes	7,581,971	0.83%
Total	<u>\$ 163,674,692</u>	<u>17.84%</u>
Total County Assessed Valuation	<u>\$ 917,411,280</u>	

**Source:** Union County Auditor



**UNION COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS (1)  
LAST TEN YEARS

Collection Year	Total Levy	Collected within the Year of the Levy		Collections of Delinquent Taxes (2)	Total Tax Collections	Percentage of Total Tax Collections to Current Tax Levy
		Amount	Percentage of Levy			
2001	\$5,325,092	\$5,166,294	97.02%	\$196,345	\$5,362,639	100.71%
2002	7,062,704	6,519,683	92.31%	204,095	6,723,778	94.23%
2003	7,531,189	6,912,890	91.79%	302,034	7,214,924	95.80%
2004	7,463,029	7,250,351	97.15%	284,305	7,534,656	100.96%
2005	8,684,051	8,130,450	93.63%	304,813	8,435,263	97.14%
2006	9,744,662	8,883,821	91.17%	294,585	9,178,406	94.19%
2007	10,241,038	10,009,698	97.74%	480,983	10,490,681	102.44%
2008	10,707,861	9,969,683	93.11%	649,395	10,619,078	99.17%
2009	12,605,001	11,924,952	94.60%	330,996	12,255,948	97.23%
2010	12,483,571	11,944,992	95.69%	341,588	12,286,580	98.42%

**Source:** Union County Auditor

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.
- (2) The County does not identify delinquent tax collections by tax year. The amounts shown represent delinquent taxes collected in that fiscal year regardless of the year of initial levy.

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# UNION COUNTY, OHIO

## RATIO OF OUTSTANDING DEBT BY TYPE LAST TEN YEARS

Year	Government Activities				Business-type Activities				
	General Obligation Bonds	Sales Tax Revenue Bonds	Mortgage Loan Debt	Bond Anticipation Note	General Obligation Bonds	Enterprise/ Hospital Notes	Capital Leases	Revenue Bonds	OWDA Loan
2001	\$ 4,485,000	\$ 2,575,000	\$ 156,196	\$ -	\$ 15,251,092	\$ 5,516,502	\$ 1,516,407	\$ -	\$ -
2002	3,955,000	5,905,000	142,392	-	14,478,164	5,290,208	1,524,095	-	-
2003	3,655,000	5,675,000	129,881	-	18,960,237	8,232,010	954,253	-	-
2004	3,340,000	5,440,000	114,518	-	16,592,310	9,257,395	552,985	-	-
2005	3,010,000	5,200,000	98,961	-	16,749,383	4,776,058	340,734	-	-
2006	2,665,000	4,950,000	82,190	-	16,095,000	7,253,019	106,897	-	-
2007	6,275,000	4,690,000	64,367	-	20,910,000	3,544,239	57,192	-	-
2008	2,445,000	4,420,000	45,336	3,000,000	19,730,000	3,456,853	33,383	-	-
2009	6,680,000	2,535,000	24,961	-	22,900,000	3,364,438	11,322	-	364,023
2010	6,915,000	2,385,000	3,167	-	21,947,795	3,266,201	-	1,002,109	458,679

**Note:** Details regarding the County's outstanding debt can be found in the notes to the financial statements

(1) See the Schedule of Demographic and Economic Statistics on page 237 for personal income and population data.

**Source:** Union County Auditor

<b>Total Primary Government</b>	<b>Percentage of Personal Income (1)</b>	<b>Per Capita (1)</b>
\$ 29,500,197	2.66%	\$ 695
31,294,859	2.69%	729
37,606,381	3.03%	860
35,297,208	2.73%	789
30,175,136	2.22%	660
31,152,106	2.19%	667
35,540,798	2.42%	752
33,130,572	2.13%	687
35,879,744	2.31%	734
35,977,951	2.54%	688

# **UNION COUNTY, OHIO**

## **RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN YEARS**

<b>Year</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Net General Bonded Debt</b>	<b>Ratio of Net Bonded Debt to Estimated Actual Value</b>	<b>Net Bonded Debt per Capita (2)</b>
2001	\$ 4,485,000	\$ 811,574	\$ 3,673,426	0.13%	\$ 87
2002	3,955,000	92,216	3,862,784	0.13%	90
2003	3,655,000	90,000	3,565,000	0.11%	82
2004	3,340,000	157,186	3,182,814	0.09%	71
2005	3,010,000	0	3,010,000	0.09%	66
2006	2,665,000	0	2,665,000	0.08%	57
2007	6,275,000	0	6,275,000	0.18%	133
2008	2,445,000	0	2,445,000	0.06%	51
2009	6,680,000	209,378	6,470,622	0.18%	132
2010	6,915,000	150,973	6,764,027	0.19%	129

**Note:** Details regarding the County's outstanding debt can be found in the notes to the financial statements

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on pages 225-226 for property value data.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics on page 237.

**Source:** Union County Auditor

**UNION COUNTY, OHIO**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2010**

<b>Jurisdiction</b>	<b>Debt Outstanding</b>	<b>Estimated Percentage Applicable to County (1)</b>	<b>Estimated Share of Overlapping Debt</b>
<b>Direct:</b>			
The County	\$ 9,303,167	100.00%	\$ 9,303,167
<b>Total Direct</b>	<u>9,303,167</u>		<u>9,303,167</u>
<b>Overlapping debt:</b>			
All Villages and Cities wholly within the County	30,340,000	100.00%	30,340,000
City of Dublin	51,205,000	4.47%	2,288,864
Washington Township-Franklin County	1,874,999	4.29%	80,437
<u>All School Districts</u>			
Dublin City School District	180,881,129	5.61%	10,147,431
Benjamin Logan Local School District	597,696	1.21%	7,232
Buckeye Valley Local School District	22,649,986	0.07%	15,855
Fairbanks School District	10,535,062	92.72%	9,768,109
Jonathan Alder Local School District	21,709,993	41.41%	8,990,108
Marysville Exempted Village School District	89,542,114	100.00%	89,542,114
North Union Local School District	10,740,000	95.01%	10,204,074
Triad Local School District	2,909,151	6.79%	197,531
Tolles Career & Tech. Jt. Vocational School	4,820,000	7.18%	346,076
Solid Waste Authority of Central Ohio	93,025,000	0.30%	279,075
<b>Total overlapping debt</b>	<u>520,830,130</u>		<u>162,206,906</u>
<b>Total direct and overlapping debt</b>	<u>\$ 530,133,297</u>		<u>\$ 171,510,073</u>

**Source:** Ohio Municipal Advisory Council and County records.

**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Union County. This process recognizes that, when considering the governments ability to issue and repay long term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the County's taxable assessed value.

# **UNION COUNTY, OHIO**

## **COMPUTATION OF LEGAL DEBT MARGIN LAST TEN YEARS**

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
Assessed value (a)	\$917,411,280	\$1,016,431,943	\$1,068,058,900	\$1,137,698,620	\$1,189,136,233
Unvoted debt limit (1% of total assessed)	9,174,113	10,164,319	10,680,589	11,376,986	11,891,362
Debt applicable to limit:					
General obligation bonds	6,841,907	3,955,000	4,970,000	3,215,000	3,010,000
Less: amount set aside for repayment of general obligation debt	811,574	92,216	90,000	157,186	-
Total debt applicable to limit	6,030,333	3,862,784	4,880,000	3,057,814	3,010,000
Legal debt margin	<u>\$3,143,780</u>	<u>\$6,301,535</u>	<u>\$5,800,589</u>	<u>\$8,319,172</u>	<u>\$8,881,362</u>
Legal debt margin as a percentage of the unvoted debt limit	34.27%	62.00%	54.31%	73.12%	74.69%
Debt limit					
3.0% of the first \$100,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
1.5% of the next \$200,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
2.5% of amounts assessed in excess of \$300,000,000.	15,435,282	17,910,799	19,201,473	20,942,466	22,228,406
	<u>21,435,282</u>	<u>23,910,799</u>	<u>25,201,473</u>	<u>26,942,466</u>	<u>28,228,406</u>
Debt applicable to limit:					
General obligation bonds	6,841,907	3,955,000	4,970,000	3,215,000	3,010,000
Less: amount set aside for repayment of general obligation debt	811,574	92,216	90,000	157,186	-
Total debt applicable to limit	6,030,333	3,862,784	4,880,000	3,057,814	3,010,000
Legal debt margin	<u>\$15,404,949</u>	<u>\$20,048,015</u>	<u>\$20,321,473</u>	<u>\$23,884,652</u>	<u>\$25,218,406</u>
Legal debt margin as a percentage of the unvoted debt limit	71.87%	83.85%	80.64%	88.65%	89.34%

**Source:** Union County Auditor

Note: Ohio Bond Law sets a limit of 9% for overall debt and 1/10 of 1% for voted debt.

(a) tax, as well as railroad and telephone public utility personal property in accordance with Ohio House Bill 530.

2006	2007	2008	2009	2010
\$1,180,460,850	\$1,240,144,510	\$1,328,545,397	\$1,289,221,460	\$1,280,889,570
11,804,609	12,401,445	13,285,454	12,892,215	12,808,896
2,665,000	6,275,000	2,445,000	6,680,000	6,915,000
-	-	-	209,378	150,973
2,665,000	6,275,000	2,445,000	6,470,622	6,764,027
\$9,139,609	\$6,126,445	\$10,840,454	\$6,421,593	\$6,044,869
77.42%	49.40%	81.60%	49.81%	47.19%
\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
22,011,521	23,503,613	25,713,635	24,730,537	24,522,239
28,011,521	29,503,613	31,713,635	30,730,537	30,522,239
2,665,000	6,275,000	2,445,000	6,680,000	6,915,000
-	-	-	209,378	150,973
2,665,000	6,275,000	2,445,000	6,470,622	6,764,027
\$25,346,521	\$23,228,613	\$29,268,635	\$24,259,915	\$23,758,212
90.49%	78.73%	92.29%	78.94%	77.84%



# **UNION COUNTY, OHIO**

## **PLEDGED REVENUE BOND COVERAGE LAST TEN YEARS**

<b>Year</b>	<b>Sales Tax Revenue Bonds</b>					
	<b>Sales Tax Revenue</b>	<b>Retained For General Fund</b>	<b>Net Available Revenue</b>	<b>Debt Service</b>		<b>Coverage</b>
				<b>Principal</b>	<b>Interest</b>	
2001	\$7,247,373	\$7,019,373	\$228,000	\$100,000	\$89,416	1.20
2002	5,983,016	5,755,016	228,000	105,000	201,470	0.74
2003	7,908,319	7,429,403	478,916	230,000	259,431	0.98
2004	6,776,434	6,236,434	540,000	235,000	258,484	1.09
2005	7,115,148	6,575,148	536,200	240,000	250,597	1.09
2006	7,163,499	6,669,099	494,400	250,000	232,604	1.02
2007	8,839,988	8,347,988	492,000	260,000	193,065	1.09
2008	8,769,759	8,277,759	492,000	270,000	214,789	1.01
2009	7,164,413	6,841,213	323,200	140,000	167,563	1.05
2010	7,338,903	7,127,703	211,200	150,000	119,605	0.78

**Note:** Details regarding the County's outstanding debt can be found in the notes to the financial statements. The amount retained for the general fund represents the total received less the amount required to meet the debt obligation.

**Source:** Union County Auditor

# UNION COUNTY, OHIO

## DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN YEARS

<b>Year</b>	<b>(a) Population</b>	<b>Personal Income</b>	<b>Per Capita Income (b)</b>	<b>Agricultural Acres (c)</b>	<b>Building Permits (d)</b>	<b>Unemployment Rate (e)</b>
2001	42,467	\$1,111,021,654	\$26,162	239,268	554	2.7%
2002	42,955	1,162,620,030	27,066	239,142	575	3.8%
2003	43,733	1,242,935,593	28,421	237,745	616	4.1%
2004	44,729	1,293,641,000	28,922	235,022	570	4.9%
2005	45,751	1,359,216,459	29,709	233,229	735	4.9%
2006	46,702	1,423,523,662	30,481	231,812	578	4.5%
2007	47,234	1,467,418,678	31,067	230,729	364	4.5%
2008	48,223	1,553,600,391	32,217	231,047	811	5.2%
2009	48,903	1,553,452,698	31,766	231,843	485	8.4%
2010	52,300	1,417,539,200	27,104	236,835	434	8.4%

### Sources:

(a) The 2000 numbers came from the census. Numbers from 2000 to 2005 were estimates provided by Ohio State University. The source for the 2009 estimate is Population Division, U.S. Census Bureau. The 2010 numbers came from the the 2010 census.

(b) Per capita income was from the 2009 census Estimate, US Census Bureau. Provided by the Union County Chamber of Commerce.

(c) Source: Union County Auditor.

(d) Source: Union County Engineer.

(e) Data from the Bureau of Labor Statistics

**UNION COUNTY, OHIO**

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO

<b>Employer</b>	<b>2010</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total Employment</b>
Honda of America	5,893	1	24.20%
The Scotts Company	1,165	2	4.78%
Memorial Hospital	650	3	2.67%
Marysville Schools	616	4	2.53%
Transportation Research Ctr.	517	5	2.12%
Ohio Reformatory for Women	487	6	2.00%
Union County	478	7	1.96%
Scioto Services	416	8	1.71%
Wal Mart	363	9	1.49%
Veyance Technologies	311	10	1.28%
Total Employment within the County	<u>24,356</u>		<u>44.74%</u>

<b>Employer</b>	<b>2001</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total Employment</b>
Honda of America	14,000	1	65.38%
The Scotts Company	1,089	2	5.08%
Ranco North America	700	3	3.27%
Honda R & D NA	650	4	3.03%
Union County School System	640	5	2.99%
Memorial Hospital	600	6	2.80%
Midwest Express	557	7	2.60%
Ohio Reformatory for Women	500	8	2.33%
Union County	340	9	1.59%
Goodyear Tire and Rubber	314	10	1.47%
Total Employment within the County	<u>21,417</u>		<u>90.54%</u>

**Source:** Union County Chamber of Commerce

**UNION COUNTY ,OHIO**

FULL TIME EQUIVALENT COUNTY GOVERNMENT  
EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN YEARS

<b>Function</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<i>General Government</i>										
<i>Legislative and Executive</i>										
Auditor	16	13	13	13	13	12	13	14	12	13
Board of Elections	2	2	2	2	4	4	4	4	4	7
Commissioners Dept.	9	9	13	12	10	12	14	15	16	15
Data Processing	-	2	2	2	2	2	2	2	2	2
Engineers Office	6	6	10	7	7	7	7	8	8	12
Janitor / Maintenance	10	11	16	16	16	17	18	18	17	16
Prosecutor	9	9	7	12	12	11	12	12	11	12
Recorder	4	4	4	4	4	4	4	5	4	4
Treasurer	5	5	5	5	5	5	5	5	5	5
Welfare Administration	20	19	19	21	21	20	23	26	21	19
<i>Judicial</i>										
Clerk of Courts	10	10	11	11	11	11	11	11	11	11
Common Pleas Court	8	8	7	7	7	6	6	10	9	12
Law Library	-	-	1	1	1	1	1	1	1	1
Juvenile Court	10	10	12	14	12	13	14	18	15	15
Probate Court	4	5	4	5	5	5	5	5	5	5
<i>Public Safety</i>										
Coroner	2	2	2	2	2	2	2	2	2	2
Sheriff	50	53	56	56	66	65	69	74	68	111
<i>Public Works</i>										
Co. Engineers Official	1	1	1	1	1	1	1	1	1	1
Road Laborers	25	25	25	26	26	25	24	26	32	48
<i>Health</i>										
Dog Warden	1	1	1	1	1	-	1	1	1	1
Mental Health	3	3	3	3	3	3	3	5	3	3
DD	74	79	72	70	68	69	76	76	78	81
<i>Human Services</i>										
Able	1	1	1	2	2	2	2	1	-	-
Child Support	12	12	13	11	9	11	10	11	8	9
PA Transportation	6	6	5	6	7	6	7	12	9	13
Public Social Service	17	17	13	14	14	19	20	20	13	16
Veterans	2	2	3	3	3	3	3	3	4	4
<i>Sewer</i>										
Sanitary Engineer	4	4	4	4	4	2	2	4	7	7
<i>Building Development</i>										
Building Regulation	8	8	10	10	9	9	8	6	9	10
	<u>319</u>	<u>327</u>	<u>335</u>	<u>341</u>	<u>345</u>	<u>347</u>	<u>367</u>	<u>396</u>	<u>376</u>	<u>455</u>

**Source:** Union County Auditor

**UNION COUNTY, OHIO**

**OPERATING INDICATORS BY FUNCTION  
LAST TEN YEARS**

<b>Function</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
<b><u>General Government</u></b>					
<b><u>Legislative and Executive</u></b>					
<b><u>Commissioners</u></b>					
Number of Resolutions	n/a	n/a	n/a	n/a	669
Number of Meetings	n/a	n/a	n/a	n/a	104
<b><u>Auditor</u></b>					
Number of Non Exempt Conveyances	n/a	n/a	1,696	1,805	1,840
Number of Exempt Conveyances	n/a	n/a	922	1,033	953
Number of Real Estate Transfers	n/a	n/a	2,618	2,838	2,793
Number of Checks Issued (budgetary)	n/a	n/a	22,389	20,334	18,694
<b><u>Treasurer</u></b>					
Number of 1st Half Parcels Billed	n/a	n/a	23,781	24,538	25,377
Number of Pay-Ins Processed	n/a	n/a	6,149	6,505	6,856
Return on Portfolio	n/a	n/a	1.97%	1.88%	3.07%
<b><u>Prosecuting Attorney</u></b>					
Number of Felony Cases Opened	n/a	n/a	n/a	n/a	329
Number of Cases Prosecuted	n/a	n/a	n/a	n/a	180
Number of Mortgage Foreclosures Answered	n/a	n/a	n/a	n/a	229
Number of County Contracts Reviewed	n/a	n/a	n/a	n/a	121
Number of Township Issues Assisted With	n/a	n/a	n/a	n/a	82
Number of Nonsupport Cases Opened & Serviced	n/a	n/a	n/a	n/a	172
Number of Crime Victims Assisted	n/a	n/a	n/a	n/a	819
Number of new Juvenile Cases	n/a	n/a	n/a	n/a	443
<b><u>Board of Elections</u></b>					
Number of Registered Voters	24,598	25,880	26,459	30,200	28,608
Number of Voters-Last General Election	8,900	12,597	10,675	22,911	11,881
Percentage of Registered Voters	36.18	48.67	40.35	75.86	41.74
<b><u>Recorder</u></b>					
Number of Deeds Recorded	2,253	2,527	2,658	2,727	2,756
Number of Mortgages Recorded	4,628	5,425	6,701	4,883	4,769
<b><u>Buildings and Grounds</u></b>					
Number of Buildings Maintained	n/a	n/a	n/a	n/a	13
Square Footage of Buildings	n/a	n/a	n/a	n/a	257,199
<b><u>Data Processing</u></b>					
Number of Users Served	n/a	n/a	n/a	n/a	326
<b><u>Risk Management</u></b>					
Number of Claims	12	11	13	8	13
<b><u>Judicial</u></b>					
<b><u>Common Pleas Court</u></b>					
Number of Cases Filed- Criminal	124	147	150	128	180
Number of Cases Filed- Civil	295	333	471	460	557
Number of Cases Filed- Divorce/Dissolution	255	254	278	246	238
Number of Cases Filed- Domestic Reopens	123	165	170	124	155
<b><u>Probate Court</u></b>					
Number of Cases Filed- Civil	284	264	282	286	265
Passports Issued	539	432	493	513	332
Marriage License Issued	314	336	303	328	307
<b><u>Juvenile Court</u></b>					
Number of Cases Filed- Traffic Offenses	538	579	462	398	440
Number of Cases Filed- Mediation	412	242	271	317	273
Number of Cases Filed- Other	721	651	728	743	798
Number of Filings Terminated	n/a	1,203	1,173	1,138	1,272
<b><u>Clerk of Courts</u></b>					
Titles Issued	n/a	n/a	n/a	19,982	22,559
Watercraft Titles Issued	n/a	n/a	n/a	247	269

**Source:** Union County Elected Officials and Department Heads

**N/A:** Information not available. Information will be presented in future CAFR's as it becomes available.

2006	2007	2008	2009	2010
702	684	649	710	548
103	104	102	102	104
1,541	1,371	853	974	707
932	782	1,062	768	941
2,373	2,153	1,915	1,742	1,648
15,856	16,178	20,060	14,974	15,032
26,042	25,400	25,526	25,529	25,511
7,092	7,429	7,255	7,361	7,358
5.19%	5.00%	4.60%	3.75%	2.75%
259	223	245	276	254
199	216	202	224	232
231	272	297	316	236
62	113	122	275	206
106	32	34	33	35
567	457	24	12	14
923	532	1,238	1,076	570
375	957	841	921	812
30,185	30,893	33,114	33,035	34,147
17,382	11,300	25,227	15,434	17,912
57.58	36.58	76.18	46.72	52.46
2,305	2,065	1,627	1,642	1,946
4,043	3,329	2,447	3,011	3,402
14	15	15	15	15
279,199	301,199	301,199	301,199	301,199
370	370	371	384	380
11	16	11	4	10
199	216	202	224	232
585	545	618	613	641
244	269	253	241	276
149	269	211	43	244
257	7	6	3	5
309	329	281	146	145
301	299	314	276	253
429	367	349	315	342
305	243	256	297	275
1,067	1,106	14	6	11
1,769	1,689	1,644	1,514	1,521
23,629	24,385	15,400	15,680	21,049
329	325	222	289	331

- (continued)

**UNION COUNTY, OHIO**

**OPERATING INDICATORS BY FUNCTION (Continued)**  
**LAST TEN YEARS**

<b>Function</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
<u>General Government (continued)</u>					
<u>Public Safety</u>					
<u>Sheriff</u>					
<u>Jail Operation</u>					
Average Daily Jail Census	n/a	n/a	n/a	n/a	39.6
Prisoners Booked	n/a	n/a	n/a	n/a	1,464
Prisoners Released	n/a	n/a	n/a	n/a	1,461
<u>Enforcement</u>					
Number of Incidents Reported	1,546	1,317	1,250	1,326	1,403
Number of Citations Issued	3,969	2,904	3,059	3,080	3,915
Number of Papers Served	2,628	2,047	2,749	2,368	3,212
Number of Telephone Calls	15,642	15,435	12,546	12,785	16,870
Number of Warrants Served	824	1,716	1,337	1,129	1,236
Number of Prisoner Transports	1,132	1,155	1,078	1,103	1,185
Number of Sheriff's Appraisals & Sales	64	228	154	187	181
Number of Record Checks	n/a	573	577	666	639
Number of Sex Offender Registrations	n/a	18	34	46	64
Number of CCW Permits Issued	n/a	n/a	n/a	348	157
<u>Emergency Medical Services</u>					
Number of Emergency Responses	614	350	450	474	366
<u>911 Services</u>					
Number of Calls	3,438	4,430	5,482	6,729	8,110
<u>Coroner</u>					
Number of Cases Investigated	37	29	38	36	23
Number of Autopsies Performed	21	10	26	23	13
<u>Emergency Management Agency (EMA)</u>					
Number of Emergency Responses	n/a	n/a	n/a	n/a	14
<u>Public Works</u>					
<u>Engineer</u>					
Miles of Roads Resurfaced	18	18	32	29	24
Miles of Roads Widened	17	7	13	10	14
Miles of Roads Chip Sealed	42	65	62	48	52
Miles of Roads Striped	48	106	95	104	104
Number of Bridges Replaced / Improved	5	5	5	8	5
Number of Culverts Replaced / Improved	44	40	37	38	44
Driveway Permits Issued	232	283	434	296	270
Property Transfers Checked	2,138	2,487	2,862	3,046	3,544
Deed Approvals	1,539	1,533	1,802	1,824	2,026
<u>Building Development</u>					
Number of Permits Issued	1,036	1,140	1,107	943	1,120
Number of Inspections Performed	15,076	15,997	17,130	16,319	15,606
Correction Notices Written	5,283	4,890	4,078	4,822	5,157
<u>Sewer District</u>					
Number of Tap-ins	48	47	74	91	70
Number of Customers	640	687	761	852	922
<u>Water District</u>					
Number of Tap-ins	12	57	55	69	56
Number of Customers	243	300	355	424	480
<u>Health</u>					
<u>Dog Warden</u>					
Calls for Service	n/a	n/a	n/a	n/a	2,173
Total Dogs to Humane Society	n/a	n/a	n/a	n/a	578
Citations Issued	n/a	n/a	n/a	n/a	3

**Source:** Union County Elected Officials and Department Heads

**N/A:** Information not available. Information will be presented in future CAFR's as it becomes available.

2006	2007	2008	2009	2010
38.4	42.8	35.0	44.0	46.0
1,644	1,595	1,292	1,312	1,168
1,617	1,608	1,306	1,302	1,163
1,214	1,393	1,418	1,502	1,068
4,416	4,598	3,166	3,087	2,682
3,036	2,354	2,436	1,061	2,182
19,612	17,260	18,367	17,680	15,574
1,335	1,200	975	768	790
1,346	1,343	1,176	1,381	1,396
188	192	240	350	219
910	1,045	1,178	742	1,935
105	123	201	341	671
99	146	461	451	306
585	274	236	236	173
10,674	10,743	13,111	12,861	13,433
34	35	30	28	32
26	27	25	16	19
31	37	35	57	18
16	12	35	11	13
8	4	2	4	4
28	60	65	83	86
99	98	175	175	240
9	8	9	1	1
39	26	2	5	8
205	145	96	85	82
3,082	2,980	2,401	2,098	2,011
1,666	1,625	1,263	1,697	1,846
944	1,035	811	485	434
12,417	10,128	8,439	6,257	5,386
4,287	3,104	2,081	1,554	1,581
1	6	2	0	0
455	461	466	467	467
1	n/a	n/a	n/a	n/a
-	n/a	n/a	n/a	n/a
780	1,429	1,752	1,600	1,836
209	522	705	645	657
-	22	49	41	45

- (continued)



**UNION COUNTY, OHIO**

**OPERATING INDICATORS BY FUNCTION (Concluded)  
LAST TEN YEARS**

<b>Function</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
<u>Health (continued)</u>					
<u>DD</u>					
Number of Students Enrolled					
Early Intervention Program	42	65	73	61	66
Preschool	71	74	78	73	88
School Age	-	-	-	-	-
Number Employed at Workshop	58	56	61	68	70
<u>Mental Health</u>					
Client Count - direct outpatient services	n/a	n/a	n/a	n/a	1,458
Client Count - other including prevention services	n/a	n/a	n/a	n/a	4,580
<u>Human Services</u>					
<u>Jobs And Family Services</u>					
Client Count - Visitors to Employmnt Resource Cntr.	n/a	n/a	n/a	n/a	7,280
Client Count - Number of Job Club Participants	n/a	n/a	n/a	n/a	296
Job Club Part. - Successfully Completed Classes	n/a	n/a	n/a	n/a	84
Client Applications Processed - Food Stamps	n/a	n/a	n/a	n/a	1,021
Client Applications Processed - OWF	n/a	n/a	n/a	n/a	729
Client Applications Processed - Medicaid	n/a	n/a	n/a	n/a	6,458
Number of Open Public Assitance Cases	n/a	n/a	n/a	n/a	2,037
Average Number of Cerified Daycare Providers.	n/a	n/a	n/a	n/a	38
<u>Children's Services</u>					
Number of Placements	n/a	n/a	n/a	n/a	55
Number of Investigations	n/a	n/a	n/a	n/a	472
Number of Information and Referrals	n/a	n/a	n/a	n/a	398
<u>Child Support Enforcement Agency</u>					
Number of Open Cases	n/a	n/a	n/a	n/a	2,573
Number of new Cases	n/a	n/a	n/a	n/a	229
Percentage Collected	n/a	n/a	n/a	n/a	81.57%
<u>Veteran Services</u>					
Number of Clients Served	1,244	1,246	852	946	695
Amount of Benefits paid to Residents (\$000)	143	154	104	136	111
Number of Veterans Transported	1,035	1,002	985	1,433	1,244
<u>Union County Agency Transportation Service</u>					
Number of One-Way Passenger Trips	n/a	n/a	n/a	n/a	19,001
Total Vehicle Miles	n/a	n/a	n/a	n/a	220,628
Total Vehicle Hours	n/a	n/a	n/a	n/a	15,951
<u>Council on Aging</u>					
Number of Function Attendees	n/a	n/a	n/a	n/a	2,057
Monthly Newsletter Circulation	n/a	n/a	n/a	n/a	1,848
<u>ABLE</u>					
Number of Students who Enroll in the Pgm.	n/a	n/a	n/a	49	73
Number of Students Earning their GED	n/a	n/a	n/a	20	28
No. of Students -Trans. to Post Secondary	n/a	n/a	n/a	3	14
<u>Economic Development</u>					
Commercial / Industrial Projects	n/a	n/a	n/a	n/a	40
Estimated Number of Jobs Created	n/a	n/a	n/a	n/a	400
Estimated Number of Site/Building Inquiries	n/a	n/a	n/a	n/a	30
Economic Development Grants Received	n/a	n/a	n/a	n/a	2
Retention Visits	n/a	n/a	n/a	n/a	14

**Source:** Union County Elected Officials and Department Heads

**N/A:** Information not available. Information will be presented in future CAFR's as it becomes available.

2006	2007	2008	2009	2010
88	59	49	55	45
82	103	118	121	166
-	-	-	-	-
58	47	85	86	74
1,637	2,023	1,590	1,348	1,515
5,083	10,165	8,740	12,217	12,400
7,010	5,102	8,013	11,097	8,986
218	168	162	196	25
54	39	24	58	21
1,480	1,580	1,474	2,100	2,069
884	653	538	820	715
10,221	10,824	10,410	11,237	10,421
1,946	2,100	2,218	2,504	2,746
51	46	44	35	29
77	96	89	82	89
513	492	565	525	514
569	374	877	494	402
2,570	2,165	2,272	2,799	3,293
208	505	362	362	494
77.79%	78.57%	78.18%	78.18%	77.02%
551	327	5,342	5,554	2,434
89	49	193	286	279,706
1,540	1,359	1,182	1,365	1,442
17,493	22,276	18,819	27,375	28,097
208,450	232,930	251,440	423,596	462,663
16,590	18,540	20,014	687,827	11,731
2,938	4,933	3,950	11,433	15,482
2,119	2,108	2,669	2,991	2,578
70	51	37	169	130
24	17	16	53	22
2	1	2	29	8
48	28	32	19	13
400	90	90	53	180
32	30	23	3	65
3	4	5	5	0
18	21	178	178	202

**UNION COUNTY, OHIO**

CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN YEARS  
(AMOUNTS EXPRESSED IN THOUSANDS)

<b>Function</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
General government						
Legislative and executive						
Land & improvements	\$ 249	\$ 598	\$ 585	\$ 1,097	\$ 1,495	\$ 1,411
Buildings	17,021	15,712	14,120	15,835	15,734	16,112
Equipment	941	1,004	1,036	1,730	1,206	1,180
Furniture & fixtures	174	179	171	223	247	244
Vehicles	100	117	98	126	108	137
Judicial						
Land & improvements	-	20	20	20	20	20
Buildings	-	4,776	4,808	4,808	4,808	4,808
Equipment	212	271	293	240	290	390
Furniture & fixtures	120	123	121	143	143	145
Public safety						
Land & improvements	133	133	133	133	133	139
Buildings	24	24	914	914	914	940
Equipment	687	739	556	617	714	844
Furniture & fixtures	40	51	52	119	52	52
Vehicles	862	882	726	843	862	955
Public works						
Land & improvements	15	15	15	15	15	9
Buildings	61	61	67	61	61	15
Equipment	323	357	398	415	445	468
Furniture & fixtures	47	47	53	7	87	87
Vehicles	2,865	2,954	3,153	3,233	3,373	3,493
Infrastructure	n/a	31,944	36,203	38,455	42,872	44,079
Health						
Land & improvements	429	355	341	311	311	355
Buildings	3,985	3,988	7,341	7,231	7,229	4,060
Equipment	366	382	382	400	391	419
Furniture & fixtures	50	71	71	71	71	106
Vehicles	65	80	110	83	90	132
Human Services						
Land & improvements	-	-	17	17	17	31
Buildings	9	9	15	15	15	93
Equipment	79	100	70	84	65	86
Furniture & fixtures	64	64	211	217	217	215
Vehicles	138	178	180	222	258	237
Construction in progress	-	-	-	-	289	743
Sewer						
Land	33	33	33	33	33	29
Net depreciable assets	3,237	3,070	4,012	2,926	2,868	756
Water						
Net depreciable assets	1,635	1,600	1,750	1,530	1,495	-
Building development						
Net depreciable assets	21	17	28	68	82	61
Memorial Hospital						
Net capital assets	30,255	30,867	33,565	35,744	33,680	35,911

**Source:** Union County Auditor

**N/A:** Information not available. Information will be presented in future CAFR's as it becomes available.

2007	2008	2009	2010
\$ 1,537	\$ 1,537	\$ 1,584	\$ 1,584
16,239	18,923	18,936	18,936
1,793	1,889	1,879	1,898
244	296	296	296
146	207	134	134
20	20	20	20
4,830	4,830	4,830	4,830
493	515	547	571
145	149	176	-
139	440	440	440
938	936	936	936
909	1,178	1,192	1,235
52	52	66	-
947	1,232	1,277	1,368
9	9	9	9
15	15	15	15
492	427	406	410
87	87	87	-
3,680	3,754	3,768	3,871
46,409	51,000	52,699	55,549
355	355	355	355
4,060	4,078	4,078	4,078
426	439	439	439
106	106	106	-
110	93	49	49
31	31	31	31
165	93	93	93
96	58	58	152
215	215	215	-
232	296	261	302
172	-	-	1,434
29	29	29	29
728	603	159	103
-	-	-	-
122	118	24	n/a
36,004	35,943	40,188	40,183





# Dave Yost • Auditor of State

## UNION COUNTY FINANCIAL CONDITION

### UNION 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 6, 2011

*Articles to Create*  
*the*  
UNION COUNTY COUNCIL OF GOVERNMENTS  
*consisting of*  
THE COUNTY OF UNION  
*and*  
THE CITY OF MARYSVILLE  
*and*  
THE MARYSVILLE EXEMPTED SCHOOL DISTRICT

**2012**

## **PREAMBLE**

WHEREAS, the Board of Union County Commissioners (County) is a subdivision of the State of Ohio and a body politic pursuant to the Ohio Constitution, and Section 301.01 et seq. of the Ohio Revised Code, and;

WHEREAS, the City of Marysville (City) is a Municipal Corporation and a body politic organized pursuant to Article XVIII of the Ohio Constitution and Section 703.01 et seq. of the Ohio Revised Code; and

WHEREAS, the Board of Education of the Marysville Exempted Village School District (School District) is a body politic organized pursuant to Section 3313.02 of the Ohio Revised Code; and

WHEREAS, the County, City and School District have, in recent years, found it necessary to expend increasing levels of resources for technology, including internet, data center, personnel, fiber, VoIP and other automatic data processing services, and;

WHEREAS, the parties have determined that by working together in an innovative and collaborative way, they can bring new technology and a shared services philosophy to the MEMBERS, and better meet the current and future needs of the MEMBERS, and;

WHEREAS, the parties desire to enter into an AGREEMENT in order to collaborate, share resources, reduce costs, centralize supervision and enhance the provision of technology to the respective contracting parties and the public, and;

WHEREAS, the County, City and School District foresee future opportunities to collaborate, to share employees, services and assets and transportation services, to enter into joint and/or cooperative purchasing agreements, to use their joint purchasing power to bargain with suppliers for lower cost supplies, equipment, fuel, energy and services, and to enter into other agreements to benefit each party and thereby being effective stewards of taxpayer dollars; and,

WHEREAS, the formation of the Union County Council of Governments will promote the economic development of the region, and;



WHEREAS, the County of Union, City of Marysville, and Marysville Exempted School District as bodies politic desire to enter into a Council of Governments (COUNCIL) pursuant to Chapter 167 of the Ohio Revised Code, the purpose of the Council shall be to coordinate and integrate data processing services as defined herein, and for all other lawful purposes as the MEMBERS shall determine from time to time;

NOW THEREFORE, in consideration of the mutual promises and covenants herein, the parties agree as follows:

## **ARTICLE I. ESTABLISHMENT OF A REGIONAL COUNCIL OF GOVERNMENTS**

1.1 The parties acting through their respective legislative authorities do hereby create a Regional Council of Governments which shall have all the powers, duties and privileges as set forth in Chapter 167 of the Ohio Revised Code.

1.2 The name of the regional council of governments established by this AGREEMENT shall be the "UNION COUNTY COUNCIL OF GOVERNMENTS."

## **ARTICLE II. MEMBERSHIP AND REPRESENTATION**

2.1 Membership in the regional council shall include the parties to this AGREEMENT and other political subdivisions entering into this AGREEMENT or admitted to Membership subsequently pursuant to this AGREEMENT.

2.2 Except for the rights specifically granted to MEMBERS herein, the sole right of the MEMBERS shall be to vote for or appoint its representative or alternate representative to the Governing Board. The MEMBERS authorize the Board to exercise all of the rights and privileges of the MEMBERS regarding the management and operation of the Council.

2.3 The following shall only be effective upon the unanimous approval of the MEMBERS of the Council taken at a lawful public meeting of each of the respective MEMBERS:

1. Admittance of additional MEMBERS to the Council.

2. Establishing or increasing the funding obligation of each MEMBER or determining an assessment below, or determining that a MEMBER may contribute property or services in lieu of cash or cash equivalents.
3. Any incurrence of debt or other financing arrangements.
4. Adopting or amending these Articles establishing the Council.
5. Approving any merger, consolidation or other reorganization of the Council.
6. Electing to terminate the Council.

2.4 The MEMBERS shall not be bound by, or be individually liable for the expenses, liabilities or obligations of the Council except to the extent of their financial contribution.

### **ARTICLE III. MANAGEMENT**

3.1 Except as provided by the laws of the State of Ohio and in these Articles, the powers of the Council shall be exercised, its business affairs conducted and its property managed by and under the direction of a Governing Board. The Board shall consist of representatives of each of the MEMBERS to this AGREEMENT. Specifically, the Board shall include as members the following individuals:

1. The Superintendent of the Marysville Exempted School District or his or her designee.
2. The Mayor of the City of Marysville or his or her designee.
3. The President of the Board of Union County Commissioners or another commissioner as may be designated by that Board.

Each MEMBER may appoint one or more alternate Governing Board members, who may serve on the Governing Board upon the absence, illness, resignation or unavailability of the board member.

A quorum shall be a majority of the members.

- 3.2 The Governing Board Members shall be designated and appointed to the Board as set forth herein. Representation of other MEMBERS who are later admitted shall be established by the Bylaws of the Council. If the Bylaws fail to establish the manner for determining representation on the Council, such representation shall consist of one representative from each MEMBER. Such representative shall be the elected chief executive thereof, or if the political subdivision has no elected chief executive, a MEMBER of its governing body chosen by such body to be its representative, or their designee.
- 3.3 The manner in which the Board shall act and procedures used by the Board for the management and conduct of the Council business shall be set forth in the Bylaws, so long as such Bylaws are consistent with the terms of these Articles. The Bylaws may be amended from time to time by a majority vote of the full Membership of the Board.
- 3.4 The Council shall make an annual report of its activities to the Member governments which report shall include those items established by Bylaws for inclusion in the annual report.
- 3.5 The Council may purchase and maintain general liability insurance, and directors and officers insurance on behalf of any person who is a Governing Board Member, officer, employee, or other agent of the Council, in the amount not less than \$1,000,000 per occurrence and in the aggregate. The Council may purchase such additional insurance against any insurable risk in such amounts as it deems reasonable and appropriate.

#### **ARTICLE IV. DEFINITIONS**

- 4.1 "Member" means any party who is now or who may later become a signatory to this AGREEMENT.
- 4.2 "Consolidated Data Center" refers to a data processing center which may be developed and jointly owned and operated by the Council.
- 4.3 "Fiber" refers to the fiber optics owned by the Marysville Exempted School District as of the date of this AGREEMENT.
- 4.4 "VoIP" means Voice Over Internet Protocol, and refers to the Cisco VoIP owned by the County.
- 4.5 "Technology services" includes, but is not limited to, the provision of user support services, internet services, data storage and backup, VoIP, centralized servers, e-mail, electronic document storage, retrieval and retention, wireless network, Web filtering, firewalls, e-mail

filtering, e-mail archiving, centralized data centers – including redundant servers, off-site data backup, generator and battery backup, disaster recovery of the foregoing services, help desk, Storage Area Networks and related or other necessary data processing services.

4.6 “Agreement” means these Articles to Create a Regional Council of Governments.

## **ARTICLE V. PURPOSE**

5.1 The purpose of the COUNCIL is to establish a cooperative working arrangement among the parties to assist them in carrying out their official duties and responsibilities in furtherance of the legitimate public purposes of the respective parties, including without limitation:

- A. To promote action for the common good of the MEMBERS.
- B. To promote cooperative arrangements and coordinate action among its MEMBERS, and between its MEMBERS and other agencies of local or state government and the federal government for technology services.
- C. To contract with and promote cooperative agreements and contracts among its MEMBERS, or with other governmental agencies or Councils of Governments, or with private persons, corporations, or agencies for technology services.
- D. To collaborate to develop cost-effective and efficient sharing of technology resources.
- E. Perform planning directly by personnel of the Council, or under contracts between the Council and other public or private planning agencies for technology services.
- F. The Council shall specifically work towards, but not be limited to, collaboration opportunities in information technology services as follows:
  - 1. Connection of existing City and County networks to the School District’s fiber network.
  - 2. Establish and operate a Consolidated Data Center to co-locate datacenter equipment in order to share and reduce cooling, electric, operational and other expensed.
  - 3. Federate a Member Services Directory System to provide for centralized administration of all member’s databases, file systems and server access.

4. Consolidation of Help Desk and Support Services to provide centralized services to each member.
  5. Establish a centralized Storage Area Network using existing resources and virtualization.
  6. Virtualize servers to reduce hardware costs and increase up-time of critical systems of the members.
  7. Establish a primary backup and disaster recovery site and implement hardware and software solutions for disaster recovery for all members.
  8. Connect and expand the County's VoIP phone system or other system as suggested by consultants or as may be agreed to by the parties.
- G. Enter into Agreements with other Councils of Government, governments or others to purchase software, hardware, goods and services in accordance with Ohio law.
- H. To examine other opportunities for joint purchasing of goods or services.
- I. Any other lawful purposes as the MEMBERS may direct.

5.2 No part of the net earnings of the organization shall inure to the benefit of, or be distributable to its MEMBERS, officers, or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof.

5.3 No substantial part of the activities of the organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the organization shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the organization shall not carry on any other activities not permitted to be carried on by an organization exempt from federal income tax under subsection 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

5.4 Annually, as prescribed by the bylaws, the Governing Board shall establish a budget for the ensuing fiscal year and assess dues for each party to pay to support the activities undertaken pursuant to this AGREEMENT in the ensuing fiscal year.

5.5 Pursuant to Ohio Revised Code Section 167.04, the Governing Board shall adopt by-laws designating the officers of the COUNCIL and their method of selection. The officers shall include a Chairperson, Vice-Chairperson, Secretary and Treasurer and any additional officers as specified in the bylaws.

5.6 Guided by this AGREEMENT and the specifications herein, the Governing Board shall adopt by-laws to further describe its organization and procedures.

## **VI. FUNDING AND DUES**

6.1 The primary source of funding which will be used to carry out the purposes of this AGREEMENT shall be dues from each of the parties. The dues of each party shall be established annually, for each upcoming fiscal year, based upon the budget established by the Governing Board. The method for establishing dues shall be set forth in the bylaws adopted by the Governing Board.

6.2 By entering into this AGREEMENT, each party agrees to pay the dues established for it by the Governing Board, subject to its right to withdraw, set forth herein. The dues from each party shall be paid to the fiscal officer serving in accordance with this AGREEMENT. Dues shall be paid at a time and manner as prescribed by the bylaws.

6.3 In carrying out activities pursuant to this AGREEMENT, the Governing Board may require the parties of any persons who may participate in a particular activity to pay additional amounts to cover some or all of the expenses associated with a particular Technology Services activity in accordance with the respective benefit to that MEMBER. Any such additional amounts shall be paid to the fiscal officer.

6.4 The expenditure funds by the COUNCIL shall be limited to items or services which assist the MEMBERS in carrying out their official duties and responsibilities in furtherance of the legitimate public purposes as set forth in Article V.

6.5 Upon the dissolution of the Council, assets shall be distributed for one or more exempt purposes within the meaning of subsection 501(c)(3) of the Internal Revenue Code, or

corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Assets will first be distributed to the MEMBERS who are parties to this AGREEMENT on the date of dissolution in accordance with their respective contributions, or as otherwise may be agreed by the MEMBERS. Any such assets not disposed of shall be disposed of by the court of Common Pleas of the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes. Parties who have withdrawn prior to the dissolution shall not be entitled to a distribution of assets of the COUNCIL.

## **VII. COUNCIL PERSONNEL**

7.1 Pursuant to the Ohio Revised Code Section 167.04(B), the Governing Board shall appoint a fiscal officer, who shall receive, deposit, invest, and disburse the funds of the council.

7.2 Pursuant to the Ohio Revised Code Section 167.05, the Governing Board may employ or contract with such personnel as it deems necessary to carry out the activities undertaken pursuant to this AGREEMENT. Through adopted bylaws, the Governing Board may establish the position of COUNCIL President, who shall serve as the chief executive officer of the COUNCIL, and the Governing Board may delegate additional authority – including, but not limited to, the authority to employ or contract with personnel – to the Council President through bylaws or through resolution of the board.

## **VIII. MISCELLANEOUS TERMS**

8.1 The MEMBERS shall not be bound by, or be individually liable for the expenses, liabilities or obligations of the Council except to the extent of their financial contribution.

8.2 Each MEMBER, which is a party to this AGREEMENT, has statutory or contracted legal counsel who shall review and approve this AGREEMENT as to lawful form.

8.3 The records of the COUNCIL shall be considered to be records of all the MEMBERS which are, or were at the time the records were created, parties to this AGREEMENT. These records shall be available to all parties and shall be public records as provided by Ohio law.

## **IX. Approval, Amendment or Withdrawal from this AGREEMENT**

9.1 The AGREEMENT shall be approved by resolution of the legislative authority which desires to become a party.

9.2 This AGREEMENT may be amended upon the written consent of all of the parties hereto. Any proposed amendment to this AGREEMENT shall first be presented to the Governing Board for its recommendation prior to the execution of the amendment.

9.3 Any political subdivision which has become a MEMBER of the Council may withdraw by formal action of its governing board and upon three-hundred sixty five (365) days written notice to the Council after such action. A party's withdrawal shall not entitle it to a refund of any dues or payments already made pursuant to this AGREEMENT. The failure of any MEMBER to appropriate funds in accordance with this AGREEMENT shall constitute an election to withdraw.

9.4 The AGREEMENT shall take effect upon the approval of the legislative authority of each MEMBER. It shall continue in effect as long as a majority of MEMBERS remain parties to the AGREEMENT.



NOW THEREFORE THE PARTIES HAVE SET THEIR HANDS PURSUANT TO RESOLUTION OF THEIR RESPECTIVE LEGISLATIVE AUTHORITIES:


THE COUNTY OF UNION



By: Steve Stolte, Commissioner

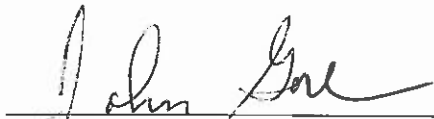
Date: 1-26, 2012

Authorized pursuant to Commissioner Resolution No. 04412 dated the 26 day of January, 2012.



Clerk of the Board

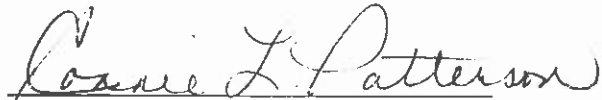
THE CITY OF MARYSVILLE



By: John Gore, Mayor

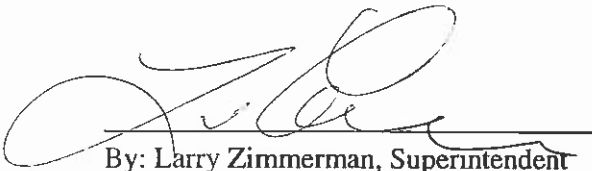
Date: 2-2, 2012

Authorized pursuant to City Council Resolution No. 2-12 dated the 26<sup>th</sup> day of January, 2012



Clerk of Council

MARYSVILLE EXEMPTED SCHOOL DISTRICT



By: Larry Zimmerman, Superintendent

Date: 2/2, 2012

Authorized pursuant to Resolution No. 12-02 of the Marysville Exempted School District School Board dated the 26<sup>th</sup> day of January, 2012.



Clerk of the Board



DP-1

Profile of General Population and Housing Characteristics: 2010

2010 Demographic Profile Data

NOTE: For more information on confidentiality protection, nonsampling error, and definitions, see <http://www.census.gov/prod/cen2010/doc/dpsf.pdf>.**Geography: Marysville city, Ohio**

Subject	Number	Percent
<b>SEX AND AGE</b>		
Total population	22,094	100.0
Under 5 years	1,717	7.8
5 to 9 years	1,655	7.5
10 to 14 years	1,612	7.3
15 to 19 years	1,368	6.2
20 to 24 years	1,407	6.4
25 to 29 years	1,951	8.8
30 to 34 years	2,092	9.5
35 to 39 years	2,056	9.3
40 to 44 years	1,879	8.5
45 to 49 years	1,572	7.1
50 to 54 years	1,304	5.9
55 to 59 years	917	4.2
60 to 64 years	775	3.5
65 to 69 years	529	2.4
70 to 74 years	394	1.8
75 to 79 years	329	1.5
80 to 84 years	274	1.2
85 years and over	263	1.2
Median age (years)	33.1	( X )
16 years and over	16,808	76.1
18 years and over	16,207	73.4
21 years and over	15,517	70.2
62 years and over	2,233	10.1
65 years and over	1,789	8.1
Male population	9,463	42.8
Under 5 years	818	3.7
5 to 9 years	892	4.0
10 to 14 years	815	3.7
15 to 19 years	662	3.0
20 to 24 years	475	2.1
25 to 29 years	702	3.2
30 to 34 years	836	3.8
35 to 39 years	844	3.8
40 to 44 years	791	3.6
45 to 49 years	670	3.0
50 to 54 years	549	2.5
55 to 59 years	407	1.8
60 to 64 years	326	1.5
65 to 69 years	219	1.0
70 to 74 years	158	0.7
75 to 79 years	120	0.5
80 to 84 years	114	0.5
85 years and over	65	0.3

Subject	Number	Percent
Median age (years)	32.0	( X )
16 years and over	6,787	30.7
18 years and over	6,482	29.3
21 years and over	6,184	28.0
62 years and over	868	3.9
65 years and over	676	3.1
Female population	12,631	57.2
Under 5 years	899	4.1
5 to 9 years	763	3.5
10 to 14 years	797	3.6
15 to 19 years	706	3.2
20 to 24 years	932	4.2
25 to 29 years	1,249	5.7
30 to 34 years	1,256	5.7
35 to 39 years	1,212	5.5
40 to 44 years	1,088	4.9
45 to 49 years	902	4.1
50 to 54 years	755	3.4
55 to 59 years	510	2.3
60 to 64 years	449	2.0
65 to 69 years	310	1.4
70 to 74 years	236	1.1
75 to 79 years	209	0.9
80 to 84 years	160	0.7
85 years and over	198	0.9
Median age (years)	33.9	( X )
16 years and over	10,021	45.4
18 years and over	9,725	44.0
21 years and over	9,333	42.2
62 years and over	1,365	6.2
65 years and over	1,113	5.0
RACE		
Total population	22,094	100.0
One Race	21,689	98.2
White	19,980	90.4
Black or African American	1,004	4.5
American Indian and Alaska Native	61	0.3
Asian	508	2.3
Asian Indian	210	1.0
Chinese	73	0.3
Filipino	83	0.4
Japanese	50	0.2
Korean	22	0.1
Vietnamese	25	0.1
Other Asian [1]	45	0.2
Native Hawaiian and Other Pacific Islander	14	0.1
Native Hawaiian	2	0.0
Guamanian or Chamorro	6	0.0
Samoan	1	0.0
Other Pacific Islander [2]	5	0.0
Some Other Race	122	0.6
Two or More Races	405	1.8
White; American Indian and Alaska Native [3]	85	0.4
White; Asian [3]	100	0.5
White; Black or African American [3]	136	0.6
White; Some Other Race [3]	24	0.1
Race alone or in combination with one or more other races: [4]		
White	20,359	92.1
Black or African American	1,165	5.3
American Indian and Alaska Native	176	0.8

Subject	Number	Percent
Asian	638	2.9
Native Hawaiian and Other Pacific Islander	26	0.1
Some Other Race	172	0.8
HISPANIC OR LATINO		
Total population	22,094	100.0
Hispanic or Latino (of any race)	392	1.8
Mexican	209	0.9
Puerto Rican	80	0.4
Cuban	8	0.0
Other Hispanic or Latino [5]	95	0.4
Not Hispanic or Latino	21,702	98.2
HISPANIC OR LATINO AND RACE		
Total population	22,094	100.0
Hispanic or Latino	392	1.8
White alone	215	1.0
Black or African American alone	14	0.1
American Indian and Alaska Native alone	6	0.0
Asian alone	9	0.0
Native Hawaiian and Other Pacific Islander alone	2	0.0
Some Other Race alone	100	0.5
Two or More Races	46	0.2
Not Hispanic or Latino	21,702	98.2
White alone	19,765	89.5
Black or African American alone	990	4.5
American Indian and Alaska Native alone	55	0.2
Asian alone	499	2.3
Native Hawaiian and Other Pacific Islander alone	12	0.1
Some Other Race alone	22	0.1
Two or More Races	359	1.6
RELATIONSHIP		
Total population	22,094	100.0
In households	19,162	86.7
Householder	7,314	33.1
Spouse [6]	3,881	17.6
Child	6,341	28.7
Own child under 18 years	5,431	24.6
Other relatives	679	3.1
Under 18 years	286	1.3
65 years and over	94	0.4
Nonrelatives	947	4.3
Under 18 years	126	0.6
65 years and over	25	0.1
Unmarried partner	557	2.5
In group quarters	2,932	13.3
Institutionalized population	2,915	13.2
Male	161	0.7
Female	2,754	12.5
Noninstitutionalized population	17	0.1
Male	11	0.0
Female	6	0.0
HOUSEHOLDS BY TYPE		
Total households	7,314	100.0
Family households (families) [7]	5,050	69.0
With own children under 18 years	2,867	39.2
Husband-wife family	3,881	53.1
With own children under 18 years	2,081	28.5
Male householder, no wife present	324	4.4
With own children under 18 years	215	2.9
Female householder, no husband present	845	11.6
With own children under 18 years	571	7.8

Subject	Number	Percent
Nonfamily households [7]	2,264	31.0
Householder living alone	1,843	25.2
Male	808	11.0
65 years and over	127	1.7
Female	1,035	14.2
65 years and over	469	6.4
Households with individuals under 18 years	3,053	41.7
Households with individuals 65 years and over	1,271	17.4
Average household size	2.62	( X )
Average family size [7]	3.16	( X )
HOUSING OCCUPANCY		
Total housing units	7,969	100.0
Occupied housing units	7,314	91.8
Vacant housing units	655	8.2
For rent	253	3.2
Rented, not occupied	11	0.1
For sale only	161	2.0
Sold, not occupied	17	0.2
For seasonal, recreational, or occasional use	29	0.4
All other vacants	184	2.3
Homeowner vacancy rate (percent) [8]	3.3	( X )
Rental vacancy rate (percent) [9]	9.0	( X )
HOUSING TENURE		
Occupied housing units	7,314	100.0
Owner-occupied housing units	4,759	65.1
Population in owner-occupied housing units	13,477	( X )
Average household size of owner-occupied units	2.83	( X )
Renter-occupied housing units	2,555	34.9
Population in renter-occupied housing units	5,685	( X )
Average household size of renter-occupied units	2.23	( X )

X Not applicable.

[1] Other Asian alone, or two or more Asian categories.

[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

[3] One of the four most commonly reported multiple-race combinations nationwide in Census 2000.

[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six percentages may add to more than 100 percent because individuals may report more than one race.

[5] This category is composed of people whose origins are from the Dominican Republic, Spain, and Spanish-speaking Central or South American countries. It also includes general origin responses such as "Latino" or "Hispanic."

[6] "Spouse" represents spouse of the householder. It does not reflect all spouses in a household. Responses of "same-sex spouse" were edited during processing to "unmarried partner."

[7] "Family households" consist of a householder and one or more other people related to the householder by birth, marriage, or adoption. They do not include same-sex married couples even if the marriage was performed in a state issuing marriage certificates for same-sex couples. Same-sex couple households are included in the family households category if there is at least one additional person related to the householder by birth or adoption. Same-sex couple households with no relatives of the householder present are tabulated in nonfamily households. "Nonfamily households" consist of people living alone and households which do not have any members related to the householder.

[8] The homeowner vacancy rate is the proportion of the homeowner inventory that is vacant "for sale." It is computed by dividing the total number of vacant units "for sale only" by the sum of owner-occupied units, vacant units that are "for sale only," and vacant units that have been sold but not yet occupied; and then multiplying by 100.

[9] The rental vacancy rate is the proportion of the rental inventory that is vacant "for rent." It is computed by dividing the total number of vacant units "for rent" by the sum of the renter-occupied units, vacant units that are "for rent," and vacant units that have been rented but not yet occupied; and then multiplying by 100.

Source: U.S. Census Bureau, 2010 Census.

## Ohio Educational Directory (As of 18-APR-2012)

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Marysville Ex Vill SD (Union) IRN: 045476  
VEPD: 056  
1000 Edgewood Dr PHONE:  
(937) 644-8105  
Marysville, OH 43040 FAX:  
(937) 644-1849

SUPT: [William L. Reimer](#)

A SUPT: Vacant

DIR: [A Y. Boyd](#) (Dir-Curriculum/Instruc Svcs)  
[Carla R. Steele](#) (Dir-Curriculum/Instruc Svcs)  
[Gregg M. Stubbs](#) (Dir-Title I Programs)  
[Ellen F. Traucht](#) (Dir-Student Activities/Service)  
Mike White (Dir-Business/Financial Svcs)

SUPVR: [Sara N. Shaner](#) (Sup-Auxiliary Svcs/Nonpub Prgm)

COORD: [A Y. Boyd](#) (Coord-Teacher Mentor)  
[Gregg M. Stubbs](#) (Coord-Grants Administration)  
[Jeffrey Wargo](#) (Coord-Facilities)  
David Wells (Coord-Technology)

TREAS: [Cynthia J. Ritter](#)

Marysville High School (9-12) IRN: 023119  
800 Amrine Mill Rd PHONE:  
(937) 642-0010 FAX: (937) 642-2033  
Marysville, OH 43040 ENROL: 1519  
TCHR: 85

PRIN: [Matthew W. Chrispin](#)

A PRIN: [Tonya N. Ramey](#)  
[Shawn P. Williams](#)

Marysville Middle School (7-8) IRN: 023127  
833 N Maple St PHONE:  
(937) 642-1721 FAX: (937) 642-2170  
Marysville, OH 43040 ENROL: 859  
TCHR: 66

PRIN: [Kathy L. McKinniss](#)

A PRIN: [Stephen C. Knox](#)

Creekview Intermediate Element (5-6) IRN: 140590  
2000 Creekview Dr PHONE:  
(937) 642-1154 FAX: (937) 642-3749  
Marysville, OH 43040 ENROL: 721  
TCHR: 55

PRIN: [Timothy P. Kannally](#)  
A PRIN: [Karen L. Wells](#)

Edgewood Elementary School (K-4)  
203 Grove St  
(937)642-7801 FAX: (937)642-1854  
Marysville, OH 43040  
TCHR: 24  
PRIN: [Colene A. Thomas](#)

IRN: 009928  
PHONE:  
ENROL: 473

Mill Valley Elementary School (K-4)  
633 Mill Wood Blvd  
(937)642-3822 FAX: (937)642-5526  
Marysville, OH 43040  
TCHR: 32  
PRIN: [Walter G. Casto](#)

IRN: 125047  
PHONE:  
ENROL: 482

Navin Elementary School (K-4)  
16265 County Home Rd  
(937)578-0138 FAX: (937)578-0198  
Marysville, OH 43040  
TCHR: 19  
PRIN: [Lynette A. Lewis](#)

IRN: 146134  
PHONE:  
ENROL: 361

Northwood Elementary Elementar (K-4)  
1000 Edgewood Dr  
(937)644-8106 FAX: (937)644-8251  
Marysville, OH 43040  
TCHR: 27  
PRIN: [Melissa A. Hackett](#)

IRN: 008112  
PHONE:  
ENROL: 500

Raymond Elementary School (K-4)  
21511 Main St  
(937)246-2861 FAX: (937)246-2801  
Raymond, OH 43067  
TCHR: 22  
PRIN: [Donna G. Ball](#)

IRN: 031179  
PHONE:  
ENROL: 274

**Total District Enrollment:**

**5,189**

<div> <div>1. Budget</div> <div>2. Match</div> </div> <div>Project Item Description</div>	Project Costs			Source of Funds			
	Material/Equip- ment Cost	Labor Cost	Total	LGIF Loan Request	Match Contribution	In-kind Funds	Total Match & In-kind
Furnish and install a 144 strand singlemode fiber optic cable from the Maple St. Middle School to the intersection of North Maple Street and West 5 <sup>th</sup> Street	\$ 24,485.00	\$ 13,050.00	\$ 37,535.00	\$ 37,535.00			
Furnish and install a 72 strand singlemode fiber optic cable from the intersection of North Maple Street and West 5 <sup>th</sup> Street to the new Police Department	\$ 13,900.00	\$ 12,550.00	\$ 26,450.00	\$ 26,450.00			
Furnish and install a 72 strand singlemode fiber optic cable from the intersection of North Maple Street and West 5 <sup>th</sup> Street to 128 South Main Street	\$ 8,069.00	\$ 8,200.00	\$ 16,269.00	\$ 16,269.00			
Furnish and install a 6 strand singlemode fiber optic cable to City Hall located on East Sixth Street	\$ 1,350.00	\$ 2,450.00	\$ 3,800.00	\$ 3,800.00			
Furnish and install a 6 strand singlemode fiber optic cable to the proposed new Fire Station located on County Home Road	\$ 1,150.00	\$ 2,050.00	\$ 3,200.00	\$ 3,200.00			
Furnish and install singlemode fiber optic cable to the Public Service Center located on North Maple Street	\$ 2,115.00	\$ 5,200.00	\$ 7,315.00	\$ 7,315.00			
Furnish and install a 48 strand singlemode fiber optic cable from the new Police Department to Bunsold Middle School to create a redundant network and disaster recovery site	\$ 46,945.00	\$118,050.00	\$ 164,995.00	\$164,995.00			
Current Fiber Modification - Mill Wood Blvd.		\$ 13,644.00	\$ 13,644.00			\$ 13,644.00	\$ 13,644.00
Maintenance of Milford Avenue Fiber		\$ 10,000.00	\$ 10,000.00			\$ 10,000.00	\$ 10,000.00
Consolidated Network Equipment Core Router – 4@ \$27,000	\$ 108,000.00	\$ 30,000.00	\$ 138,000.00	\$103,500.00		\$ 34,500.00	\$ 34,500.00
Purchase Easement for installation of Fiber	\$ 99,800.00		\$ 99,800.00	\$ 36,936.00	\$ 62,864.00		\$ 62,864.00
Totals	\$ 305,814.00	\$215,194.00	\$ 521,008.00	\$400,000.00	\$ 62,864.00	\$ 58,144.00	\$ 121,008.00
				% of Total Project Costs	12%	11%	23%
					Matching	In-kind	Total



## 2. (Cont'd) In-kind Contributions

Name/ Occupation	Address	Hr. Rate	Fringe	Total	Tot Hrs	Total	Service	Date of Service
Scott Brock Director of IT	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$30.65	\$9.20	\$39.85	62	\$2,470.39	Technical	Jan. 2011 – March 2012
Eric Phillips Exec. Dir. Chamber	227 East 5th Street Marysville, Ohio 43040 (937) 642-6279	\$48.04	\$14.41	\$62.45	3	\$187.36	Advisory	Nov. 2011
Terry Emery City Manager	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$50.48	\$15.14	\$65.62	9	\$590.62	Consult	Dec. 2011 – March 2012
Gwen Beech IT Technician	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$21.37	\$6.41	\$27.78	18	\$500.06	Consult	Jan. 2011 – March 2012
Jeremy Hoyt Asst. City Eng.	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$31.22	\$9.37	\$40.59	7	\$284.10	Engineer	March 2012
Rob Priestas Asst. City Eng.	125 East 6th Street Marysville, Ohio 43040 (937) 642-6015	\$28.20	\$8.46	\$36.66	1	\$36.66	Engineer	March 2012
Dave Wells Director of IT	1000 Edgewood Drive Marysville, Ohio 43040 (937) 644-8105	\$37.73	\$11.32	\$49.05	24	\$1,177.18	Technical	Jan. 2012 – March 2012
James Moos Director of IT	1000 Edgewood Drive Marysville, Ohio 43040 (937) 644-8105	\$ 33.65	\$10.10	\$43.75	24.5	\$1,071.75	Technical	Jan. 2011- Dec. 2011
Larry Zimmerman Superintendent	1000 Edgewood Drive Marysville, Ohio 43040 (937) 644-8105	\$59.62	\$17.89	\$77.51	1.5	\$116.26	Advisory	Jan. 2011 – Feb. 2012

### **3. Population Information and Documentation**

Union County Population – 52,300

[http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=DEC\\_10\\_DP\\_DPDP1&prodType=table](http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=DEC_10_DP_DPDP1&prodType=table)

Marysville City Population – 22,094

[http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=DEC\\_10\\_DP\\_DPDP1&prodType=table](http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=DEC_10_DP_DPDP1&prodType=table)

Marysville Exempted Village School District – 5,189

[http://odevax.ode.state.oh.us/htbin/ohio\\_educ\\_dir.com?dtype=01.+Any+Specific+District&dirn=045476&birn=&county=All+Counties](http://odevax.ode.state.oh.us/htbin/ohio_educ_dir.com?dtype=01.+Any+Specific+District&dirn=045476&birn=&county=All+Counties)

### **4. Partnership Agreements**

Article 5, Section 5.1, Subsection F, Item 1 on Page 6 of the attached document Articles to Create the Union County Council of Governments, signed by all three entities.



April 2, 2012

Scott Brock  
Union County Council of Governments  
233 West 6th Street  
Marysville, Ohio 43040

RE: Application Cure Letter

Dear Scott Brock:

The Ohio Department of Development (Development) has received and is currently reviewing your application for Round 1 of Local Government Innovation Fund program. During this review Development has determined that additional information is needed for your application. The identified item(s) requiring your attention are listed on the attached page(s). Please respond only to the issues raised. Failure to fully address all the identified items could lead to a competitive score reduction or ineligibility for Round 1 of the Local Government Innovation Fund program. **A written response from the applicant to this completeness review is due to Development no later than 5:00 p.m. on April 30, 2012.** Please send the response in a single email to [lgif@development.ohio.gov](mailto:lgif@development.ohio.gov) and include "Cure—Project Name" in the subject line.

While this cure letter represents the additional information needed for Development review, the Local Government Innovation Council continues to reserve the right to request additional information about your application.

Thank you once again for your participation in Local Government Innovation program. Please contact the Office of Redevelopment at [lgif@development.ohio.gov](mailto:lgif@development.ohio.gov) or 614-995-2292 if you have further questions regarding your application or the information requested in this letter.

Sincerely,

A handwritten signature in black ink that reads 'Thea J. Walsh'.

Thea J. Walsh, AICP  
Deputy Chief, Office of Redevelopment  
Ohio Department of Development

## Local Government Innovation Fund Completeness Review

**Applicant:** Union County Council of Governments

**Project Name:** IT Consolidated Network

**Request Type:** Loan

### Issues for Response

#### 1. Budget

Please provide a line item budget that includes at minimum: 1) the sources of all funds being contributed to the project include **all** sources—cash, in-kind, etc.; 2) the uses of all funds (provide a line item for each use); 3) the total project costs (including the funding request **and** the local match. Please be sure that all uses of funds are eligible expenses as set forth in the program guidelines.

#### *Example:*

##### **Collaboration Village's Project Budget**

###### **Sources of Funds**

LGIF Request	\$100,000
Match Contribution (10%)	\$ 11,111
Total	\$111,111

###### **Uses of Funds**

Consultant Fees for Study	\$111,111
Total	\$111,111

**Total Project Cost: \$111,111**

#### 2. Match

A minimum of 10% match is required for all projects. Matching funds must be 10% of the **total project cost** (not 10% of the funding request). Please document your 10% match and provide evidence of the contribution.

For **in-kind contributions**, please provide documentation as outlined in section 2.06 of the Local Government Innovation Fund program policies. Certification of in-kind contributions may only be made for past investments. Anticipated in-kind contributions must be certified **after** the contribution is made.

#### 3. Population Information and Documentation

Please provide documentation supporting population information provided using the 2010 U.S. Census. To access census information, you may visit the following website <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>.

#### 4. Partnership Agreements

Partnership agreements must be signed by all parties listed as collaborative partners. Please provide a partnership agreement that at minimum: 1) lists all collaborative partners; 2) lists the nature of the partnership; and 3) is signed by all parties. Please note, partnership agreements must be specific to the project for which funding is requested.



DP-1

Profile of General Population and Housing Characteristics: 2010

2010 Demographic Profile Data

NOTE: For more information on confidentiality protection, nonsampling error, and definitions, see <http://www.census.gov/prod/cen2010/doc/dpsf.pdf>.**Geography: Union County, Ohio**

Subject	Number	Percent
<b>SEX AND AGE</b>		
Total population	52,300	100.0
Under 5 years	3,611	6.9
5 to 9 years	4,050	7.7
10 to 14 years	4,184	8.0
15 to 19 years	3,563	6.8
20 to 24 years	2,564	4.9
25 to 29 years	3,202	6.1
30 to 34 years	3,806	7.3
35 to 39 years	4,315	8.3
40 to 44 years	4,432	8.5
45 to 49 years	4,322	8.3
50 to 54 years	3,893	7.4
55 to 59 years	3,029	5.8
60 to 64 years	2,386	4.6
65 to 69 years	1,692	3.2
70 to 74 years	1,146	2.2
75 to 79 years	887	1.7
80 to 84 years	681	1.3
85 years and over	537	1.0
Median age (years)	36.4	( X )
16 years and over	39,636	75.8
18 years and over	38,050	72.8
21 years and over	36,413	69.6
62 years and over	6,342	12.1
65 years and over	4,943	9.5
Male population	24,701	47.2
Under 5 years	1,740	3.3
5 to 9 years	2,188	4.2
10 to 14 years	2,090	4.0
15 to 19 years	1,811	3.5
20 to 24 years	1,107	2.1
25 to 29 years	1,292	2.5
30 to 34 years	1,645	3.1
35 to 39 years	1,951	3.7
40 to 44 years	2,077	4.0
45 to 49 years	2,090	4.0
50 to 54 years	1,899	3.6
55 to 59 years	1,514	2.9
60 to 64 years	1,110	2.1
65 to 69 years	788	1.5
70 to 74 years	546	1.0
75 to 79 years	382	0.7
80 to 84 years	297	0.6
85 years and over	174	0.3

Subject	Number	Percent
Median age (years)	36.3	( X )
16 years and over	18,247	34.9
18 years and over	17,444	33.4
21 years and over	16,638	31.8
62 years and over	2,849	5.4
65 years and over	2,187	4.2
Female population	27,599	52.8
Under 5 years	1,871	3.6
5 to 9 years	1,862	3.6
10 to 14 years	2,094	4.0
15 to 19 years	1,752	3.3
20 to 24 years	1,457	2.8
25 to 29 years	1,910	3.7
30 to 34 years	2,161	4.1
35 to 39 years	2,364	4.5
40 to 44 years	2,355	4.5
45 to 49 years	2,232	4.3
50 to 54 years	1,994	3.8
55 to 59 years	1,515	2.9
60 to 64 years	1,276	2.4
65 to 69 years	904	1.7
70 to 74 years	600	1.1
75 to 79 years	505	1.0
80 to 84 years	384	0.7
85 years and over	363	0.7
Median age (years)	36.5	( X )
16 years and over	21,389	40.9
18 years and over	20,606	39.4
21 years and over	19,775	37.8
62 years and over	3,493	6.7
65 years and over	2,756	5.3
RACE		
Total population	52,300	100.0
One Race	51,558	98.6
White	48,587	92.9
Black or African American	1,231	2.4
American Indian and Alaska Native	119	0.2
Asian	1,428	2.7
Asian Indian	645	1.2
Chinese	298	0.6
Filipino	112	0.2
Japanese	122	0.2
Korean	101	0.2
Vietnamese	47	0.1
Other Asian [1]	103	0.2
Native Hawaiian and Other Pacific Islander	19	0.0
Native Hawaiian	3	0.0
Guamanian or Chamorro	8	0.0
Samoan	3	0.0
Other Pacific Islander [2]	5	0.0
Some Other Race	174	0.3
Two or More Races	742	1.4
White; American Indian and Alaska Native [3]	183	0.3
White; Asian [3]	186	0.4
White; Black or African American [3]	214	0.4
White; Some Other Race [3]	46	0.1
Race alone or in combination with one or more other races: [4]		
White	49,281	94.2
Black or African American	1,494	2.9
American Indian and Alaska Native	359	0.7

Subject	Number	Percent
Asian	1,667	3.2
Native Hawaiian and Other Pacific Islander	45	0.1
Some Other Race	256	0.5
HISPANIC OR LATINO		
Total population	52,300	100.0
Hispanic or Latino (of any race)	661	1.3
Mexican	338	0.6
Puerto Rican	133	0.3
Cuban	16	0.0
Other Hispanic or Latino [5]	174	0.3
Not Hispanic or Latino	51,639	98.7
HISPANIC OR LATINO AND RACE		
Total population	52,300	100.0
Hispanic or Latino	661	1.3
White alone	418	0.8
Black or African American alone	29	0.1
American Indian and Alaska Native alone	9	0.0
Asian alone	9	0.0
Native Hawaiian and Other Pacific Islander alone	3	0.0
Some Other Race alone	129	0.2
Two or More Races	64	0.1
Not Hispanic or Latino	51,639	98.7
White alone	48,169	92.1
Black or African American alone	1,202	2.3
American Indian and Alaska Native alone	110	0.2
Asian alone	1,419	2.7
Native Hawaiian and Other Pacific Islander alone	16	0.0
Some Other Race alone	45	0.1
Two or More Races	678	1.3
RELATIONSHIP		
Total population	52,300	100.0
In households	49,368	94.4
Householder	18,065	34.5
Spouse [6]	11,338	21.7
Child	16,060	30.7
Own child under 18 years	13,124	25.1
Other relatives	1,871	3.6
Under 18 years	790	1.5
65 years and over	287	0.5
Nonrelatives	2,034	3.9
Under 18 years	289	0.6
65 years and over	72	0.1
Unmarried partner	1,145	2.2
In group quarters	2,932	5.6
Institutionalized population	2,915	5.6
Male	161	0.3
Female	2,754	5.3
Noninstitutionalized population	17	0.0
Male	11	0.0
Female	6	0.0
HOUSEHOLDS BY TYPE		
Total households	18,065	100.0
Family households (families) [7]	13,681	75.7
With own children under 18 years	6,839	37.9
Husband-wife family	11,338	62.8
With own children under 18 years	5,380	29.8
Male householder, no wife present	773	4.3
With own children under 18 years	462	2.6
Female householder, no husband present	1,570	8.7
With own children under 18 years	997	5.5

Subject	Number	Percent
Nonfamily households [7]	4,384	24.3
Householder living alone	3,516	19.5
Male	1,646	9.1
65 years and over	317	1.8
Female	1,870	10.4
65 years and over	888	4.9
Households with individuals under 18 years	7,365	40.8
Households with individuals 65 years and over	3,481	19.3
Average household size	2.73	( X )
Average family size [7]	3.14	( X )
HOUSING OCCUPANCY		
Total housing units	19,429	100.0
Occupied housing units	18,065	93.0
Vacant housing units	1,364	7.0
For rent	349	1.8
Rented, not occupied	19	0.1
For sale only	351	1.8
Sold, not occupied	58	0.3
For seasonal, recreational, or occasional use	92	0.5
All other vacants	495	2.5
Homeowner vacancy rate (percent) [8]	2.4	( X )
Rental vacancy rate (percent) [9]	7.8	( X )
HOUSING TENURE		
Occupied housing units	18,065	100.0
Owner-occupied housing units	13,987	77.4
Population in owner-occupied housing units	39,512	( X )
Average household size of owner-occupied units	2.82	( X )
Renter-occupied housing units	4,078	22.6
Population in renter-occupied housing units	9,856	( X )
Average household size of renter-occupied units	2.42	( X )

X Not applicable.

[1] Other Asian alone, or two or more Asian categories.

[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

[3] One of the four most commonly reported multiple-race combinations nationwide in Census 2000.

[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six percentages may add to more than 100 percent because individuals may report more than one race.

[5] This category is composed of people whose origins are from the Dominican Republic, Spain, and Spanish-speaking Central or South American countries. It also includes general origin responses such as "Latino" or "Hispanic."

[6] "Spouse" represents spouse of the householder. It does not reflect all spouses in a household. Responses of "same-sex spouse" were edited during processing to "unmarried partner."

[7] "Family households" consist of a householder and one or more other people related to the householder by birth, marriage, or adoption. They do not include same-sex married couples even if the marriage was performed in a state issuing marriage certificates for same-sex couples. Same-sex couple households are included in the family households category if there is at least one additional person related to the householder by birth or adoption. Same-sex couple households with no relatives of the householder present are tabulated in nonfamily households. "Nonfamily households" consist of people living alone and households which do not have any members related to the householder.

[8] The homeowner vacancy rate is the proportion of the homeowner inventory that is vacant "for sale." It is computed by dividing the total number of vacant units "for sale only" by the sum of owner-occupied units, vacant units that are "for sale only," and vacant units that have been sold but not yet occupied; and then multiplying by 100.

[9] The rental vacancy rate is the proportion of the rental inventory that is vacant "for rent." It is computed by dividing the total number of vacant units "for rent" by the sum of the renter-occupied units, vacant units that are "for rent," and vacant units that have been rented but not yet occupied; and then multiplying by 100.

Source: U.S. Census Bureau, 2010 Census.