



**Auditor of State
Betty Montgomery**

MARION COUNTY

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MARION COUNTY

FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2005

<u>FEDERAL GRANTOR/</u> <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
<i>Passed Through Ohio Department of Education</i>				
Nutrition Cluster:				
Food Donation	N/A	10.550	\$0	\$405
School Breakfast Program	094375-05PU-05/06	10.553	14,470	0
	123745-05PU-05/06	10.553	9,132	0
	066126-05PU-05/06	10.553	1,252	0
			<u>24,854</u>	<u>0</u>
National School Lunch Program	094375-LLP4-05/06	10.555	21,179	0
	123745-LLP4-05/06	10.555	13,968	0
	066126-LLP4-05/06	10.555	417	0
			<u>35,564</u>	<u>0</u>
Total U.S. Department of Agriculture - Nutrition Cluster			<u>60,418</u>	<u>405</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
<i>Passed Through Ohio Department of Development</i>				
Community Development Block Grants - State's Program	B-F-04-047-1	14.228	79,500	0
	B-F-03-047-1	14.228	1,170	0
Total U.S. Department of Housing and Urban Development			<u>80,670</u>	<u>0</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Bulletproof Vest Partnership Program		16.607	5,610	0
<i>Passed Through Ohio Department of Public Safety - Office of Criminal Justice Services</i>				
Edward Byrne Memorial Formula Grant Program	2004-DG-C04-7010	16.579	34,422	0
Violence Against Women Formula Grants	2004-WF-VA2-8176	16.588	35,729	0
Crime Victim Assistance Grant	31-6400076W	16.582	40,256	0
Total U.S. Department of Justice			<u>116,017</u>	<u>0</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
<i>Passed Through Ohio Department of Public Safety - Emergency Management Agency</i>				
<u>Homeland Security Grant Cluster:</u>				
State Homeland Security Program	2005-GE-T5-0001	97.073	57,975	0
State Homeland Security Grant Program	2004-GE-T4-0025	97.004	90,192	0
State Homeland Security Grant Program	2003-MUP-30015	97.004	28,022	0
State Domestic Preparedness Program	2002-TE-CX-0106	97.004	6	0
			<u>118,220</u>	<u>0</u>
Emergency Management Performance Grant	2005-EM-T5-0001	97.042	22,338	0
Total Homeland Security Grant Cluster			<u>198,533</u>	<u>0</u>
Disaster Grants - Public Assistance	101-U5A54-00	97.036	2,791	0
	101-UH1VU-00	97.036	26,071	0
			<u>28,862</u>	<u>0</u>
Total U.S. Department of Homeland Security			<u>227,395</u>	<u>0</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
<i>Passed Through Ohio Department of Education</i>				
Special Education Cluster				
Special Education Grants to State	066126-6B-SF-2005	84.027	41,904	0
Special Education Preschool Grant	066126-PG-SI-04/05	84.173	25,479	0
Total Special Education Cluster			<u>67,383</u>	<u>0</u>
State Grants for Innovative Programs	066126-C2-S1-04/05	84.298	229	0
Total U.S. Department of Education			<u>67,612</u>	<u>0</u>

MARION COUNTY

FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2005
(Continued)

<u>FEDERAL GRANTOR/</u> <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
<i>Passed Through Ohio Department of Aging</i>				
Special Programs for the Aging - Title III, Part B Grants for Supportive Services and Senior Centers	31-6400076W	93.044	16,177	0
<i>Passed Through Ohio Department of Jobs and Family Services</i>				
Child Welfare Services State Grant	31-6400076W	93.645	63,350	0
<i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities</i>				
Social Services Block Grant	31-6400076W	93.667	47,688	0
Medical Assistance Program	31-6400076W	93.778		
CAFS Medicaid			1,090,100	0
Targeted Case Management			68,896	0
			<u>1,158,996</u>	<u>0</u>
State Children's Insurance Program	31-6400076W	93.767	2,508	
Total U.S. Department of Health and Human Services			<u>1,288,719</u>	<u>0</u>
<u>U.S. DEPARTMENT OF LABOR</u>				
<i>Passed Through Ohio Department of Jobs and Family Services</i>				
Workforce Investment Act Cluster:				
Workforce Investment Act - Adult	31-6400076W	17.258	135,848	0
Workforce Investment Act - Adult Administrative			1,059	0
			<u>136,907</u>	<u>0</u>
Workforce Investment Act - Youth	31-6400076W	17.259	106,907	0
Workforce Investment Act - Youth Administrative			608	0
			<u>107,515</u>	<u>0</u>
Workforce Investment Act - Dislocated Worker	31-6400076W	17.260	101,995	0
Workforce Investment Act - Dislocated Worker Administrative			1,214	0
			<u>103,209</u>	<u>0</u>
Total U.S. Department Labor - Workforce Investment Act Cluster			<u>347,631</u>	<u>0</u>
<u>U.S. ELECTIONS ASSISTANCE COMMISSION</u>				
<i>Passed Through Ohio Secretary of State</i>				
Help America Vote Act Requirements Payments	E05-0233-51	90.401	597,352	0
<u>U.S. GENERAL SERVICES ADMINISTRATION</u>				
<i>Passed Through Ohio Secretary of State</i>				
Election Reform Payments	E05-0233-51	39.011	7,677	0
Total Federal Awards Expenditures			<u>\$2,793,491</u>	<u>\$405</u>

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

MARION COUNTY

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2005**

NOTE 1--SIGNIFICANT ACCOUNTING POLICIES

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

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

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

These loans are collateralized by mortgages on the property and by a secured interest on equipment and/or other assets. At December 31, 2005, the amount of loans outstanding under this agreement was \$63,490.

NOTE 3 -- MATCHING REQUIREMENTS

Certain Federal programs require 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.

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Auditor of State Betty Montgomery

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

Marion County
222 West Center Street
Marion, Ohio 43302

To the Board of County Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Marion County, Ohio (the County), as of and for the year ended December 31, 2005, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 26, 2006, wherein we noted the financial statements of Marca Industries, Inc., the County's discretely presented component unit, were audited by other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Other auditors audited the financial statements of Marca Industries, Inc., 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 to determine our auditing procedures in order to express our opinions on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the County's management dated June 26, 2006, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

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*. In a separate letter to the County's management dated June 26, 2006, we reported other matters related to noncompliance we deemed immaterial.

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Marion County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

We intend this report solely for the information and use of the Financial Report Review Committee, management, 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 "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

June 26, 2006



Auditor of State Betty Montgomery

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

Marion County
222 West Center Street
Marion, Ohio 43302

To the Board of County Commissioners:

Compliance

We have audited the compliance of Marion County, Ohio (the County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement that apply to each of its major federal programs for the year ended December 31, 2005. 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, 2005.

Internal Control Over Compliance

The County's management is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could directly and materially affect a major federal program 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.

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

Federal Awards Expenditures Schedule

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of Marion County, Ohio (the County) as of and for the year ended December 31, 2005, and have issued our report thereon dated June 26, 2006, wherein we noted the financial statements of Marca Industries, Inc., the County's discretely presented component unit, were audited by other auditors. Our audit was performed to form opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying federal awards expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Betty Montgomery
Auditor of State

June 26, 2006

MARION COUNTY
SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2005

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Medical Assistance Program – CFDA # 93.778 Help America Vote Act Requirements Payments - CFDA # 90.401
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None



MARION COUNTY, OHIO

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2005**

ISSUED BY THE MARION COUNTY AUDITOR'S OFFICE
JOSEPH P. CAMPBELL
COUNTY AUDITOR



MARION COUNTY, OHIO
 Comprehensive Annual Financial Report
 For the Year Ended December 31, 2005
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Joseph P. Campbell

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June 26, 2006

Honorable David Columber
Honorable Kenneth C. Frayer Jr.
Honorable Paul Andrew Appelfeller

Citizens of Marion County:

The Comprehensive Annual Financial Report of Marion County for the year ended December 31, 2005, is herewith submitted. This report is prepared according to generally accepted accounting principles (GAAP). The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. 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 County as measured by its financial activity, and that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial activity have been included.

This report is divided into three sections. The Introductory Section contains the table of contents, the letter of transmittal, the County's organization chart, a list of elected and appointed officials, and the Certificate of Achievement for Excellence in Financial Reporting awarded for the 2004 Marion County Comprehensive Annual Financial Report. The Financial Section includes Management's Discussion and Analysis (MD&A), basic financial statements and notes, and supplemental information for the year ended December 31, 2005. The Statistical Section includes tables of unaudited data depicting the financial history of the County and other pertinent facts, generally presented on a multi-year basis.

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 complements this letter of transmittal and should be read in conjunction with it.

The State of Ohio Auditor's Office has issued an unqualified opinion on Marion County's basic financial statements for the year ended December 31, 2005. The Independent Accountant's Report is located at the front of the Financial Section of this report.

PROFILE OF MARION COUNTY

Formed by an Act of the Ohio General Assembly on May 1, 1824, the County was named for General Francis Marion of Revolutionary War fame. Marion County encompasses fifteen townships, seven villages, and one city; covers 409 square miles; and has an estimated population of 65,932 in 2005.

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

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

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

	Percent of Assessed Valuation <u>For Real Property</u>
Residential	61%
Commercial/Industrial	16
Public Utility	1
Governmental	16
Agricultural	6
	<u>100%</u>

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

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

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

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

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

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

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

The main branch of the Marion Public Library with its 242,900 volumes and 32,200 audio-visual media is located in the City of Marion. The Library also has four branches located in other villages within the County.

Marion County is the home of several state corrections facilities that employ over one thousand two hundred including the Marion Correctional Institution, the North Central Correctional Institution, and the Marion Juvenile Correctional Facility all located on Marion Williamsport Road. The Multi-County Corrections Center, jointly operated by Marion and Hardin County, employs seventy and is also located on Marion Williamsport Road.

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

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

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

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

The County negotiates with two bargaining units: Fraternal Order of Police Association Lodge 24 whose agreement expires on June 30, 2008 for the Sheriff's department and American Federation of State, County, and Municipal Employees Local 2694 whose agreement expires on February 19, 2007 for the County Engineer's department. The remaining full-time County employees have not elected to join a bargaining unit.

A complete discussion of the County's reporting entity is provided in Note 1 of the notes to the basic financial statements.

LOCAL ECONOMY

Unemployment (not seasonally adjusted) has slowly risen from 4.6 percent in 2001 to 6.2 percent in 2005. In 2005, the unemployment rate dropped slightly from 2004 by .4 percent. The County relies heavily on small industries rather than major corporations which are not a stable source of employment.

There has been relatively no growth from property taxes and sales taxes over the last three years. The population within the County has been decreasing over the same last three years and the per capita personal income has not increased significantly. Per capita personal income for Marion County was \$25,056 in 2005, compared to the State of Ohio and the United States of \$32,478 and \$34,586, respectively.

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

LONG-TERM FINANCIAL PLANNING

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

The County has not issued long-term financing since 2001. In 2005, the County issued a refunding general obligation bond in order to refund two outstanding bond issues for sanitary sewer improvements. The refunding bonds shortened the debt service requirements and freed up monies for capital use that had formerly been restricted based on bond covenants. For 2006, the County has issued notes for the construction of the infrastructure related to the development of the McMahan property. These notes are to be repaid with revenues derived from the tax incremental financing agreement.

RELEVANT FINANCIAL POLICIES

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

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

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

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

MAJOR INITIATIVES

In 2005, the County experienced the start of commercial activity on State Route 95 because of the sale of County property in 2004. The County Commissioners signed a Tax Increment Financing agreement to spur the commercial development of 92 acres north of State Route 95 and west of US 23. The development includes a public road (McMahan Blvd.), which was on the long term development plan for the County in this area and a Kohl's Department store as the anchor of a shopping center. The preliminary studies and plans were developed for the Northwest Industrial Connector Road with seven options presented.

The Kohl's Department Store on the McMahan property development includes a 68,000 square foot store with a planned completion date for construction in the fall of 2006. Additional stores on the McMahan site will be started in 2006.

The Northwest Industrial Connector Road will link Marion-Williamsport Road around the north side of the City of Marion, to connect State Route 95, State Route 309, and US 23 to alleviate some of the downtown truck traffic. This connector road would afford the through and industry truck an alternative route and avoid downtown stop and go traffic. Work on this project is slated to be finished in late 2006 or early 2007.

Marion's economic market is on the upturn with growth on the east, northeast and Barks Road development areas. Established businesses have decided to improve their present location and/or make modifications to an existing structure because a stable economic outlook is predicted for the Marion area. Marion County is definitely growing thanks to the hard work and dedication of all the people of Marion County.

The Warehouse restaurant known throughout Central Ohio for its Italian cuisine, was among three Ohio restaurants nominated for the National Restaurant Neighbor Award.

Steve and Barry's, a retail clothing store, has filled the vacancy J.C. Penney Co. left in the Southland Mall nearly two years ago. The retailer promises to increase customer traffic at the Marion-Waldo Road shopping center if it follows the precedent set by sister stores in Marion, Indiana, and Lancaster, Ohio.

A Petland store opened in 2005 on Marion-Mount Gilead Road in the Forum Center just west of U.S. 23. The store is the first of its type to have an Adopt-A-Pet center included in the store. The staff is dedicated to finding families for homeless pets in the community and also will offer pet nutrition, assistance with establishing your own water garden or pond, boutique area for pet accessories and community service center.

Marion has a new radio station, 97.5 FM WDCM. Tucked into the south side of 100 block of East Church Street, the veteran radio broadcaster, Gary Rivers, and a crew of volunteers are reaching out via a new FM operation to help the Marion community have their own radio station with Marion information and happenings.

A new fueling station, Central Ohio Fuel Depot, a Pacific Pride franchise, opened east of Marion to offer commercial customers an alternative to having their own diesel tanks on site.

Marion Steel Company, 912 Cheney Avenue, was purchased by one of the nation's largest steel producers and recycler, Nucor Corp. of Charlotte, North Carolina. Purchase price was \$113 million and the new owners have plans to continue business as usual.

Ground was broken at the Villas of Union Park on Barks Road. The 47-villa development combines the tradition of single-family colonial-style homes with convenient services only expected from condominium living.

A new gift shop, Mantras, has opened at 146 W Center Street, next to Moloney's Book Store. The store integrates the five elements of nature, earth, metal, water, wood and fire into its line of home accessories, jewelry, greeting cards, music compact discs, books, candles, bath and body products, art and floral arrangements.

SealPak Innovations Inc., a company originated in the Columbus area, moved its operation into the Old Depot building in Marion. SealPak Innovations Inc. is the company responsible for the creation of ShurTrax, a water-filled double-lined vinyl bladder used to add needed weight to vehicles in a safe, clean and easy manner. SealPak will use Internet shopping, direct-response television commercials, retail and other venues to get its products available to consumers.

Dominion Homes continues to develop the three hundred fifty two condominium complex adjacent to the Meijer Store on S. R. 95. The development features limited access, private streets, front porches, and back-accessed garages through the alleys. The condos sell for between \$130,000 to \$180,000.

Although there was growth to the economic base in Marion County, a loss that Marion County did experience was the closing of the Smith Cardinal Supermarket, a locally owned company. The supermarket served Marion's north side for more than 75 years.

DEPARTMENTAL HIGHLIGHTS

The Marion County Engineer's Department is authorized to perform all duties required to be completed by a Civil Engineer or Surveyor. Although the office is exempt from engineering duties affecting public buildings, the County Engineer is the engineer for all public improvements under the authority of the board of commissioners within Marion County. Ohio has the most rigorous standard in the United States for qualifying Professional County Engineers. Ohio requires County Engineers to be both a Registered Professional Engineer and a Registered Professional Surveyor.

The County Engineer is responsible for the maintenance, repair, widening, resurfacing and (re)construction of pavements and bridges in the County Highway System. Maintenance duties include traffic control, safety projects, mowing and snow removal. Marion County has three hundred eighty-nine miles of paved roads and zero miles of unpaved roads.

The County Engineer serves as an engineering advisor to the township trustees for maintenance, widening and repair of their highways. Of the fifteen townships in Marion County, they are responsible for two hundred sixty-seven miles of roads.

The County Engineer is fully responsible for the bridges on both the County and the Township Highway Systems. The County Engineer performs the annual inspection and evaluation of the condition and load-carrying capacity of each bridge. The Marion County Engineer inspects two hundred seventy-nine County/Township bridges and maintains one thousand three hundred sixty-nine culverts

The County Engineer creates and organizes tax maps of the community. These tax maps must be updated on a daily basis to reflect changes in property ownership. This responsibility entails creating and maintaining a detailed inventory of every parcel of land in the county. A map must be drawn for every parcel of property in the county and this map must be to scale. The County Auditor's office uses these detailed tax maps as its official record for property tax purposes.

The County Engineer is involved in the establishment and maintenance of petitioned and assessed ditches in Marion County. There are sixty miles of open ditches, twelve miles of tiled ditches and three miles of assessed ditches in Marion County.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded for the seventeenth time a Certificate of Achievement for Excellence in Financial Reporting to Marion County for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2004. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR that satisfies both generally accepted accounting principles and applicable legal requirements.

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

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

Respectfully submitted,

Joseph P. Campbell
Marion County Auditor

MARION COUNTY, OHIO

Elected and Appointed Officials

December 31, 2005

COUNTY COMMISSIONERS

David A. Columber
Kenneth C. Frayer Jr.
Paul Andrew Appelfeller

COUNTY AUDITOR

Joseph P. Campbell

COUNTY TREASURER

Thomas J. Shesky

COUNTY PROSECUTING ATTORNEY

Jim Slagle

COMMON PLEAS JUDGE/GENERAL DIVISION

William Finnegan

COMMON PLEAS JUDGE/GENERAL DIVISION

Robert S. Davidson

COMMON PLEAS JUDGE/FAMILY COURT DIVISION

Deborah A. Alspach

PROBATE AND JUVENILE JUDGE

Thomas K. Jenkins

CLERK OF COURTS

Julie M. Kagel

CORONER

Marc Comianos M.D.

SHERIFF

Tim Bailey

RECORDER

Mary Jo Osmun

ENGINEER

Bradley K. Irons

AGENCY AND DEPARTMENTS HEADS

COUNTY ADMINISTRATOR

Lenora Mayes

BOARD OF ELECTIONS

Chris Smith

DOG WARDEN

Jane Watts

SANITARY ENGINEER

Roger L. Dietrich

CHILDREN SERVICES

F. Eric Bush

DEPARTMENT OF JOB AND FAMILY SERVICES

Roxane Somerlot

COMMUNITY MENTAL HEALTH

Jodi Demo-Hodgins

MENTAL DISABILITIES

Lee Wedemeyer

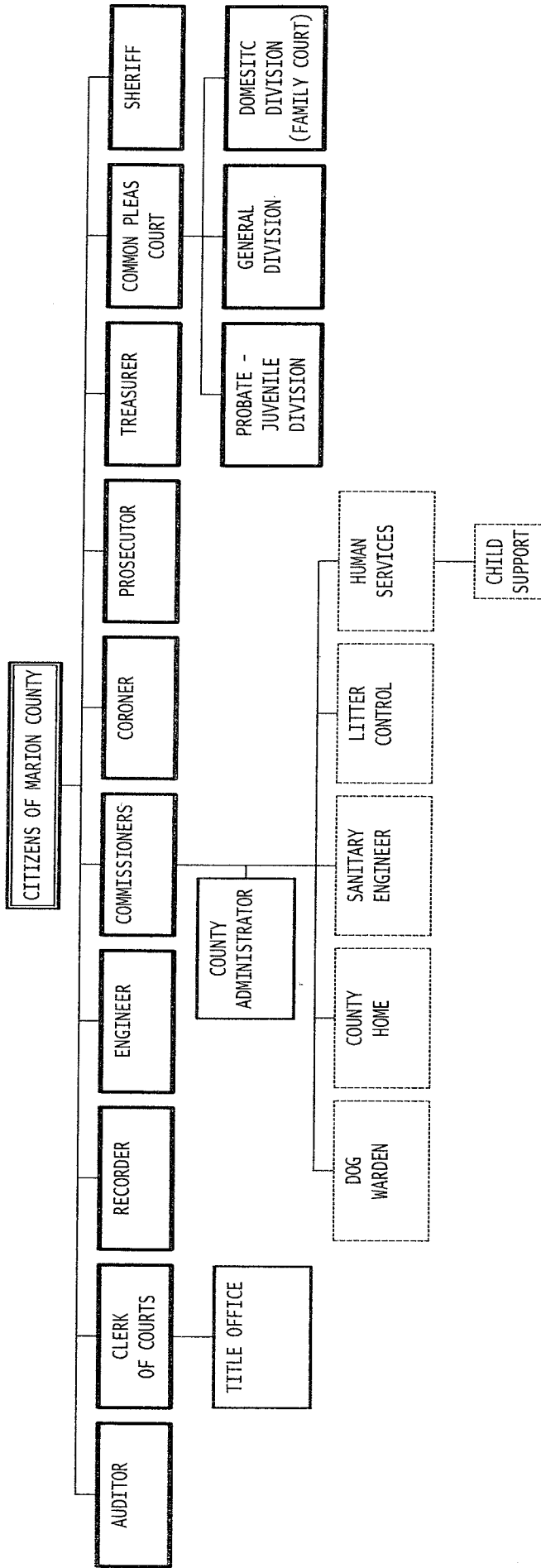
LITTER CONTROL

Angela Carbetta

VETERANS SERVICE COMMISSION

Richard Reish

MARION COUNTY, OHIO ORGANIZATIONAL CHART



EX OFFICIO AND APPOINTED BOARDS

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

CHILDREN SERVICES BOARD BOARD OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES BOARD OF ALCOHOL, DRUG ADDICTION, AND MENTAL HEALTH SERVICES

ELECTED OFFICIALS
COUNTY AGENCIES

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Marion County,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2004

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Carla E. Perry

President

Jeffrey R. Emer

Executive Director



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Marion County
222 West Center Street
Marion, Ohio 43302

To the Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Marion County, Ohio (the County), as of and for the year ended December 31, 2005, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Marca Industries, Inc., the County's discretely presented component unit. Other auditors audited those financial statements. They have furnished their report thereon to us and we base our opinion, insofar as it relates to the amounts included for Marca Industries, Inc., on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. The other auditors audited the financial statements of Marca Industries, Inc., in accordance with auditing standards generally accepted in the United States of America and not in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Marion County, Ohio, as of December 31, 2005, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, and Mental Disabilities funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2006, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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



Betty Montgomery
Auditor of State

June 26, 2006

MARION COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
Unaudited

The discussion and analysis of Marion County's financial performance provides an overview of the County's financial activities for the year ended December 31, 2005. The intent of this discussion and analysis is to look at the County's financial performance as a whole.

HIGHLIGHTS

Net assets increased insignificantly, in the amount of \$182,411.

Total expenses increased \$916,950. The majority of governmental activity programs increased in 2005 except for health, intergovernmental, and interest and fiscal charge expenses. The principal expense for the health program is for services relating to mental retardation and developmental disabilities. Due to the reduction of grant dollars, these services have been decreased.

Program and general revenues increased \$616,781. Program revenues decreased by \$311,808 whereas general revenues increased by \$928,589. The County incurred a decrease of \$512,972 in operating and capital grants, contributions, and interest in 2005. The majority of the increase in general revenues occurred from property tax and interest revenues.

The Sewer enterprise fund issued a current refunding, in the amount of \$2,625,000, which retired its USDA revenue bonds and sewer improvement general obligation bonds. The County contributed \$239,699 to the current refunding. The new issue reduced the number of years to repay the debt to fifteen years and generated a cash flow difference of \$585,253.

USING THIS ANNUAL REPORT

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

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

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

REPORTING THE COUNTY AS A WHOLE

The statement of net assets and the statement of activities reflect how the County did financially during 2005. These statements include all assets and liabilities using the accrual basis of accounting similar to the basis used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

MARION COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
Unaudited

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

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

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

REPORTING THE COUNTY'S MOST SIGNIFICANT FUNDS

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

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

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

MARION COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
Unaudited

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Table 1 provides a summary of the County's net assets for 2005 and 2004.

Table 1
Net Assets

	Governmental Activities		Business-Type Activity		Total	
	2005	2004	2005	2004	2005	2004
<u>Assets</u>						
Current and Other Assets	\$36,289,609	\$37,993,138	\$2,319,541	\$2,425,404	\$38,609,150	\$40,418,542
Capital Assets, Net	49,331,167	49,630,808	8,985,844	9,188,883	58,317,011	58,819,691
Total Assets	<u>85,620,776</u>	<u>87,623,946</u>	<u>11,305,385</u>	<u>11,614,287</u>	<u>96,926,161</u>	<u>99,238,233</u>
<u>Liabilities</u>						
Current and Other Liabilities	8,061,881	9,828,151	29,438	60,578	8,091,319	9,888,729
Long-Term Liabilities	11,392,038	11,799,778	3,003,154	3,292,487	14,395,192	15,092,265
Total Liabilities	<u>19,453,919</u>	<u>21,627,929</u>	<u>3,032,592</u>	<u>3,353,065</u>	<u>22,486,511</u>	<u>24,980,994</u>
<u>Net Assets</u>						
Invested in Capital Assets, Net of Related Debt	43,101,269	42,907,872	6,067,334	5,926,439	49,168,603	48,834,311
Restricted	19,405,997	19,048,665	0	422,811	19,405,997	19,471,476
Unrestricted	3,659,591	4,039,480	2,205,459	1,911,972	5,865,050	5,951,452
Total Net Assets	<u>\$66,166,857</u>	<u>\$65,996,017</u>	<u>\$8,272,793</u>	<u>\$8,261,222</u>	<u>\$74,439,650</u>	<u>\$74,257,239</u>

Total assets decreased \$2,312,072. In 2004, current and other assets within the governmental activities included a large receivable from the sale of property. During 2005, costs of providing services increased thereby reducing carryover cash balances. In addition, the State legislature during 2005 modified the property tax structure which reduced the property tax receivable for tangible personal property.

Total liabilities decreased \$2,494,483. The modification of the property tax structure reduced the current and other liabilities within the governmental activities, in the amount of \$1,001,230. The other significant portion of the decrease in total liabilities is the retirement of note and bonded debt during 2005.

MARION COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
Unaudited

Net assets did not change significantly.

Table 2 reflects the change in net assets for 2005 and 2004.

Table 2
Change in Net Assets

	Governmental Activities		Business-Type Activity		Total	
	2005	2004	2005	2004	2005	2004
<u>Revenues</u>						
Program Revenues						
Charges for Services	\$4,935,630	\$4,746,076	\$1,077,909	\$1,066,299	\$6,013,539	\$5,812,375
Operating Grants, Contributions, and Interest	20,070,808	20,384,989	0	0	20,070,808	20,384,989
Capital Grants, Contributions, and Interest	195,454	359,042	135,356	170,559	330,810	529,601
Total Program Revenues	25,201,892	25,490,107	1,213,265	1,236,858	26,415,157	26,726,965
General Revenues						
Property Taxes	8,006,730	7,701,000	0	0	8,006,730	7,701,000
Sales Taxes	6,385,212	6,365,990	0	0	6,385,212	6,365,990
Grants and Entitlements not Restricted to Other Programs	1,629,633	1,611,835	0	0	1,629,633	1,611,835
Interest	1,049,757	535,797	14,272	6,213	1,064,029	542,010
Other	1,198,088	1,134,822	554	0	1,198,642	1,134,822
Total General Revenues	18,269,420	17,349,444	14,826	6,213	18,284,246	17,355,657
Gain on Sale of Capital Assets	0	2,970,338	0	0	0	2,970,338
Total Revenues	43,471,312	45,809,889	1,228,091	1,243,071	44,699,403	47,052,960
<u>Program Expenses</u>						
General Government						
Legislative and Executive	6,702,826	6,391,895	0	0	6,702,826	6,391,895
Judicial	2,273,672	2,077,911	0	0	2,273,672	2,077,911
Public Safety	9,146,720	8,594,364	0	0	9,146,720	8,594,364
Public Works	4,318,173	4,008,867	0	0	4,318,173	4,008,867
Health	7,569,028	8,095,789	0	0	7,569,028	8,095,789
Human Services	11,575,193	11,560,376	0	0	11,575,193	11,560,376
Conservation and Recreation	308,836	12,000	0	0	308,836	12,000
Intergovernmental	913,032	957,447	0	0	913,032	957,447
Interest and Fiscal Charges	492,992	517,689	0	0	492,992	517,689
Sewer District	0	0	1,216,520	1,383,704	1,216,520	1,383,704
Total Expenses	43,300,472	42,216,338	1,216,520	1,383,704	44,516,992	43,600,042
Change in Net Assets	170,840	3,593,551	11,571	(140,633)	182,411	3,452,918
Net Assets at Beginning of Year	65,996,017	62,402,466	8,261,222	8,401,855	74,257,239	70,804,321
Net Assets at End of Year	\$66,166,857	\$65,996,017	\$8,272,793	\$8,261,222	\$74,439,650	\$74,257,239

MARION COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
Unaudited

The most significant change to program revenues from the prior year was in operating grants, contributions, and interest. This variance is primarily from a decrease in Homeland Security grants.

A review of the above table reflects that all other revenues and expenses for governmental activities as well as all activity for the business-type activity was very comparable to the prior year.

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

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2005	2004	2005	2004
General Government				
Legislative and Executive	\$6,702,826	\$6,391,895	\$4,296,671	\$3,914,412
Judicial	2,273,672	2,077,911	1,015,462	947,179
Public Safety	9,146,720	8,594,364	5,665,012	4,746,947
Public Works	4,318,173	4,008,867	(255,473)	(435,342)
Health	7,569,028	8,095,789	3,926,346	5,051,399
Human Services	11,575,193	11,560,376	1,751,869	1,014,500
Conservation and				
Recreation	308,836	12,000	292,669	12,000
Intergovernmental	913,032	957,447	913,032	957,447
Interest and Fiscal Charges	492,992	517,689	492,992	517,689
Total Expenses	\$43,300,472	\$42,216,338	\$18,098,580	\$16,726,231

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

Judicial activities relate to the court systems operated by the County and are significantly supported by the fines and court costs. The majority of the expenses for public works is for the operation of the Engineer and is funded by gasoline tax and motor vehicle license fees. Human service activities include the expenses for job and family services and children services and are materially funded by grants; however, children services activities are also funded by property taxes.

Although the total cost of services maintained relatively the same, the amount received from program revenues decreased somewhat from the reduction in available grant moneys.

MARION COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
Unaudited

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The County's major governmental funds are the General, Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, and Mental Disabilities funds. The fund balance of the General Fund increased from the sale of the property. The most significant increase in revenues was generated from interest earnings due to an increase in interest rates. Expenditures increased by 2.6 percent in 2005.

Expenditures in the Job and Family Services special revenue funds increased by \$307,019 although intergovernmental revenues decreased by \$750,950. Expenditures in the Motor Vehicle Gasoline Tax special revenue fund increased by additional improvements made to the County's bridges and roads. Children Services special revenue funds continue to report a positive change in fund balance. The Children Services special revenue fund increase occurred from a reduction of expenditures.

The Mental Disabilities special revenue fund reflected a positive change in fund balance, in the amount of \$38,704, as compared to the negative change in fund balance in 2004, in the amount of \$1,204,470. The County received a significant reimbursement from Medicaid during 2005.

BUSINESS-TYPE ACTIVITY FINANCIAL ANALYSIS

The County's enterprise fund is the Sewer District fund. As can be seen on the statement of activities, program revenues have not been sufficient to cover the expenses of the Sewer District fund. The fund has consistently reported an operating loss for the last four years. The County has not increased their rates for service to cover the depreciation of their capital assets.

BUDGETARY HIGHLIGHTS

The County prepares an annual budget of revenues and expenditures/expenses for all funds of the County for use by County officials and department heads and such other budgetary documents as are required by State statute, including the annual appropriations resolution which is effective the first day of January. The County's most significant budgeted fund is the General Fund. Changes from the original to final budget, as well as actual amounts for revenues and expenditures were not significant. The increase in fund balance is the result from the sale of property.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - The County's investment in capital assets for governmental and business-type activities as of December 31, 2005, was \$43,101,269 and \$6,067,334, respectively (net of accumulated depreciation and related debt). This investment in capital assets includes land; land improvements; buildings; improvements other than buildings; roads, bridges, culverts, and traffic signals; machinery and equipment; vehicles; and sewer lines. There was an insignificant change to both governmental and business-type activities capital assets for 2005. Note 10 to the basic financial statements provides further detail on the capital asset activity.

At December 31, 2005, the County had a number of long-term obligations outstanding. These obligations included \$12,186,012 in general obligation bonds, \$143,988 in special assessment bonds, \$565,108 in Issue II loans, and \$27,513 in vehicle loans. Of this amount, \$2,982,723 will be repaid from business-type activities.

MARION COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
Unaudited

In addition to the debt outlined above, the County's long-term obligations also include compensated absences. Additional information on the County's long-term debt can be found in Note 17 to the basic financial statements.

CURRENT ISSUES

In 2006, the County issued \$2,645,000 in bond anticipation notes for improving the Legacy Crossing area by constructing a new road, widening and improving an existing state route, and constructing a storm water line. These notes are based on a Tax Increment Financing Agreement in which the County has agreed to construct these improvements and receive payment in lieu of taxes to cover the costs.

REQUEST FOR INFORMATION

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

**BASIC
FINANCIAL
STATEMENTS**

Marion County, Ohio
Statement of Net Assets
Primary Government as of December 31, 2005
Component Unit as of June 30, 2005

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activity	Total	Marca Industries
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$21,242,248	\$1,981,798	\$23,224,046	\$67,866
Investments	0	0	0	42,029
Cash and Cash Equivalents in Segregated Accounts	22,850	0	22,850	0
Accounts Receivable	256,171	272,457	528,628	85,534
Due from Primary Government	0	0	0	574
Due from External Parties	36	0	36	0
Sales Taxes Receivable	980,762	0	980,762	0
Accrued Interest Receivable	126,812	0	126,812	0
Due from Other Governments	6,033,910	0	6,033,910	0
Internal Balances	(1,073)	1,073	0	0
Prepaid Items	0	0	0	4,121
Materials and Supplies Inventory	0	0	0	34,003
Property Taxes Receivable	7,316,508	0	7,316,508	0
Loans Receivable	63,490	0	63,490	0
Special Assessments Receivable	247,895	0	247,895	0
Workers' Compensation Deposit	0	0	0	1,000
Unamortized Issuance Costs	0	64,213	64,213	0
Nondepreciable Capital Assets	7,371,126	177,568	7,548,694	0
Depreciable Capital Assets, Net	41,960,041	8,808,276	50,768,317	105,743
Total Assets	85,620,776	11,305,385	96,926,161	340,870
<u>Liabilities</u>				
Accrued Wages Payable	315,255	6,885	322,140	37,144
Accounts Payable	452,587	1,658	454,245	55,791
Matured Compensated Absences Payable	11,027	6,418	17,445	0
Due to Component Unit	574	0	574	0
Due to Other Governments	522,222	6,205	528,427	0
Due to External Parties	274	0	274	0
Accrued Interest Payable	48,388	8,272	56,660	0
Deferred Revenue	6,711,554	0	6,711,554	0
Long-Term Liabilities				
Due Within One Year	1,156,553	146,058	1,302,611	5,585
Due in More Than One Year	10,235,485	2,857,096	13,092,581	26,849
Total Liabilities	19,453,919	3,032,592	22,486,511	125,369
<u>Net Assets</u>				
Invested in Capital Assets, Net of Related Debt	43,101,269	6,067,334	49,168,603	73,309
Restricted for:				
Debt Service	651,940	0	651,940	0
Capital Projects	2,409,447	0	2,409,447	0
Other Purposes				
Public Safety	2,079,974	0	2,079,974	0
Public Works	2,458,545	0	2,458,545	0
Health	4,409,105	0	4,409,105	0
Human Services	6,469,007	0	6,469,007	0
All Other Purposes	927,979	0	927,979	0
Unrestricted	3,659,591	2,205,459	5,865,050	142,192
Total Net Assets	\$66,166,857	\$8,272,793	\$74,439,650	\$215,501

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Activities
Primary Government For the Year Ended December 31, 2005
Component Unit For the Year Ended June 30, 2005

	Program Revenues			
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest
<u>Governmental Activities</u>				
General Government				
Legislative and Executive	\$6,702,826	\$2,280,729	\$125,426	\$0
Judicial	2,273,672	1,107,315	150,895	0
Public Safety	9,146,720	893,504	2,588,204	0
Public Works	4,318,173	177,669	4,257,568	138,409
Health	7,569,028	174,167	3,427,637	40,878
Human Services	11,575,193	302,246	9,521,078	0
Conservation and Recreation	308,836	0	0	16,167
Intergovernmental	913,032	0	0	0
Interest and Fiscal Charges	492,992	0	0	0
Total Governmental Activities	43,300,472	4,935,630	20,070,808	195,454
<u>Business-Type Activity</u>				
Sewer District	1,216,520	1,077,909	0	135,356
Total Primary Government	<u>\$44,516,992</u>	<u>\$6,013,539</u>	<u>\$20,070,808</u>	<u>\$330,810</u>
<u>Component Unit</u>				
Marca Industries	<u>\$861,778</u>	<u>\$664,495</u>	<u>\$202,290</u>	<u>\$0</u>

General Revenues

Property Taxes Levied for:
 General Operating
 Health-Mental Health
 Health-Mental Disabilities
 Human Services-Children Services
 Marca
 Coliseum
Sales Taxes
Grants and Entitlements not Restricted to Other Programs
Interest
Net Realized and Unrealized Gain on Investments
Other

Total General Revenues

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 Change in Net Assets			
Primary Government			Component Unit
Governmental Activities	Business-Type Activity	Total	Marca Industries
(\$4,296,671)	\$0	(\$4,296,671)	\$0
(1,015,462)	0	(1,015,462)	0
(5,665,012)	0	(5,665,012)	0
255,473	0	255,473	0
(3,926,346)	0	(3,926,346)	0
(1,751,869)	0	(1,751,869)	0
(292,669)	0	(292,669)	0
(913,032)	0	(913,032)	0
(492,992)	0	(492,992)	0
<u>(18,098,580)</u>	<u>0</u>	<u>(18,098,580)</u>	<u>0</u>
<u>0</u>	<u>(3,255)</u>	<u>(3,255)</u>	<u>0</u>
<u>(18,098,580)</u>	<u>(3,255)</u>	<u>(18,101,835)</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>5,007</u>
2,254,001	0	2,254,001	0
622,349	0	622,349	0
2,999,864	0	2,999,864	0
1,595,685	0	1,595,685	0
318,295	0	318,295	0
216,536	0	216,536	0
6,385,212	0	6,385,212	0
1,629,633	0	1,629,633	0
1,049,757	14,272	1,064,029	646
0	0	0	1,982
<u>1,198,088</u>	<u>554</u>	<u>1,198,642</u>	<u>5,961</u>
18,269,420	14,826	18,284,246	8,589
170,840	11,571	182,411	13,596
<u>65,996,017</u>	<u>8,261,222</u>	<u>74,257,239</u>	<u>201,905</u>
<u>\$66,166,857</u>	<u>\$8,272,793</u>	<u>\$74,439,650</u>	<u>\$215,501</u>

Marion County, Ohio

Balance Sheet

Governmental Funds

December 31, 2005

	<u>General</u>	<u>Job and Family Services</u>	<u>Motor Vehicle Gasoline Tax</u>
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$5,573,876	\$527,165	\$466,340
Cash and Cash Equivalents in Segregated Accounts	0	0	0
Accounts Receivable	22,728	0	0
Sales Taxes Receivable	980,762	0	0
Accrued Interest Receivable	126,812	0	0
Due from Other Governments	908,763	373,864	1,982,765
Interfund Receivable	625,124	685	0
Property Taxes Receivable	2,174,496	0	0
Due from External Parties	36	0	0
Loans Receivable	0	0	0
Special Assessments Receivable	0	0	0
Total Assets	<u>\$10,412,597</u>	<u>\$901,714</u>	<u>\$2,449,105</u>
<u>Liabilities and Fund Balances</u>			
<u>Liabilities</u>			
Accrued Wages Payable	\$114,642	\$43,186	\$29,083
Accounts Payable	107,916	97,486	33,902
Matured Compensated Absences Payable	11,027	0	0
Due to Component Unit	0	0	0
Due to External Parties	274	0	0
Due to Other Governments	139,248	56,404	168,087
Interfund Payable	561	12,853	0
Accrued Interest Payable	0	0	0
Deferred Revenue	3,503,761	373,864	1,650,878
Total Liabilities	<u>3,877,429</u>	<u>583,793</u>	<u>1,881,950</u>
<u>Fund Balances</u>			
Reserved for Encumbrances	203,472	95,385	66,796
Reserved for Interfund Receivable	293,971	0	0
Reserved for Loans Receivable	0	0	0
Unreserved, Reported in			
General Fund	6,037,725	0	0
Special Revenue Funds	0	222,536	500,359
Debt Service Fund	0	0	0
Capital Projects Funds	0	0	0
Total Fund Balances	<u>6,535,168</u>	<u>317,921</u>	<u>567,155</u>
Total Liabilities and Fund Balances	<u>\$10,412,597</u>	<u>\$901,714</u>	<u>\$2,449,105</u>

See accompanying notes to the basic financial statements

Children Services	Mental Disabilities	Other Governmental	Total Governmental Funds
\$4,745,690	\$3,244,535	\$6,684,642	\$21,242,248
21,428	0	1,422	22,850
0	232,765	678	256,171
0	0	0	980,762
0	0	0	126,812
604,997	1,074,397	1,089,124	6,033,910
12,083	0	273,626	911,518
1,472,800	2,804,875	864,337	7,316,508
0	0	0	36
0	0	63,490	63,490
0	0	247,895	247,895
<u>\$6,856,998</u>	<u>\$7,356,572</u>	<u>\$9,225,214</u>	<u>\$37,202,200</u>
\$32,085	\$51,921	\$44,338	\$315,255
1,864	88,923	122,496	452,587
0	0	0	11,027
0	574	0	574
0	0	0	274
32,908	86,225	39,350	522,222
0	0	899,177	912,591
0	0	9,385	9,385
1,720,233	3,592,161	1,673,857	12,514,754
<u>1,787,090</u>	<u>3,819,804</u>	<u>2,788,603</u>	<u>14,738,669</u>
4,580	1,028,017	411,568	1,809,818
0	0	273,626	567,597
0	0	56,356	56,356
0	0	0	6,037,725
5,065,328	2,508,751	3,574,930	11,871,904
0	0	651,940	651,940
0	0	1,468,191	1,468,191
<u>5,069,908</u>	<u>3,536,768</u>	<u>6,436,611</u>	<u>22,463,531</u>
<u>\$6,856,998</u>	<u>\$7,356,572</u>	<u>\$9,225,214</u>	<u>\$37,202,200</u>

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Marion County, Ohio
 Reconciliation of Total Governmental Fund Balances
 to Net Assets of Governmental Activities
 December 31, 2005

Total Governmental Fund Balances	\$22,463,531
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Amounts reported for governmental activities on the statement of net assets are different because of the following:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	49,331,167
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Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:	
Sales Taxes Receivable	502,217
Accrued Interest Receivable	82,803
Due from Other Governments	4,365,331
Property Taxes Receivable	604,954
Special Assessments Receivable	247,895
	5,803,200

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Accrued Interest Payable	(39,003)
General Obligation Bonds Payable	(9,686,012)
Special Assessment Bonds Payable	(143,988)
Issue II Loans Payable	(82,385)
Vehicle Loans Payable	(27,513)
Compensated Absences Payable	(1,452,140)
	(11,431,041)

Net Assets of Governmental Activities	\$66,166,857
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See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2005

	General	Job and Family Services	Motor Vehicle Gasoline Tax
<u>Revenues</u>			
Property Taxes	\$2,241,612	\$0	\$0
Sales Taxes	6,406,626	0	0
Special Assessments	0	0	0
Charges for Services	2,934,127	285,415	102,733
Licenses and Permits	5,516	0	0
Fines and Forfeitures	151,042	0	21,330
Intergovernmental	1,920,273	5,788,981	3,982,942
Interest	1,005,476	0	6,317
Other	421,061	18,602	121,641
	<hr/>	<hr/>	<hr/>
Total Revenues	15,085,733	6,092,998	4,234,963
<u>Expenditures</u>			
Current			
General Government			
Legislative and Executive	4,934,502	0	0
Judicial	1,788,393	0	0
Public Safety	6,444,193	0	0
Public Works	12,068	0	4,110,490
Health	226,775	0	0
Human Services	259,210	6,475,799	0
Conservation and Recreation	296,475	0	0
Capital Outlay	1,991	0	0
Intergovernmental	235,639	0	0
Debt Service			
Principal Retirement	61,561	0	0
Interest and Fiscal Charges	4,317	0	0
	<hr/>	<hr/>	<hr/>
Total Expenditures	14,265,124	6,475,799	4,110,490
Excess of Revenues Over (Under) Expenditures	<hr/>	<hr/>	<hr/>
	820,609	(382,801)	124,473
<u>Other Financing Sources (Uses)</u>			
Sale of Capital Assets	3,390,548	0	0
Transfers - In	47,853	284,096	0
Transfers - Out	(1,454,310)	(279,800)	(594,394)
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	1,984,091	4,296	(594,394)
Changes in Fund Balances	2,804,700	(378,505)	(469,921)
Fund Balances at Beginning of Year	<hr/>	<hr/>	<hr/>
	3,730,468	696,426	1,037,076
Fund Balances at End of Year	<hr/>	<hr/>	<hr/>
	\$6,535,168	\$317,921	\$567,155

See accompanying notes to the basic financial statements

Children Services	Mental Disabilities	Other Governmental	Total Governmental Funds
\$1,589,435	\$2,986,698	\$1,172,742	\$7,990,487
0	0	0	6,406,626
0	0	73,482	73,482
16,675	156	1,181,423	4,520,529
0	0	152,004	157,520
0	0	51,074	223,446
2,313,085	3,298,189	4,542,027	21,845,497
26	0	17,350	1,029,169
38,599	500,694	97,491	1,198,088
<u>3,957,820</u>	<u>6,785,737</u>	<u>7,287,593</u>	<u>43,444,844</u>
0	0	882,172	5,816,674
0	0	268,407	2,056,800
0	0	2,380,905	8,825,098
0	0	251,931	4,374,489
0	6,747,033	114,333	7,088,141
3,464,211	0	1,289,796	11,489,016
0	0	0	296,475
0	0	1,546,508	1,548,499
0	0	677,393	913,032
0	0	441,477	503,038
0	0	495,805	500,122
<u>3,464,211</u>	<u>6,747,033</u>	<u>8,348,727</u>	<u>43,411,384</u>
<u>493,609</u>	<u>38,704</u>	<u>(1,061,134)</u>	<u>33,460</u>
0	0	0	3,390,548
0	0	2,251,407	2,583,356
(24,950)	0	(229,902)	(2,583,356)
<u>(24,950)</u>	<u>0</u>	<u>2,021,505</u>	<u>3,390,548</u>
468,659	38,704	960,371	3,424,008
<u>4,601,249</u>	<u>3,498,064</u>	<u>5,476,240</u>	<u>19,039,523</u>
<u>\$5,069,908</u>	<u>\$3,536,768</u>	<u>\$6,436,611</u>	<u>\$22,463,531</u>

Marion County, Ohio
 Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
 of Governmental Funds to Statement of Activities
 For the Year Ended December 31, 2005

Changes in Fund Balances - Total Governmental Funds \$3,424,008

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

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

Capital Outlay - Nondepreciable Capital Assets	36,700	
Capital Outlay - Depreciable Capital Assets	1,987,686	
Depreciation	<u>(2,143,046)</u>	(118,660)

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

Sale of Capital Asset	(3,390,548)	
Loss on Disposal of Capital Assets	<u>(180,981)</u>	(3,571,529)

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

Property Taxes	16,243	
Sales Taxes	(21,414)	
Special Assessments	(39,347)	
Intergovernmental	26,731	
Interest	<u>44,255</u>	26,468

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

General Obligation Bonds Payable	391,302	
Special Assessment Bonds Payable	33,698	
Issue II Loans Payable	16,477	
Vehicle Loans Payable	<u>61,561</u>	503,038

Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding obligations on the statement of net assets. 2,813

Compensated absences reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (95,298)

Change in Net Assets of Governmental Activities \$170,840

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2005

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
<u>Revenues</u>				
Property Taxes	\$2,178,000	\$2,178,000	\$2,184,036	\$6,036
Sales Taxes	6,274,000	6,274,000	6,466,304	192,304
Charges for Services	3,023,899	3,141,749	2,848,100	(293,649)
Licenses and Permits	4,750	7,250	5,517	(1,733)
Fines and Forfeitures	118,100	118,100	142,966	24,866
Intergovernmental	1,803,313	1,820,328	1,942,706	122,378
Interest	602,500	602,500	843,634	241,134
Other	117,745	343,220	402,225	59,005
Total Revenues	14,122,307	14,485,147	14,835,488	350,341
<u>Expenditures</u>				
Current				
General Government				
Legislative and Executive	4,858,842	4,838,433	4,546,531	291,902
Judicial	1,703,238	1,865,358	1,833,158	32,200
Public Safety	6,350,169	6,682,306	6,588,001	94,305
Public Works	12,352	12,352	12,238	114
Health	308,307	298,321	264,713	33,608
Human Services	265,823	267,488	261,446	6,042
Conservation and Recreation	59,000	296,642	296,475	167
Other	567,912	653,901	596,463	57,438
Capital Outlay	3,987	3,987	3,987	0
Intergovernmental	235,639	235,639	235,639	0
Total Expenditures	14,365,269	15,154,427	14,638,651	515,776
Excess of Revenues Over (Under) Expenditures	(242,962)	(669,280)	196,837	866,117
<u>Other Financing Sources (Uses)</u>				
Sale of Capital Assets	2,000	3,390,548	3,390,548	0
Advances - In	122,000	122,000	100,355	(21,645)
Advances - Out	(122,000)	(91,574)	(46,906)	44,668
Transfers - In	84,675	87,305	47,853	(39,452)
Transfers - Out	(1,152,380)	(1,940,294)	(1,454,310)	485,984
Total Other Financing Sources (Uses)	(1,065,705)	1,567,985	2,037,540	469,555
Changes in Fund Balance	(1,308,667)	898,705	2,234,377	1,335,672
Fund Balance at Beginning of Year	2,254,636	2,254,636	2,254,636	0
Prior Year Encumbrances Appropriated	410,862	410,862	410,862	0
Fund Balance at End of Year	\$1,356,831	\$3,564,203	\$4,899,875	\$1,335,672

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Job and Family Services Fund
For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Charges for Services	\$264,000	\$264,000	\$285,415	\$21,415
Intergovernmental	6,636,515	6,408,215	5,566,331	(841,884)
Other	15,000	15,000	18,602	3,602
Total Revenues	6,915,515	6,687,215	5,870,348	(816,867)
<u>Expenditures</u>				
Current				
Human Services	6,912,065	6,844,394	6,699,053	145,341
Excess of Revenues Over (Under) Expenditures	3,450	(157,179)	(828,705)	(671,526)
<u>Other Financing Sources (Uses)</u>				
Transfers - In	280,000	280,000	284,096	4,096
Transfers - Out	(283,450)	(283,450)	(279,800)	3,650
Total Other Financing Sources (Uses)	(3,450)	(3,450)	4,296	7,746
Changes in Fund Balance	0	(160,629)	(824,409)	(663,780)
Fund Balance at Beginning of Year	866,725	866,725	866,725	0
Prior Year Encumbrances Appropriated	241,723	241,723	241,723	0
Fund Balance at End of Year	\$1,108,448	\$947,819	\$284,039	(\$663,780)

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Motor Vehicle Gasoline Tax Fund
For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Charges for Services	\$30,000	\$30,000	\$102,733	\$72,733
Fines and Forfeitures	25,000	25,000	20,748	(4,252)
Intergovernmental	3,830,000	3,830,000	3,961,928	131,928
Interest	1,500	1,500	6,942	5,442
Other	82,183	82,183	121,641	39,458
Total Revenues	3,968,683	3,968,683	4,213,992	245,309
<u>Expenditures</u>				
Current				
Public Works	4,628,889	4,254,660	4,134,963	119,697
Excess of Revenues Over (Under) Expenditures	(660,206)	(285,977)	79,029	365,006
<u>Other Financing Uses</u>				
Transfers - Out	(92,000)	(594,408)	(594,394)	14
Changes in Fund Balance	(752,206)	(880,385)	(515,365)	365,020
Fund Balance at Beginning of Year	871,723	871,723	871,723	0
Prior Year Encumbrances Appropriated	8,662	8,662	8,662	0
Fund Balance at End of Year	\$128,179	\$0	\$365,020	\$365,020

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Children Services Fund
For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property Taxes	\$1,525,000	\$1,525,000	\$1,546,243	\$21,243
Charges for Services	27,200	27,200	17,046	(10,154)
Intergovernmental	2,075,300	2,075,300	2,085,009	9,709
Other	35,000	35,000	30,245	(4,755)
Total Revenues	3,662,500	3,662,500	3,678,543	16,043
<u>Expenditures</u>				
Current				
Human Services	4,049,667	4,094,325	3,529,402	564,923
Excess of Revenues Over (Under) Expenditures	(387,167)	(431,825)	149,141	580,966
<u>Other Financing Uses</u>				
Transfers - Out	(10,000)	(34,950)	(24,950)	10,000
Changes in Fund Balance	(397,167)	(466,775)	124,191	590,966
Fund Balance at Beginning of Year	4,389,762	4,389,762	4,389,762	0
Prior Year Encumbrances Appropriated	132,126	132,126	132,126	0
Fund Balance at End of Year	\$4,124,721	\$4,055,113	\$4,646,079	\$590,966

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Mental Disabilities Fund
For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property Taxes	\$2,857,000	\$2,857,000	\$2,898,788	\$41,788
Intergovernmental	2,916,000	2,916,000	3,073,556	157,556
Other	463,500	458,500	507,312	48,812
Total Revenues	6,236,500	6,231,500	6,479,656	248,156
<u>Expenditures</u>				
Current				
Health	8,598,500	9,043,178	8,149,060	894,118
Changes in Fund Balance	(2,362,000)	(2,811,678)	(1,669,404)	1,142,274
Fund Balance at Beginning of Year	2,686,976	2,686,976	2,686,976	0
Prior Year Encumbrances Appropriated	900,923	900,923	900,923	0
Fund Balance at End of Year	\$1,225,899	\$776,221	\$1,918,495	\$1,142,274

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Fund Net Assets
Enterprise Fund
December 31, 2005

	Sewer District
<u>Assets</u>	
<u>Current Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$1,981,798
Accounts Receivable	272,457
Interfund Receivable	1,073
Unamortized Issuance Costs	64,213
Total Current Assets	2,319,541
<u>Noncurrent Assets</u>	
Capital Assets	
Nondepreciable Capital Assets	177,568
Depreciable Capital Assets, Net	8,808,276
Total Noncurrent Assets	8,985,844
Total Assets	11,305,385
<u>Liabilities</u>	
<u>Current Liabilities</u>	
Accrued Wages Payable	6,885
Accounts Payable	1,658
Matured Compensated Absences Payable	6,418
Due to Other Governments	6,205
Accrued Interest Payable	8,272
General Obligation Bonds Payable	95,000
Issue II Loans Payable	41,621
Compensated Absences Payable	9,437
Total Current Liabilities	175,496
<u>Noncurrent Liabilities</u>	
General Obligation Bonds Payable	2,405,000
Issue II Loans Payable	441,102
Compensated Absences Payable	10,994
Total Long-Term Liabilities	2,857,096
Total Liabilities	3,032,592
<u>Net Assets</u>	
Invested in Capital Assets, Net of Related Debt	6,067,334
Unrestricted	2,205,459
Total Net Assets	\$8,272,793

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Revenues, Expenses, and Change in Fund Net Assets
Enterprise Fund
For the Year Ended December 31, 2005

	<u>Sewer District</u>
<u>Operating Revenues</u>	
Charges for Services	\$1,077,909
Other	554
	<hr/>
Total Operating Revenues	1,078,463
	<hr/>
<u>Operating Expenses</u>	
Personal Services	360,779
Fringe Benefits	53,772
Materials and Supplies	22,985
Contractual Services	273,924
Depreciation	333,600
Other	61,078
	<hr/>
Total Operating Expenses	1,106,138
	<hr/>
Operating Loss	(27,675)
	<hr/>
<u>Non-Operating Revenues (Expenses)</u>	
Interest Income	14,272
Interest Expense	(110,382)
	<hr/>
Total Non-Operating Revenues (Expenses)	(96,110)
	<hr/>
Loss Before Contributions	(123,785)
	<hr/>
Capital Contributions	135,356
	<hr/>
Change in Net Assets	11,571
	<hr/>
Net Assets at Beginning of Year	8,261,222
	<hr/>
Net Assets at End of Year	<u>\$8,272,793</u>

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Cash Flows
Enterprise Fund
For the Year Ended December 31, 2005

	Sewer District
<u>Increase (Decrease) in Cash and Cash Equivalents</u>	
<u>Cash Flows from Operating Activities</u>	
Cash Received from Customers	\$1,063,770
Cash Received from Other Revenues	554
Cash Payments for Personal Services	(363,816)
Cash Payments for Fringe Benefits	(53,403)
Cash Payments for Materials and Supplies	(43,508)
Cash Payments for Contractual Services	(273,924)
Cash Payments for Other Expenses	(61,078)
	<u>268,595</u>
Net Cash Provided by Operating Activities	
<u>Cash Flows from Capital and Related Financing Activities</u>	
Cash Received from Contributed Capital	135,356
Cash Received from General Obligation Refunding Bonds	2,625,000
Cash Payments for Issuance Costs on General Obligation Refunding Bonds	(67,424)
Cash Payments for Acquisition of Capital Assets	(130,561)
Cash Payments for Principal on USDA Revenue Bonds	(1,301,100)
Cash Payments for Interest on USDA Revenue Bonds	(23,549)
Cash Payments for Principal on General Obligation Bonds	(1,562,000)
Cash Payments for Interest on General Obligation Bonds	(101,183)
Cash Payments for Principal on Issue II Loans	(41,621)
	<u>(467,082)</u>
Net Cash Used for Capital and Related Financing Activities	
<u>Cash Flows from Investing Activities</u>	
Interest Revenue	14,272
	<u>14,272</u>
Net Decrease in Cash and Cash Equivalents	
	(184,215)
Cash and Cash Equivalents at Beginning of Year	
	<u>2,166,013</u>
Cash and Cash Equivalents at End of Year	
	<u>\$1,981,798</u>
<u>Reconciliation of Operating Loss to Net Cash Provided by Operating Activities</u>	
Operating Loss	(\$27,675)
<u>Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities</u>	
Depreciation	333,600
Changes in Assets and Liabilities	
Increase in Accounts Receivable	(14,443)
Decrease in Interfund Receivable	304
Increase in Accrued Wages Payable	126
Decrease in Accounts Payable	(20,523)
Increase in Matured Compensated Absences Payable	6,418
Increase in Due to Other Governments	400
Decrease in Compensated Absences Payable	(9,612)
	<u>\$268,595</u>
Net Cash Provided by Operating Activities	

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2005

Assets

Equity in Pooled Cash and Cash Equivalents	\$8,563,862
Cash and Cash Equivalents in Segregated Accounts	1,539,614
Due from Other Governments	3,456,640
Due from External Parties	8,149
Property Taxes Receivable	35,108,007
Special Assessments Receivable	<u>1,450,395</u>
Total Assets	<u><u>\$50,126,667</u></u>

Liabilities

Due to Employees	\$619
Due to Other Governments	42,902,445
Due to External Parties	7,911
Undistributed Assets	5,271,634
Deposits Held and Due to Others	1,539,614
Payroll Withholdings	<u>404,444</u>
Total Liabilities	<u><u>\$50,126,667</u></u>

See accompanying notes to the basic financial statements

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

NOTE 1 - DESCRIPTION OF MARION COUNTY AND THE REPORTING ENTITY

A. The County

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

B. Reporting Entity

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

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

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

The component unit column on the basic financial statements includes the financial data of the County's discretely presented component unit. It is reported separately to emphasize that it is legally separate from the County.

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

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

MARCA Industries is a non-governmental not-for-profit organization which prepares its financial statements on the accrual basis of accounting and has a June 30 fiscal year end; therefore, all information pertaining to MARCA is presented as of and for the fiscal year ended June 30, 2005.

Note disclosures for MARCA Industries are reflected in Notes 19 and 23 to the notes to the basic financial statements.

Jointly Governed Organizations - The County participates in three jointly governed organizations: the Marion County Regional Planning Commission, Marion County Family and Children First Council, and the Delaware-Knox-Marion-Morrow Joint Solid Waste Management District. (See Note 20)

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

Insurance Pool - The County participates in one insurance pool; the County Risk Sharing Authority, Inc. (CORSAs). (See Note 22)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

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

Government-Wide Financial Statements

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

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

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

Fund Financial Statements

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

B. Fund Accounting

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

Governmental Funds

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

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

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

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

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

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

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

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

Proprietary Fund

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

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

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

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held by the County under a trust agreement for individuals, private organizations, or other governments and are not available to support the County's own programs. The County did not have any trust funds in 2005. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The County's agency funds account for assets held by the County for political subdivisions in which the County acts as fiscal agent and for taxes, state-levied shared revenues, and fines and forfeitures collected and distributed to other political subdivisions.

C. Measurement Focus

Government-Wide Financial Statements

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

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Fund Financial Statements

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

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

D. Basis of Accounting

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

Revenues - Exchange and Nonexchange Transactions

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

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

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

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Deferred Revenues

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

Property taxes for which there was an enforceable legal claim at December 31, 2005, but were levied to finance 2006 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements were met have also been recorded as deferred revenue.

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

Expenses/Expenditures

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

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

E. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the County Commissioners may appropriate. The appropriations resolution is the County Commissioners authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by the County Commissioners at the fund, program, department, and object level for all funds.

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

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

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

F. Cash and Investments

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

Cash and cash equivalents that are held separately within departments of the County, and not included in the county treasury, are recorded as “Cash and Cash Equivalents in Segregated Accounts”.

During 2005, the County invested in nonnegotiable certificates of deposit, negotiable certificates of deposit, mutual funds, and STAR Ohio. Investments are reported at fair value, except nonnegotiable certificates of deposit, which are reported at cost. Fair value is based on quoted market price or current share price. STAR Ohio is an investment pool, managed by the State Treasurer’s Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio’s share price, which is the price the investment could be sold for on December 31, 2005.

Interest earnings are allocated to County funds according to State statutes, grant requirements, or debt related restrictions. Interest revenue credited to the General Fund during 2005 was \$1,005,476, which includes \$966,993 assigned from other County funds.

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

G. Loans Receivable

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

H. Capital Assets

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

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

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

All capital assets are depreciated, except for land, land improvements, and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. The County reports all infrastructure, including that acquired prior to the implementation of GASB Statement No. 34. Depreciation is computed using the straight-line method over the following useful lives:

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

The County's infrastructure consists of roads, bridges, culverts, traffic signals, and sewer lines. All existing infrastructure maintained by the County was recorded on the County's financial statements based on estimated historical costs at the date of original construction or improvement.

I. Interfund Receivables/Payables

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

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 the County will compensate the employees for the benefits through paid time off or some other means. The County records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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

K. Accrued Liabilities and Long-Term Obligations

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

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

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

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 balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes primarily include resources restricted for activities of the Engineer, Job and Family Services, Children Services, Mental Disabilities, and various law enforcement activities. The County's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. As of December 31, 2005, the amount of net assets restricted for other purposes created by enabling legislation was \$5,560,027.

M. Fund Balance Reserves

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

N. Operating Revenues and Expenses

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

O. Capital Contributions

Capital contributions on the enterprise fund financial statements arise from tap in fees.

P. Interfund Transactions

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

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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 management and are either unusual in nature or infrequent in occurrence.

R. 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 - CHANGE IN ACCOUNTING PRINCIPLES

For 2005, the County has implemented Governmental Accounting Standards Board (GASB) Statement No. 40, "Deposit and Investment Risk Disclosure", GASB Statement No. 42, "Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries", and GASB Statement No. 44, "Economic Condition Reporting: The Statistical Section".

GASB Statement No. 40 establishes and modifies the disclosure requirements related to deposit and investment risks. The implementation of this statement did not result in any change to the County's financial statements.

GASB Statement No. 42 establishes accounting and financial reporting standards for impairment of capital assets. The implementation of this statement did not result in any change to the County's financial statements.

GASB Statement No. 44 establishes and modifies the requirements related to supplementary information presented in the statistical section.

NOTE 4 - ACCOUNTABILITY

At December 31, 2005, the Litter special revenue fund and the Capital Improvement, Dog and Kennel, and Administration Building capital projects funds had deficit fund balances, in the amount of \$3,788, \$171,285, \$47,681, and \$73,101, respectively. The deficits resulted from advances from the General Fund and will be alleviated when revenues are received to repay the advances.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

NOTE 5 - 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 Fund, and the Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, and Mental Disabilities special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

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

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

Changes in Fund Balance			
	General	Job and Family Services	Motor Vehicle Gasoline Tax
GAAP Basis	\$2,804,700	(\$378,505)	(\$469,921)
<u>Increase (Decrease) Due To</u>			
Revenue Accruals:			
Accrued 2004, Received in Cash 2005	786,809	(231,049)	310,291
Accrued 2005, Not Yet Received in Cash	(791,545)	(685)	(331,887)
Expenditure Accruals:			
Accrued 2004, Paid in Cash 2005	(425,892)	(192,994)	(154,225)
Accrued 2005, Not Yet Paid in Cash	373,668	209,929	231,072
Cash Adjustments:			
Unrecorded Activity 2004	107,189	12,021	625
Unrecorded Activity 2005	(352,698)	(2,937)	0
Advances – In	100,355	0	0
Advances – Out	(46,906)	0	0
Encumbrances Outstanding at Year End (Budget Basis)	(321,303)	(240,189)	(101,320)
Budget Basis	\$2,234,377	(\$824,409)	(\$515,365)

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Change in Fund Balance
(continued)

	Children Services	Mental Disabilities
GAAP Basis	\$468,659	\$38,704
<u>Increase (Decrease) Due To</u>		
Revenue Accruals:		
Accrued 2004, Received in Cash 2005	141,502	208,216
Accrued 2005, Not Yet Received in Cash	(369,647)	(519,876)
Expenditure Accruals:		
Accrued 2004, Paid in Cash 2005	(133,260)	(483,576)
Accrued 2005, Not Yet Paid in Cash	66,857	227,643
Cash Adjustments:		
Unrecorded Activity 2004	52,579	185,525
Unrecorded Activity 2005	(95,031)	(179,946)
Nonbudgeted Activity	(2,888)	0
Encumbrances Outstanding at Year End (Budget Basis)	(4,580)	(1,146,094)
Budget Basis	\$124,191	(\$1,669,404)

NOTE 6 - DEPOSITS AND INVESTMENTS

Moneys held by the County are classified by State statute into two categories. Active moneys are public moneys determined to be necessary to meet current demands upon the County treasury. Active moneys must be maintained either as cash in the County treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

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

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

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

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

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

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

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the County will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$32,694,136 of the County's bank balance of \$33,742,903 was exposed to custodial credit risk because it was uninsured and collateralized. Although all State statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the County to a successful claim by the FDIC.

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

Investments

As of December 31, 2005, the County had the following investments:

	Total	Less Than Three Months	Six Months to One Year
Negotiable Certificates of Deposit	\$1,000,164	\$200,000	\$800,164
Mutual Funds	14,962	14,962	0
STAR Ohio	480,775	480,775	0
Total Investments	<u>\$1,495,901</u>	<u>\$695,737</u>	<u>\$800,164</u>

The investment policy restricts the County Treasurer from investing in any securities other than as identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless matched to a specific obligation or debt of the County.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

The negotiable certificates of deposit are fully insured through the FDIC. STAR Ohio carries a rating of AAA by Standard and Poor's. Ohio law requires that no-load money market mutual funds must be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service. The County has no policy dealing with credit risk beyond the requirements of State statute. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

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 mutual funds are exposed to custodial credit risk as 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 policy dealing with custodial credit risk beyond the requirements of ORC 135.14(M)(2) which states, "Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee".

NOTE 7 - RECEIVABLES

Receivables at December 31, 2005, consisted of accounts (billings for user charged services); sales taxes; accrued interest; intergovernmental receivables arising from grants, entitlements, and shared revenues; interfund; property taxes; due from external parties, loans; and special assessments. All receivables are considered collectible in full and within one year, except for interfund, loans and special assessments. Special assessments, in the amount of \$101,096, will not be received within one year. As of December 31, 2005, delinquent special assessments were \$19,625.

Loans receivable represent low interest loans for development projects granted to eligible County businesses under the Federal Community Development Block Grant program. The loans have an annual interest rate of 3 to 5 percent and are to be repaid over periods ranging from five to ten years. Principal, in the amount of \$8,739, was repaid during the year. Loans outstanding at December 31, 2005, were \$63,490. Loans receivable, in the amount of \$56,356, will not be received within one year.

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
Major Funds	
General Fund	
Fines and Forfeitures	\$3,000
Local Government	660,431
Homestead and Rollback	108,135
Tangible Personal Reimbursement	30,828
Grants	33,851
Charges for Services	58,359
Personal Property Exemption	8,100
Other	6,059
Total General Fund	908,763

continued

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

	Amount
Governmental Activities (continued)	
Major Funds (continued)	
Job and Family Services	
Grants	\$373,864
Motor Vehicle Gasoline Tax Fund	
Fines and Forfeitures	1,801
Motor Vehicle License Tax	931,656
Gasoline Tax	1,049,308
Total Motor Vehicle Gasoline Tax Fund	1,982,765
Children Services	
Homestead and Rollback	61,015
Grants	503,431
Tangible Personal Reimbursement	32,113
Personal Property Exemption	8,438
Total Children Services	604,997
Mental Disabilities	
Homestead and Rollback	123,109
Grants	880,730
Tangible Personal Reimbursement	55,876
Personal Property Exemption	14,682
Total Mental Disabilities	1,074,397
Total Major Funds	4,944,786
Nonmajor Funds	
CSEA - Charges for Services	16,974
Mental Health - Homestead and Rollback	24,402
Mental Health – Tangible Personal Reimbursement	12,845
Mental Health - Personal Property Exemption	3,375
North Central Ohio Rehabilitation Center - Grants	505,178
DWI Education – Fines	53
Prison Reduction - Grants	127,833
Felony Delinquent Care and Custody - Grants	325,054
Jail Reduction - Grants	18,553
Dog and Kennel - Fines and Forfeitures	338
Community Development Block Grant – Grants	21,825
Litter Control and Recycling - Grants	11,315
Marca - Homestead and Rollback	12,203
Marca – Tangible Personal Reimbursement	6,423

continued

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

	Amount
Governmental Activities (continued)	
Nonmajor Funds (continued)	
Marca - Personal Property Exemption	\$1,688
Coliseum Levy - Homestead and Rollback	52
Coliseum Levy - Personal Property Exemption	1,013
Total Nonmajor Funds	1,089,124
Total Governmental Activities	\$6,033,910
Agency Funds	
Motor Vehicle License and Gasoline Tax	\$789,873
Library Local Government	1,223,154
Local Government	893,524
Municipal Permissive License Tax	88,908
Homestead and Rollback	18,446
Personal Property Exemption	439,316
Fines	3,419
Total Agency Funds	\$3,456,640

NOTE 8 - PERMISSIVE SALES AND USE TAX

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

NOTE 9 - PROPERTY TAXES

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the County. Real property tax revenues received in 2005 represent the collection of 2004 taxes. Real property taxes received in 2005 were levied after October 1, 2004, on the assessed values as of January 1, 2004, 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.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Public utility property tax revenues received in 2005 represent the collection of 2004 taxes. Public utility real and tangible personal property taxes received in 2005 became a lien on December 31, 2003, were levied after October 1, 2004, 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 2005 (other than public utility property) represent the collection of 2005 taxes. Tangible personal property taxes received in 2005 were levied after October 1, 2004, on the true value as of December 31, 2004. Tangible personal property is currently assessed at 25 percent of true value for capital assets and 23 percent for inventory. 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 County Treasurer collects property taxes on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portion of the taxes collected. The collection and distribution of taxes for all subdivisions within the County, excluding the County itself, is accounted for through agency funds. The amount of the County's tax collections is accounted for within the applicable funds.

Accrued property taxes receivable represents real property, public utility property, and tangible personal property taxes which were measurable as of December 31, 2005, and for which there was 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 2005 operations. The portion of the receivable not levied to finance current year operations is offset by a credit to deferred revenue.

Collectible delinquent real property taxes have been recorded as a receivable and revenue on the full accrual basis. On the modified accrual basis, the revenue is deferred.

The full tax rate for all County operations for the year ended December 31, 2005, was \$11.05 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2004 property tax receipts were based are as follows:

Category	Amount
Real Property	\$838,722,870
Public Utility Property	59,647,040
Tangible Personal Property	136,833,414
Total Assessed Value	\$1,035,203,324

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

NOTE 10 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2005, was as follows:

	Balance 1/1/2005	Additions	Reductions	Balance 12/31/2005
Governmental Activities				
Nondepreciable Capital Assets				
Land	\$621,559	\$0	(\$15,500)	\$606,059
Land Improvements	6,728,367	0	0	6,728,367
Construction in Progress	0	36,700	0	36,700
Total Nondepreciable Capital Assets	<u>7,349,926</u>	<u>36,700</u>	<u>(15,500)</u>	<u>7,371,126</u>
Depreciable Capital Assets				
Buildings	26,730,746	262,952	0	26,993,698
Improvements Other than Buildings	2,044,601	50,122	0	2,094,723
Roads, Bridges, Culverts, and Traffic Signals	29,260,707	1,240,564	(258,072)	30,243,199
Machinery and Equipment	3,089,849	83,380	(87,571)	3,085,658
Vehicles	2,789,663	350,668	(193,652)	2,946,679
Total Depreciable Capital Assets	<u>63,915,566</u>	<u>1,987,686</u>	<u>(539,295)</u>	<u>65,363,957</u>
Less Accumulated Depreciation for				
Buildings	(7,578,358)	(744,460)	0	(8,322,818)
Improvements Other than Buildings	(1,163,103)	(185,982)	0	(1,349,085)
Roads, Bridges, Culverts, and Traffic Signals	(9,241,372)	(746,526)	94,850	(9,893,048)
Machinery and Equipment	(1,914,127)	(176,835)	87,571	(2,003,391)
Vehicles	(1,737,724)	(289,243)	191,393	(1,835,574)
Total Accumulated Depreciation	<u>(21,634,684)</u>	<u>(2,143,046)</u>	<u>373,814</u>	<u>(23,403,916)</u>
Total Depreciable Capital Assets, Net	<u>42,280,882</u>	<u>(155,360)</u>	<u>(165,481)</u>	<u>41,960,041</u>
Governmental Activities Capital Assets, Net	<u>\$49,630,808</u>	<u>(\$118,660)</u>	<u>(\$180,981)</u>	<u>\$49,331,167</u>

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

	Balance 1/1/2005	Additions	Reductions	Balance 12/31/2005
Business-Type Activity				
Nondepreciable Capital Assets				
Land	\$177,568	\$0	\$0	\$177,568
Depreciable Capital Assets				
Buildings	11,111,885	0	0	11,111,885
Machinery and Equipment	131,947	130,561	0	262,508
Vehicles	178,692	0	0	178,692
Sewer Lines	2,924,633	0	0	2,924,633
Total Depreciable Capital Assets	14,347,157	130,561	0	14,477,718
Less Accumulated Depreciation for				
Buildings	(4,828,297)	(250,803)	0	(5,079,100)
Machinery and Equipment	(103,913)	(12,523)	0	(116,436)
Vehicles	(137,085)	(6,167)	0	(143,252)
Sewer Lines	(266,547)	(64,107)	0	(330,654)
Total Accumulated Depreciation	(5,335,842)	(333,600)	0	(5,669,442)
Total Depreciable Capital Assets, Net	9,011,315	(203,039)	0	8,808,276
Business-Type Activity Capital Assets, Net	<u>\$9,188,883</u>	<u>(\$203,039)</u>	<u>\$0</u>	<u>\$8,985,844</u>

Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
General Government	
Legislative and Executive	\$565,980
Judicial	48,158
Public Safety	210,780
Public Works	912,839
Health	296,462
Human Services	108,827
Depreciation Expense - Governmental Activities	<u>\$2,143,046</u>

NOTE 11 - INTERFUND RECEIVABLES/PAYABLES

At December 31, 2005, the General Fund had an interfund receivable, in the amount of \$770 from Job and Family Services and \$624,354 from other governmental funds for services provided and to provide cash flow resources until the receipt of grant moneys.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

The Job and Family Services fund had an interfund receivable, in the amount of \$685, from other governmental funds for services provided.

The Children Services fund had an interfund receivable from Job and Family Services, in the amount of \$12,083, to provide cash flow resources until the receipt of grant moneys.

Other governmental funds had an interfund receivable from other governmental funds, in the amount of \$273,626, to provide cash flow resources until receipt of grant moneys.

The Sewer District fund had an interfund receivable, in the amount of \$1,073 for services provided to the General Fund and other governmental funds, in the amount of \$561 and \$512, respectively.

Interfund receivables in the General Fund and nonmajor governmental funds, in the amount of \$293,971 and \$273,626, respectively, will not be received within one year.

NOTE 12 - RISK MANAGEMENT

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

<u>CORSA</u>	
Property	\$83,906,303
General Liability	1,000,000
Commercial Crime	1,000,000
Boiler and Machinery (Equipment	100,000,000
Excess Liability	5,000,000
Automobile Liability	1,000,000
Police Professional Liability	1,000,000
<u>Archer-Meek Weiler Agency, Inc.</u>	
Helicopter Aviation and Liability	1,000,000

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

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

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

NOTE 13 - DEFINED BENEFIT PENSION PLANS

A. Ohio Public Employees Retirement System

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

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

For the year ended December 31, 2005, members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 8.5 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; members in public safety contributed 9 percent. The County's contribution rate for pension benefits for 2005 was 9.55 percent, except for those plan members in law enforcement or public safety. For those classifications, the County's pension contributions were 12.7 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The County's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2005, 2004, and 2003 was \$1,834,663, \$1,680,708, and \$1,668,614, respectively; 92 percent has been contributed for 2005 and 100 percent has been contributed for 2004 and 2003. The unpaid contribution for 2005 is recorded as a liability. Contributions to the member-directed plan for 2005 were \$43,767 made by the County and \$27,459 made by plan members.

B. State Teachers Retirement System

Certified teachers, employed by the school for Mental Disabilities, 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. The report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

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

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

For the year ended December 31, 2005, plan members were required to contribute 10 percent of their annual covered salary and the County was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers.

The County's required contribution for pension obligations for the DBP for the years ended December 31, 2005, 2004, and 2003 was \$24,764, \$29,516 and \$51,626, respectively; 99 percent has been contributed for 2005 and 100 percent has been contributed for 2004 and 2003. There were no contributions for the DCP and CP for the fiscal year ended June 30, 2005.

NOTE 14 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers". A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2005 employer contribution rate was 13.55 percent of covered payroll (16.7 percent for law enforcement and public safety); 4.00 percent was the portion used to fund health care.

Marion County, Ohio
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For the Year Ended December 31, 2005

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2004, include a rate of return on investments of 8 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees), and an additional increase in total payroll of between .5 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 1 to 6 percent annually for the next eight years and 4 percent annually after eight years.

All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

The number of active contributing participants in the traditional and combined plans was 376,109. Actual employer contributions for 2005 which were used to fund postemployment benefits was \$770,389. The actual contribution and the actuarial required contribution amounts are the same. OPERS's net assets available for the payment of benefits at December 31, 2004 (the latest information available), was \$10.8 billion. The actuarial accrued liability and the unfunded actuarial accrued liability were \$29.5 billion and \$18.7 billion, respectively.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, will be effective January 1, 2007. In addition to the HCPP, OPERS has taken additional action to improve the solvency of the Health Care Fund in 2005 by creating a separate investment pool for health care assets. As an additional component of the HCPP, member and employer contribution rates increased as of January 1, 2006, which will allow additional funds to be allocated to the health care plan.

B. State Teachers Retirement System

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

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. All benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. For fiscal year 2005, the Board allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. For the County, this amount was \$1,905.

STRS pays health care benefits from the Health Care Stabilization Fund. The balance in the Fund was \$3.3 billion at June 30, 2005. For the fiscal year ended June 30, 2005, net health care costs paid by STRS were \$254,780,000, and STRS had 115,395 eligible benefit recipients.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

NOTE 15 - OTHER BENEFITS

A. Compensated Absences

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

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

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

B. Health Care Benefits

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

NOTE 16 - NOTES PAYABLE

A summary of the note transactions for the year ended December 31, 2005, is as follows:

	Balance 1/1/2005	Additions	Reductions	Balance 12/31/2005	Due Within One Year
Capital Projects Funds					
Real Estate 4.90%	\$145,000	\$0	\$145,000	\$0	\$0

NOTE 17 - LONG-TERM OBLIGATIONS

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

	Original Issue Date	Interest Rate	Original Issue Amount
General Obligation Bonds			
Various Purpose	2001	3 - 5.05%	\$11,130,409
Sewer Refunding	2005	3 - 4.375	2,625,000
Special Assessment Bonds			
Qu Qua Ditch	2001	3 - 5.05	269,591

continued

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

	Original Issue Date	Interest Rate	Original Issue Amount
Issue II Loans			
Sewer South	2000	0%	\$165,964
Bridges	1996	0	247,155
Sewer Improvement	1996	0	666,453

The County's long-term obligations activity for the year ended December 31, 2005, was as follows:

	Balance 1/1/2005	Additions	Reductions	Balance 12/31/2005	Due Within One Year
<u>Governmental Activities</u>					
General Obligation Bonds					
Various Purpose	\$10,077,314	\$0	\$391,302	\$9,686,012	\$401,301
Special Assessment Bonds					
Qu Qua Ditch	177,686	0	33,698	143,988	33,699
Issue II Loans	98,862	0	16,477	82,385	16,477
Other Long-Term Obligations					
Vehicle Loans	89,074	0	61,561	27,513	27,513
Compensated Absences	1,356,842	144,604	49,306	1,452,140	677,563
Total Governmental Activities	<u>\$11,799,778</u>	<u>\$144,604</u>	<u>\$552,344</u>	<u>\$11,392,038</u>	<u>\$1,156,553</u>
<u>Business-Type Activity</u>					
USDA Revenue Bonds					
Sewer Improvement	\$1,301,100	\$0	\$1,301,100	\$0	\$0
General Obligation Bonds					
Sewer Improvement	1,437,000	0	1,437,000	0	0
Sewer Improvements	0	2,625,000	125,000	2,500,000	95,000
Issue II Loans	524,344	0	41,621	482,723	41,621
Compensated Absences	30,043	6,861	16,473	20,431	9,437
Total Business-Type Activity	<u>\$3,292,487</u>	<u>\$2,631,861</u>	<u>\$2,921,194</u>	<u>\$3,003,154</u>	<u>\$146,058</u>

Governmental Activities General Obligation Bonds and Special Assessment Bonds

In 2001, the County issued \$11,400,000 in various purpose general obligation bonds for constructing, equipping, and furnishing offices for Job and Family Services, the administration of County Justice Services, the Marion-Hardin Correctional Center, the County Administration Building, and the County Animal Shelter, as well as to pay the costs for improving the QuQua Ditch. The bond issue included both serial and term bonds, in the amount of \$4,250,000 and \$7,150,000, respectively.

Marion County, Ohio
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For the Year Ended December 31, 2005

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

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

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

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

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

Issue II Loans

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

Vehicle Loans

The vehicle loans are for the purchase of Sheriff cruisers and will be paid from the General Fund.

Business-Type Activity General Obligation Refunding Bonds

On March 30, 2005, the County issued \$2,625,000 in general obligation refunding bonds, consisting of \$1,395,000 in serial bonds and \$1,230,000 in term bonds, with interest rates from 3 percent to 4.375 percent, to refund \$1,301,100 of the sewer improvement USDA revenue bonds and \$1,437,000 of the sewer improvement general obligation bonds. The net proceeds and County's contribution, in the amount of \$2,554,170 and \$239,699, respectively, (after payment of \$70,830 in underwriter fees, insurance, and other issuance costs, of which \$3,406 was refunded back to the County) were delivered to the USDA/Rural Development office in Findlay, Ohio, to refund the bonds and pay accrued interest of \$55,769. As a result, the \$1,301,100 of the sewer improvement USDA revenue bonds and \$1,437,000 of the sewer improvement general obligation bonds were paid off in 2005 and the liability for those bonds was removed from the County's long-term obligations.

The County lowered its aggregated debt service payments by \$585,253 over the next twenty years and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$9,712.

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

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

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

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

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

Compensated Absences

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

The Ohio Revised Code provides that the net general obligation debt of the County, exclusive of certain exempt debt, issued without a vote of the electors should not exceed 1 percent of the total assessed valuation of the County. The Revised Code further provides that the total voted and unvoted net debt of the County less the same exempt debt should not exceed a sum equal to 3 percent of the first \$100,000,000, plus 1.5 percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus 2.5 percent of such valuation in excess of \$300,000,000.

The effect of the debt limitations described above is an overall debt margin of \$18,738,626 at December 31, 2005.

Marion County, Ohio
Notes to the Basic Financial Statements
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The following is a summary of the County's future annual debt service requirements for governmental long-term obligations:

Year	General Obligation		Special Assessment		Issue II
	Principal	Interest	Principal	Interest	Principal
2006	\$401,301	\$457,325	\$33,699	\$5,407	\$16,477
2007	383,236	443,280	36,763	4,228	16,477
2008	398,237	429,866	36,764	2,941	16,477
2009	408,238	413,937	36,762	1,471	16,477
2010	400,000	397,608	0	0	16,477
2011-2015	1,470,000	1,785,988	0	0	0
2016-2020	1,875,000	1,386,787	0	0	0
2021-2025	2,395,000	867,878	0	0	0
2026-2030	1,645,000	303,000	0	0	0
2031	310,000	15,655	0	0	0
	<u>\$9,686,012</u>	<u>\$6,501,324</u>	<u>\$143,988</u>	<u>\$14,047</u>	<u>\$82,385</u>

Vehicle Loans		
Year	Principal	Interest
2006	<u>\$27,513</u>	<u>\$1,252</u>

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

Year	General Obligation		Issue II
	Principal	Interest	Principal
2006	\$95,000	\$99,265	\$41,621
2007	95,000	96,415	41,620
2008	100,000	93,565	41,621
2009	100,000	90,315	41,620
2010	105,000	86,815	41,621
2011-2015	590,000	371,862	208,105
2016-2020	725,000	242,400	66,515
2021-2025	690,000	77,204	0
	<u>\$2,500,000</u>	<u>\$1,157,841</u>	<u>\$482,723</u>

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Conduit Debt

Issue	Original Amount	Outstanding Balance 12/31/2005
Hospital Revenue Bonds Issued Prior to 1996	\$257,140,000	Not Known
1996 Hospital Revenue Bonds	29,715,000	\$15,210,000
Industrial Development Bonds Issued Prior to 1996	5,155,000	Not Known
Mortgage Revenue Bonds Hearthside Apartments	2,200,000	2,165,000

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

NOTE 18 - INTERFUND TRANSFERS

During 2005, the following transfers were made:

		Transfers Out					
		General	Job and Family Services	Motor Vehicle Gasoline Tax	Children Services	Other Governmental	Total
Transfers In	General	\$0	\$0	\$7,723	\$0	\$40,130	\$47,853
	Job and Family Services	284,096	0	0	0	0	284,096
	Other Governmental	1,170,214	279,800	586,671	24,950	189,772	2,251,407
	Total Governmental Funds	<u>\$1,454,310</u>	<u>\$279,800</u>	<u>\$594,394</u>	<u>\$24,950</u>	<u>\$229,902</u>	<u>\$2,583,356</u>

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.

NOTE 19 - MARCA INDUSTRIES

As indicated in Note 1 to the basic financial statements, the following disclosures are made on behalf of MARCA Industries.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

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

Budgetary Data

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

Cash and Investments

MARCA's money is held in segregated accounts. MARCA considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents. MARCA's investments as of June 30, 2005 included mutual funds and federal securities. The mutual funds and federal securities have been presented as “investments” on the statement of net assets.

MARCA had investments consisting of the following at June 30, 2005:

	<u>Fair Value</u>
Growth and Income Funds	\$31,935
Federal Home Loan Mortgage Corporation Notes	5,212
Money Market Asset Funds	4,882
Total	<u>\$42,029</u>

Accounts Receivable

A significant portion of MARCA's annual revenues are generated from a limited number of customers located in the Marion area. Accounts receivable subject MARCA to a concentration of credit risk because approximately 71 percent of the accounts receivable at June 30, 2005, were represented by five Marion area business customers.

Contributions

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2005, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense is reported in the year in which services are consumed.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Inventory

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

Capital Assets

Additions and improvements to property and equipment are recorded at the original purchase cost or at the fair market value for donated assets. Depreciation is computed using the straight-line method at rates expected to amortize the cost of the assets over their useful lives, which range from ten to twenty-five years for leasehold improvements; from three to five years for used furniture and equipment; three to ten years for new furniture and equipment, and five years for vehicles, computer equipment, and software. A summary of MARCA's capital assets at June 30, 2005, follows:

	Balance July 1, 2004	Additions	Reductions	Balance June 30, 2005
Depreciable Capital Assets				
Property, Plant, and Equipment	\$387,694	\$37,349	\$0	\$425,043
Improvements	187,915	0	0	187,915
Computer Equipment	14,024	0	0	14,024
Total Depreciable Capital Assets	<u>589,633</u>	<u>37,349</u>	<u>0</u>	<u>626,982</u>
Less Accumulated Depreciation for				
Property, Plant, and Equipment	(344,135)	(22,283)	0	(366,418)
Improvements	(133,892)	(7,904)	0	(141,796)
Computer Equipment	(11,084)	(1,941)	0	(13,025)
Total Accumulated Depreciation	<u>(489,111)</u>	<u>(32,128)</u>	<u>0</u>	<u>(521,239)</u>
Capital Assets, Net	<u>\$100,522</u>	<u>\$5,221</u>	<u>\$0</u>	<u>\$105,743</u>

Long-Term Obligations

MARCA has an outstanding note, in the amount of \$32,434, which has an interest rate of 3 percent per year. The note is being repaid monthly over twenty-five years, with the last payment due on February 25, 2010. The note is collateralized by MARCA's leasehold improvements, equipment, furniture, inventory, and accounts receivable.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Principal requirements to retire this note are as follows:

Year	Notes Payable
2006	\$5,585
2007	5,755
2008	5,930
2009	6,111
2010	6,296
2011	2,757
Total	\$32,434

NOTE 20 - JOINTLY GOVERNED ORGANIZATIONS

A. Marion County Regional Planning Commission

The County participates in the Marion County Regional Planning Commission (Commission) which is a statutorily created political subdivision of the State. The Commission is jointly governed among the County and the municipalities and townships within the County. The Commission makes studies, maps, plans, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services within the County. In 2005, the County paid membership dues of \$55,000 toward the operation of the Commission. Information can be obtained from the Marion County Regional Planning Commission, Ken Lengieza, 222 West Center Street, Marion, Ohio 43302.

B. Marion County Family and Children First Council

The Marion County Family and Children First Council (Council) provides services to multi-need youth in Marion County. There are fifteen organizations which are members of the Council, including the County. The operation of the Council is controlled by a board consisting of representatives of the member organizations. Members refer cases to the Council who determines how the case is to be handled. In 2005, the County did not make any contributions to the Council.

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

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

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

NOTE 21 - JOINT VENTURES

A. Marion-Crawford Mental Health Board

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

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

The County cannot significantly influence the operations of the ADAMH Board. The Board has sole budgetary authority and controls surpluses and deficits, and the County is not legally or morally obligated for the Board's debt. In 2005, the County contributed tax revenues and intergovernmental revenues of \$694,554 which represents 9 percent of total revenues. Financial information can be obtained from the Marion County Auditor, Joseph P. Campbell, 222 West Center Street, Marion, Ohio 43302.

B. Marion-Hardin Corrections Commission

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

The Commission has no outstanding debt as of December 31, 2005. The Commission has not accumulated significant financial resources nor is the Commission experiencing fiscal stress that may cause an additional financial benefit to or burden on the County in the future. Financial information can be obtained from the Marion County Auditor, Joseph P. Campbell, 222 West Center Street, Marion, Ohio 43302.

C. Northland Homes and Properties, Inc.

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

The housing purchases are financed by State grants that are distributed to each MRDD Board and then to the Corporation. The MRDD Boards also fund the operational costs of the Corporation. The Corporation is not accumulating significant financial resources or experiencing fiscal stress which would cause additional benefit to or burden on the County. During 2005, \$14,000 in contributions was made by the Marion County Board of MRDD to Northland Homes and Properties, Inc. for operational costs.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

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

NOTE 22 - INSURANCE POOL

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

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

NOTE 23 - RELATED PARTY TRANSACTIONS

During 2005, Marion County provided facilities, certain equipment, transportation, and salaries for administration, implementation, and supervision of programs to MARCA Industries. MARCA, a discretely presented component unit of Marion County, reported, at fair value, \$202,290, for such contributions as unrestricted revenues and expenses relating to the vocational purposes of MARCA. Additional habilitative services provided directly to MARCA's clients by the County were \$3,326,971.

NOTE 24 - CONTINGENT LIABILITIES

A. Litigation

The County is a party to several legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. The County 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 County.

B. Federal and State Grants

For the period January 1, 2005, to December 31, 2005, the County received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the County believes such disallowances, if any, would be immaterial.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

NOTE 25 – SUBSEQUENT EVENT

On May 4, 2006, the County issued bond anticipation notes, in the amount of \$2,585,000, for improving the Legacy Crossing area by constructing McMahan Boulevard, widening and improving State Route 95, and constructing a storm water line. The notes have an interest rate of 4.5 percent and mature on May 3, 2007.

Marion County, Ohio
Combining Statements - Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

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

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

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

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

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

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

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

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

continued

Marion County, Ohio
Combining Statements - Nonmajor Governmental Funds
(continued)
Nonmajor Debt Service Fund

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

Nonmajor Capital Projects Funds

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

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

Ditch Drainage Fund - To account for special assessment revenue which is used for capital improvements of existing ditches.

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

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

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

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

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

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

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

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

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

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

Marion County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2005

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$3,461,340	\$651,940	\$2,571,362	\$6,684,642
Cash and Cash Equivalents in Segregated Accounts	1,422	0	0	1,422
Accounts Receivable	678	0	0	678
Due from Other Governments	1,067,745	0	21,379	1,089,124
Interfund Receivable	0	0	273,626	273,626
Property Taxes Receivable	569,907	0	294,430	864,337
Loans Receivable	63,490	0	0	63,490
Special Assessments Receivable	50,323	0	197,572	247,895
Total Assets	<u>\$5,214,905</u>	<u>\$651,940</u>	<u>\$3,358,369</u>	<u>\$9,225,214</u>
<u>Liabilities</u>				
Accrued Wages Payable	\$44,338	\$0	\$0	\$44,338
Accounts Payable	30,535	0	91,961	122,496
Due to Other Governments	39,350	0	0	39,350
Interfund Payable	174,697	0	724,480	899,177
Accrued Interest Payable	0	0	9,385	9,385
Deferred Revenue	1,160,476	0	513,381	1,673,857
Total Liabilities	<u>1,449,396</u>	<u>0</u>	<u>1,339,207</u>	<u>2,788,603</u>
<u>Fund Balance</u>				
Reserved for Encumbrances	134,223	0	277,345	411,568
Reserved for Interfund Receivable	0	0	273,626	273,626
Reserved for Loans Receivable	56,356	0	0	56,356
Unreserved, Reported in:				
Special Revenue Funds	3,574,930	0	0	3,574,930
Debt Service Fund	0	651,940	0	651,940
Capital Projects Funds	0	0	1,468,191	1,468,191
Total Fund Balances	<u>3,765,509</u>	<u>651,940</u>	<u>2,019,162</u>	<u>6,436,611</u>
Total Liabilities and Fund Balances	<u>\$5,214,905</u>	<u>\$651,940</u>	<u>\$3,358,369</u>	<u>\$9,225,214</u>

Marion County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2005

	Child Support Enforcement	Mental Health	Real Estate Assessment	North Central Ohio Rehabilitation Center
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$898,561	\$37,358	\$129,820	\$134,477
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Accounts Receivable	0	0	0	28
Due from Other Governments	16,974	40,622	0	505,178
Property Taxes Receivable	0	569,907	0	0
Loans Receivable	0	0	0	0
Special Assessments Receivable	0	0	0	0
Total Assets	<u>\$915,535</u>	<u>\$647,887</u>	<u>\$129,820</u>	<u>\$639,683</u>
<u>Liabilities</u>				
Accrued Wages Payable	\$8,200	\$0	\$3,143	\$15,634
Accounts Payable	341	0	549	7,087
Due to Other Governments	7,199	0	3,160	13,212
Interfund Payable	80,939	0	0	459
Deferred Revenue	0	610,529	0	252,589
Total Liabilities	<u>96,679</u>	<u>610,529</u>	<u>6,852</u>	<u>288,981</u>
<u>Fund Balance</u>				
Reserved for Encumbrances	79,620	0	17,948	4,959
Reserved for Loans Receivable	0	0	0	0
Unreserved	739,236	37,358	105,020	345,743
Total Fund Balances	<u>818,856</u>	<u>37,358</u>	<u>122,968</u>	<u>350,702</u>
Total Liabilities and Fund Balances	<u>\$915,535</u>	<u>\$647,887</u>	<u>\$129,820</u>	<u>\$639,683</u>

Other Public Safety	Other	Total
\$1,151,424	\$1,109,700	\$3,461,340
1,422	0	1,422
650	0	678
471,493	33,478	1,067,745
0	0	569,907
0	63,490	63,490
0	50,323	50,323
<u>\$1,624,989</u>	<u>\$1,256,991</u>	<u>\$5,214,905</u>
\$8,815	\$8,546	\$44,338
776	21,782	30,535
8,742	7,037	39,350
62,968	30,331	174,697
235,720	61,638	1,160,476
<u>317,021</u>	<u>129,334</u>	<u>1,449,396</u>
14,668	17,028	134,223
0	56,356	56,356
1,293,300	1,054,273	3,574,930
<u>1,307,968</u>	<u>1,127,657</u>	<u>3,765,509</u>
<u>\$1,624,989</u>	<u>\$1,256,991</u>	<u>\$5,214,905</u>

Marion County, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2005

	Capital Improvement	Ditch Drainage	Children Home	Mental Disabilities Capital	Job and Family
<u>Assets</u>					
Equity in Pooled Cash and Cash Equivalents	\$426,470	\$223,765	\$11,937	\$386,524	\$105,835
Due from Other Governments	0	0	0	20,314	0
Interfund Receivable	0	0	0	0	0
Property Taxes Receivable	0	0	0	294,430	0
Special Assessments Receivable	0	197,572	0	0	0
Total Assets	<u>\$426,470</u>	<u>\$421,337</u>	<u>\$11,937</u>	<u>\$701,268</u>	<u>\$105,835</u>
<u>Liabilities</u>					
Accounts Payable	\$70,971	\$0	\$0	\$20,990	\$0
Interfund Payable	517,399	75,000	0	0	0
Accrued Interest Payable	9,385	0	0	0	0
Deferred Revenue	0	197,572	0	314,744	0
Total Liabilities	<u>597,755</u>	<u>272,572</u>	<u>0</u>	<u>335,734</u>	<u>0</u>
<u>Fund Balance</u>					
Reserved for Encumbrances	43,525	0	0	72,819	0
Reserved for Interfund Receivable	0	0	0	0	0
Unreserved (Deficit)	(214,810)	148,765	11,937	292,715	105,835
Total Fund Balances (Deficit)	<u>(171,285)</u>	<u>148,765</u>	<u>11,937</u>	<u>365,534</u>	<u>105,835</u>
Total Liabilities and Fund Balances	<u>\$426,470</u>	<u>\$421,337</u>	<u>\$11,937</u>	<u>\$701,268</u>	<u>\$105,835</u>

Issue II	Justice Center	Dog and Kennel	Coliseum Levy	Administration Building	Road Capital	Northwest Intercept	Total
\$221,564	\$16,088	\$0	\$349,862	\$11,299	\$490,485	\$327,533	\$2,571,362
0	0	0	1,065	0	0	0	21,379
0	273,626	0	0	0	0	0	273,626
0	0	0	0	0	0	0	294,430
0	0	0	0	0	0	0	197,572
<u>\$221,564</u>	<u>\$289,714</u>	<u>\$0</u>	<u>\$350,927</u>	<u>\$11,299</u>	<u>\$490,485</u>	<u>\$327,533</u>	<u>\$3,358,369</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$91,961
0	0	47,681	0	84,400	0	0	724,480
0	0	0	0	0	0	0	9,385
0	0	0	1,065	0	0	0	513,381
0	0	47,681	1,065	84,400	0	0	1,339,207
0	15,727	0	144,974	0	0	300	277,345
0	273,626	0	0	0	0	0	273,626
221,564	361	(47,681)	204,888	(73,101)	490,485	327,233	1,468,191
221,564	289,714	(47,681)	349,862	(73,101)	490,485	327,533	2,019,162
<u>\$221,564</u>	<u>\$289,714</u>	<u>\$0</u>	<u>\$350,927</u>	<u>\$11,299</u>	<u>\$490,485</u>	<u>\$327,533</u>	<u>\$3,358,369</u>

Marion County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2005

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Revenues</u>				
Property Taxes	\$619,737	\$0	\$553,005	\$1,172,742
Special Assessments	33,755	0	39,727	73,482
Charges for Services	1,156,223	0	25,200	1,181,423
Licenses and Permits	152,004	0	0	152,004
Fines and Forfeitures	51,074	0	0	51,074
Intergovernmental	4,339,851	0	202,176	4,542,027
Interest	4,104	0	13,246	17,350
Other	82,809	0	14,682	97,491
Total Revenues	<u>6,439,557</u>	<u>0</u>	<u>848,036</u>	<u>7,287,593</u>
<u>Expenditures</u>				
Current				
General Government				
Legislative and Executive	882,172	0	0	882,172
Judicial	268,407	0	0	268,407
Public Safety	2,380,905	0	0	2,380,905
Public Works	251,931	0	0	251,931
Health	114,333	0	0	114,333
Human Services	1,289,796	0	0	1,289,796
Capital Outlay	0	0	1,546,508	1,546,508
Intergovernmental	677,393	0	0	677,393
Debt Service				
Principal Retirement	0	351,477	90,000	441,477
Interest and Fiscal Charges	0	463,569	32,236	495,805
Total Expenditures	<u>5,864,937</u>	<u>815,046</u>	<u>1,668,744</u>	<u>8,348,727</u>
Excess of Revenues Over (Under) Expenditures	<u>574,620</u>	<u>(815,046)</u>	<u>(820,708)</u>	<u>(1,061,134)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers - In	11,550	945,422	1,294,435	2,251,407
Transfers - Out	(81,888)	0	(148,014)	(229,902)
Total Other Financing Sources (Uses)	<u>(70,338)</u>	<u>945,422</u>	<u>1,146,421</u>	<u>2,021,505</u>
Changes in Fund Balances	504,282	130,376	325,713	960,371
Fund Balances at Beginning of Year	<u>3,261,227</u>	<u>521,564</u>	<u>1,693,449</u>	<u>5,476,240</u>
Fund Balances at End of Year	<u><u>\$3,765,509</u></u>	<u><u>\$651,940</u></u>	<u><u>\$2,019,162</u></u>	<u><u>\$6,436,611</u></u>

Marion County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2005

	Child Support Enforcement	Mental Health	Real Estate Assessment	North Central Ohio Rehabilitation Center
<u>Revenues</u>				
Property Taxes	\$0	\$619,737	\$0	\$0
Special Assessments	0	0	0	0
Charges for Services	0	0	488,897	0
Licenses and Permits	0	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	1,306,134	74,817	0	1,440,321
Interest	0	0	0	0
Other	0	0	13,454	37,473
Total Revenues	<u>1,306,134</u>	<u>694,554</u>	<u>502,351</u>	<u>1,477,794</u>
<u>Expenditures</u>				
Current				
General Government				
Legislative and Executive	0	0	689,982	0
Judicial	0	0	0	0
Public Safety	0	0	0	1,229,926
Public Works	0	0	0	0
Health	0	0	0	0
Human Services	1,268,206	0	0	0
Intergovernmental	0	677,393	0	0
Total Expenditures	<u>1,268,206</u>	<u>677,393</u>	<u>689,982</u>	<u>1,229,926</u>
Excess of Revenues Over (Under) Expenditures	<u>37,928</u>	<u>17,161</u>	<u>(187,631)</u>	<u>247,868</u>
<u>Other Financing Sources (Uses)</u>				
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>
Changes in Fund Balances	37,928	17,161	(187,631)	247,868
Fund Balances at Beginning of Year	<u>780,928</u>	<u>20,197</u>	<u>310,599</u>	<u>102,834</u>
Fund Balances at End of Year	<u>\$818,856</u>	<u>\$37,358</u>	<u>\$122,968</u>	<u>\$350,702</u>

continued

Marion County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2005

	Other Public Safety	Other	Total
<u>Revenues</u>			
Property Taxes	\$0	\$0	\$619,737
Special Assessments	0	33,755	33,755
Charges for Services	90,169	577,157	1,156,223
Licenses and Permits	0	152,004	152,004
Fines and Forfeitures	32,399	18,675	51,074
Intergovernmental	1,336,252	182,327	4,339,851
Interest	155	3,949	4,104
Other	18,258	13,624	82,809
Total Revenues	<u>1,477,233</u>	<u>981,491</u>	<u>6,439,557</u>
<u>Expenditures</u>			
Current			
General Government			
Legislative and Executive	0	192,190	882,172
Judicial	0	268,407	268,407
Public Safety	1,150,979	0	2,380,905
Public Works	0	251,931	251,931
Health	0	114,333	114,333
Human Services	0	21,590	1,289,796
Intergovernmental	0	0	677,393
Total Expenditures	<u>1,150,979</u>	<u>848,451</u>	<u>5,864,937</u>
Excess of Revenues Over (Under) Expenditures	<u>326,254</u>	<u>133,040</u>	<u>574,620</u>
<u>Other Financing Sources (Uses)</u>			
Transfers - In	5,850	5,700	11,550
Transfers - Out	(2,630)	(79,258)	(81,888)
Total Other Financing Sources (Uses)	<u>3,220</u>	<u>(73,558)</u>	<u>(70,338)</u>
Changes in Fund Balances	329,474	59,482	504,282
Fund Balances at Beginning of Year	<u>978,494</u>	<u>1,068,175</u>	<u>3,261,227</u>
Fund Balances at End of Year	<u><u>\$1,307,968</u></u>	<u><u>\$1,127,657</u></u>	<u><u>\$3,765,509</u></u>

Marion County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2005

	Capital Improvement	Ditch Drainage	Children Home	Mental Disabilities Capital	Job and Family
<u>Revenues</u>					
Property Taxes	\$0	\$0	\$0	\$317,044	\$0
Special Assessments	0	39,727	0	0	0
Charges for Services	25,200	0	0	0	0
Intergovernmental	0	0	0	35,984	0
Interest	0	13,246	0	0	0
Other	500	0	0	14,182	0
Total Revenues	25,700	52,973	0	367,210	0
<u>Expenditures</u>					
Capital Outlay	528,034	2,450	35,436	584,265	12,994
Debt Service					
Principal Retirement	0	55,000	0	0	0
Interest and Fiscal Charges	12,749	10,612	0	0	0
Total Expenditures	540,783	68,062	35,436	584,265	12,994
Excess of Revenues Over (Under) Expenditures	(515,083)	(15,089)	(35,436)	(217,055)	(12,994)
<u>Other Financing Sources (Uses)</u>					
Transfers - In	166,219	0	24,950	0	0
Transfers - Out	(10,000)	0	0	0	0
Total Other Financing Sources (Uses)	156,219	0	24,950	0	0
Changes in Fund Balances	(358,864)	(15,089)	(10,486)	(217,055)	(12,994)
Fund Balances (Deficit) at Beginning of Year	187,579	163,854	22,423	582,589	118,829
Fund Balances (Deficit) at End of Year	(\$171,285)	\$148,765	\$11,937	\$365,534	\$105,835

continued

Marion County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds (continued)
For the Year Ended December 31, 2005

	Issue II	Justice Center	Dog and Kennel	Coliseum Levy
<u>Revenues</u>				
Property Taxes	\$0	\$0	\$0	\$235,961
Special Assessments	0	0	0	0
Charges for Services	0	0	0	0
Intergovernmental	125,163	0	0	28,796
Interest	0	0	0	0
Other	0	0	0	0
Total Revenues	125,163	0	0	264,757
<u>Expenditures</u>				
Capital Outlay	195,481	138,287	0	12,361
Debt Service				
Principal Retirement	0	0	35,000	0
Interest and Fiscal Charges	0	0	2,362	6,513
Total Expenditures	195,481	138,287	37,362	18,874
Excess of Revenues Over (Under) Expenditures	(70,318)	(138,287)	(37,362)	245,883
<u>Other Financing Sources (Uses)</u>				
Transfers - In	262,692	0	36,181	0
Transfers - Out	(138,014)	0	0	0
Total Other Financing Sources (Uses)	124,678	0	36,181	0
Changes in Fund Balances	54,360	(138,287)	(1,181)	245,883
Fund Balances (Deficit) at Beginning of Year	167,204	428,001	(46,500)	103,979
Fund Balances (Deficit) at End of Year	<u>\$221,564</u>	<u>\$289,714</u>	<u>(\$47,681)</u>	<u>\$349,862</u>

<u>Administration Building</u>	<u>Road Capital</u>	<u>Northwest Intercept</u>	<u>Total</u>
\$0	\$0	\$0	\$553,005
0	0	0	39,727
0	0	0	25,200
0	0	12,233	202,176
0	0	0	13,246
0	0	0	14,682
<u>0</u>	<u>0</u>	<u>12,233</u>	<u>848,036</u>
500	0	36,700	1,546,508
0	0	0	90,000
0	0	0	32,236
<u>500</u>	<u>0</u>	<u>36,700</u>	<u>1,668,744</u>
<u>(500)</u>	<u>0</u>	<u>(24,467)</u>	<u>(820,708)</u>
0	452,393	352,000	1,294,435
0	0	0	(148,014)
<u>0</u>	<u>452,393</u>	<u>352,000</u>	<u>1,146,421</u>
(500)	452,393	327,533	325,713
<u>(72,601)</u>	<u>38,092</u>	<u>0</u>	<u>1,693,449</u>
<u>(\$73,101)</u>	<u>\$490,485</u>	<u>\$327,533</u>	<u>\$2,019,162</u>

Marion County, Ohio
Combining Statements - Fiduciary Funds

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

Agency Funds

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

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

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

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

Other Agency Funds

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

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

Marion County, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2005

	Balance 1/1/2005	Additions	Reductions	Balance 12/31/2005
County Agency				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$128,056	\$3,090,151	\$3,132,897	\$85,310
Liabilities				
Deposits Held and Due to Others	\$128,056	\$3,090,151	\$3,132,897	\$85,310
County Court Agency				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$930,834	\$8,212,376	\$7,688,906	\$1,454,304
Liabilities				
Deposits Held and Due to Others	\$930,834	\$8,212,376	\$7,688,906	\$1,454,304
Undivided Tax				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,040,292	\$49,557,177	\$48,721,866	\$2,875,603
Due from Other Governments	2,936,866	3,208,249	2,936,866	3,208,249
Property Taxes Receivable	39,803,751	35,108,007	39,803,751	35,108,007
Special Assessments Receivable	1,251,496	1,450,395	1,251,496	1,450,395
Total Assets	\$46,032,405	\$89,323,828	\$92,713,979	\$42,642,254
Liabilities				
Due to Other Governments	\$46,032,405	\$89,323,828	\$92,713,979	\$42,642,254
Marion County Rotary				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$44,022	\$380,435	\$415,167	\$9,290
Due from Other Governments	0	248,391	0	248,391
Total Assets	\$44,022	\$628,826	\$415,167	\$257,681
Liabilities				
Due to Other Governments	\$44,022	\$628,826	\$415,167	\$257,681
Marriage License Special				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$10,761	\$17,051	\$17,649	\$10,163
Liabilities				
Undistributed Assets	\$10,761	\$17,051	\$17,649	\$10,163
Building Code				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$5,322	\$0	\$5,322	\$0
Liabilities				
Due to Other Governments	\$5,322	\$0	\$5,322	\$0

continued

Marion County, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds (continued)
For the Year Ended December 31, 2005

	Balance 1/1/2005	Additions	Reductions	Balance 12/31/2005
Payroll				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$333,412	\$25,898,431	\$25,827,399	\$404,444
Liabilities				
Payroll Withholdings	\$333,412	\$25,898,431	\$25,827,399	\$404,444
Real Estate Escrow Prepayment				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$442,840	\$903,175	\$947,487	\$398,528
Liabilities				
Undistributed Assets	\$442,840	\$903,175	\$947,487	\$398,528
Regional Planning				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$27,138	\$310,885	\$297,069	\$40,954
Liabilities				
Undistributed Assets	\$27,138	\$310,885	\$297,069	\$40,954
Green Camp Sewer				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$0	\$749	\$675	\$74
Liabilities				
Due to Other Governments	\$0	\$749	\$675	\$74
Soil and Water				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$28,378	\$118,331	\$122,913	\$23,796
Liabilities				
Undistributed Assets	\$28,378	\$118,331	\$122,913	\$23,796
Board of Health				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$466,377	\$1,214,180	\$1,265,380	\$415,177
Due from External Parties	0	7,875	0	7,875
Total Assets	\$466,377	\$1,222,055	\$1,265,380	\$423,052
Liabilities				
Undistributed Assets	\$466,377	\$1,222,055	\$1,265,380	\$423,052

continued

Marion County, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds (continued)
For the Year Ended December 31, 2005

	Balance 1/1/2005	Additions	Reductions	Balance 12/31/2005
Emergency Planning				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$24,488	\$17,695	\$21,050	\$21,133
Liabilities				
Undistributed Assets	\$24,488	\$17,695	\$21,050	\$21,133
Family and Children First				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$44,709	\$586,995	\$533,121	\$98,583
Liabilities				
Undistributed Assets	\$44,709	\$586,995	\$533,121	\$98,583
County Park District				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$131,193	\$37,035	\$58,520	\$109,708
Liabilities				
Undistributed Assets	\$131,193	\$37,035	\$58,520	\$109,708
DKMM Solid Waste District				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$548,868	\$1,256,115	\$1,325,181	\$479,802
Liabilities				
Due to External Parties	\$0	\$7,911	\$0	\$7,911
Undistributed Assets	548,868	1,248,204	1,325,181	471,891
Total Liabilities	\$548,868	\$1,256,115	\$1,325,181	\$479,802
Employee Reimbursement				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,165	\$71,641	\$72,187	\$619
Liabilities				
Due to Employees	\$1,165	\$71,641	\$72,187	\$619
RPC Enterprise Zone				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$25,901	\$15,900	\$13,400	\$28,401
Liabilities				
Undistributed Assets	\$25,901	\$15,900	\$13,400	\$28,401
Marion-Crawford Mental Health Board				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,801,048	\$7,907,153	\$7,462,527	\$3,245,674
Liabilities				
Undistributed Assets	\$2,801,048	\$7,907,153	\$7,462,527	\$3,245,674

continued

Marion County, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds (continued)
For the Year Ended December 31, 2005

	Balance 1/1/2005	Additions	Reductions	Balance 12/31/2005
Marion-Hardin Corrections Commission				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$120,071	\$3,557,380	\$3,370,304	\$307,147
Due from External Parties	0	274	0	274
Total Assets	<u>\$120,071</u>	<u>\$3,557,654</u>	<u>\$3,370,304</u>	<u>\$307,421</u>
Liabilities				
Undistributed Assets	<u>\$120,071</u>	<u>\$3,557,654</u>	<u>\$3,370,304</u>	<u>\$307,421</u>
Caledonia Sewer Billing				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$2,294</u>	<u>\$120,803</u>	<u>\$120,731</u>	<u>\$2,366</u>
Liabilities				
Due to Other Governments	<u>\$2,294</u>	<u>\$120,803</u>	<u>\$120,731</u>	<u>\$2,366</u>
Ohio Elections Commission Fee				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$0</u>	<u>\$2,480</u>	<u>\$2,410</u>	<u>\$70</u>
Liabilities				
Due to Other Governments	<u>\$0</u>	<u>\$2,480</u>	<u>\$2,410</u>	<u>\$70</u>
Port Authority				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$7,400</u>	<u>\$0</u>	<u>\$0</u>	<u>\$7,400</u>
Liabilities				
Undistributed Assets	<u>\$7,400</u>	<u>\$0</u>	<u>\$0</u>	<u>\$7,400</u>
Housing Trust				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$87,975</u>	<u>\$346,124</u>	<u>\$349,169</u>	<u>\$84,930</u>
Liabilities				
Undistributed Assets	<u>\$87,975</u>	<u>\$346,124</u>	<u>\$349,169</u>	<u>\$84,930</u>
Annexation				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$250</u>	<u>\$250</u>	<u>\$500</u>	<u>\$0</u>
Liabilities				
Due to Other Governments	<u>\$250</u>	<u>\$250</u>	<u>\$500</u>	<u>\$0</u>

continued

Marion County, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds (continued)
For the Year Ended December 31, 2005

	Balance 1/1/2005	Additions	Reductions	Balance 12/31/2005
Total - All Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$7,193,904	\$92,319,985	\$90,950,027	\$8,563,862
Cash and Cash Equivalents in Segregated Accounts	1,058,890	11,302,527	10,821,803	1,539,614
Due from Other Governments	2,936,866	3,456,640	2,936,866	3,456,640
Due from External Parties	0	8,149	0	8,149
Property Taxes Receivable	39,803,751	35,108,007	39,803,751	35,108,007
Special Assessments Receivable	1,251,496	1,450,395	1,251,496	1,450,395
Total Assets	\$52,244,907	\$143,645,703	\$145,763,943	\$50,126,667
Liabilities				
Due to Employees	\$1,165	\$71,641	\$72,187	\$619
Due to Other Governments	46,084,293	90,076,936	93,258,784	42,902,445
Due to External Parties	0	7,911	0	7,911
Undistributed Assets	4,767,147	16,288,257	15,783,770	5,271,634
Deposits Held and Due to Others	1,058,890	11,302,527	10,821,803	1,539,614
Payroll Withholdings	333,412	25,898,431	25,827,399	404,444
Total Liabilities	\$52,244,907	\$143,645,703	\$145,763,943	\$50,126,667

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

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property Taxes	\$2,178,000	\$2,178,000	\$2,184,036	\$6,036
Sales Taxes	6,274,000	6,274,000	6,466,304	192,304
Charges for Services	3,023,899	3,141,749	2,848,100	(293,649)
Licenses and Permits	4,750	7,250	5,517	(1,733)
Fines and Forfeitures	118,100	118,100	142,966	24,866
Intergovernmental	1,803,313	1,820,328	1,942,706	122,378
Interest	602,500	602,500	843,634	241,134
Other	117,745	343,220	402,225	59,005
Total Revenues	14,122,307	14,485,147	14,835,488	350,341
<u>Expenditures</u>				
Current				
General Government - Legislative and Executive				
County Commissioners				
Personal Services	275,578	279,986	279,986	0
Fringe Benefits	41,337	43,082	42,781	301
Materials and Supplies	2,508	2,508	1,665	843
Contractual Services	22,773	25,705	19,039	6,666
Other	13,701	13,693	10,752	2,941
Total County Commissioners	355,897	364,974	354,223	10,751
Auditor				
Personal Services	293,757	301,607	301,607	0
Fringe Benefits	44,064	45,194	44,374	820
Materials and Supplies	19,221	19,221	16,272	2,949
Contractual Services	65,992	67,020	66,029	991
Capital Outlay	1,200	1,200	0	1,200
Other	5,791	5,542	5,151	391
Total Auditor	430,025	439,784	433,433	6,351

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2005

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Treasurer				
Personal Services	\$123,918	\$123,933	\$120,828	\$3,105
Fringe Benefits	18,588	19,042	18,905	137
Materials and Supplies	400	400	400	0
Contractual Services	2,164	1,000	858	142
Other	2,977	2,977	2,548	429
Total Treasurer	148,047	147,352	143,539	3,813
Prosecuting Attorney				
Personal Services	521,161	538,897	538,255	642
Fringe Benefits	104,967	116,327	104,785	11,542
Materials and Supplies	1,380	1,400	1,400	0
Contractual Services	128,127	131,615	127,663	3,952
Capital Outlay	2,125	2,125	953	1,172
Other	30,508	30,641	30,438	203
Total Prosecuting Attorney	788,268	821,005	803,494	17,511
Personnel Department				
Other	2,944	2,944	0	2,944
Data Processing Board				
Personal Services	30,977	19,299	19,299	0
Fringe Benefits	4,197	3,063	3,063	0
Materials and Supplies	17,054	19,486	16,771	2,715
Contractual Services	120,835	120,835	110,245	10,590
Capital Outlay	2,410	10,338	10,338	0
Other	300	300	0	300
Total Data Processing Board	175,773	173,321	159,716	13,605
Board of Elections				
Personal Services	237,524	281,502	280,892	610
Fringe Benefits	24,766	29,737	29,272	465
Materials and Supplies	38,235	26,065	24,317	1,748
Contractual Services	39,806	37,411	36,599	812
Other	4,482	21,403	7,065	14,338
Total Board of Elections	344,813	396,118	378,145	17,973

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2005

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Maintenance and Operation				
Personal Services	\$119,569	\$89,500	\$85,601	\$3,899
Fringe Benefits	17,935	18,481	13,146	5,335
Materials and Supplies	29,948	34,947	24,630	10,317
Contractual Services	523,625	541,625	478,771	62,854
Total Maintenance and Operation	691,077	684,553	602,148	82,405
Recorder				
Personal Services	151,621	163,285	162,874	411
Fringe Benefits	22,743	23,828	23,828	0
Materials and Supplies	4,500	3,891	2,386	1,505
Contractual Services	15,291	15,355	14,423	932
Other	1,000	1,000	936	64
Total Recorder	195,155	207,359	204,447	2,912
Postage				
Materials and Supplies	77,094	121,813	114,162	7,651
Insurance, Pensions, and Taxes				
Fringe Benefits	1,368,399	1,211,409	1,098,237	113,172
Contractual Services	268,189	254,640	241,826	12,814
Other	13,161	13,161	13,161	0
Total Insurance, Pensions, and Taxes	1,649,749	1,479,210	1,353,224	125,986
Total General Government - Legislative and Executive	4,858,842	4,838,433	4,546,531	291,902
General Government - Judicial Court of Appeals				
Other	20,750	20,750	19,411	1,339

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2005

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Common Pleas Court				
Personal Services	\$249,783	\$275,439	\$275,274	\$165
Fringe Benefits	37,467	42,323	40,758	1,565
Materials and Supplies	8,205	7,337	7,289	48
Contractual Services	47,078	69,159	66,844	2,315
Capital Outlay	0	4,709	4,610	99
Other	4,355	3,955	3,944	11
Total Common Pleas Court	346,888	402,922	398,719	4,203
Jury Commission				
Personal Services	2,456	2,456	2,456	0
Fringe Benefits	369	378	363	15
Materials and Supplies	6,255	6,043	5,898	145
Other	2,500	0	0	0
Total Jury Commission	11,580	8,877	8,717	160
Family Court				
Personal Services	351,375	392,094	390,203	1,891
Fringe Benefits	52,706	60,080	58,312	1,768
Materials and Supplies	17,127	15,837	13,909	1,928
Contractual Services	41,174	46,263	43,414	2,849
Other	16,450	16,954	15,483	1,471
Total Domestic Relations Court	478,832	531,228	521,321	9,907
Juvenile Court				
Personal Services	100,000	104,524	103,778	746
Fringe Benefits	0	183	183	0
Other	130	130	130	0
Total Juvenile Court	100,130	104,837	104,091	746

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Probate Court				
Personal Services	\$111,095	\$111,695	\$111,658	\$37
Fringe Benefits	16,664	17,100	16,268	832
Materials and Supplies	8,000	6,078	4,917	1,161
Contractual Services	25,004	29,844	29,621	223
Capital Outlay	0	600	574	26
Other	600	1,000	684	316
Total Probate Court	161,363	166,317	163,722	2,595
Clerk of Courts				
Personal Services	310,295	310,795	308,942	1,853
Fringe Benefits	54,269	70,673	69,894	779
Materials and Supplies	62,601	62,824	62,578	246
Contractual Services	65,167	79,887	79,847	40
Capital Outlay	4,000	1,901	1,901	0
Other	777	294	259	35
Total Clerk of Courts	497,109	526,374	523,421	2,953
Municipal Court				
Personal Services	68,770	77,716	72,677	5,039
Fringe Benefits	10,316	18,692	17,957	735
Contractual Services	7,500	7,500	3,057	4,443
Other	0	145	65	80
Total Municipal Court	86,586	104,053	93,756	10,297
Total General Government - Judicial	1,703,238	1,865,358	1,833,158	32,200
Total General Government	6,562,080	6,703,791	6,379,689	324,102
Public Safety				
Adult Probation				
Personal Services	110,190	119,192	119,192	0
Fringe Benefits	16,529	18,282	18,268	14
Materials and Supplies	4,000	3,500	3,473	27
Contractual Services	4,999	4,999	4,999	0
Other	4,632	1,275	1,275	0
Total Adult Probation	140,350	147,248	147,207	41

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2005

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Juvenile Probation				
Fringe Benefits	\$15,000	\$16,239	\$16,128	\$111
Other	1,700	1,700	1,658	42
Total Juvenile Probation	16,700	17,939	17,786	153
Detention Home				
Personal Services	644,824	715,885	708,832	7,053
Fringe Benefits	96,724	114,171	110,516	3,655
Materials and Supplies	93,672	91,066	87,702	3,364
Contractual Services	77,893	72,764	72,661	103
Capital Outlay	300	4,026	4,026	0
Other	4,983	9,656	9,430	226
Total Detention Home	918,396	1,007,568	993,167	14,401
Coroner				
Personal Services	57,071	57,071	57,071	0
Fringe Benefits	8,561	8,769	8,481	288
Materials and Supplies	100	140	121	19
Contractual Services	27,628	31,856	31,766	90
Other	1,529	1,529	1,529	0
Total Coroner	94,889	99,365	98,968	397
Sheriff				
Personal Services	1,739,641	1,835,758	1,825,577	10,181
Fringe Benefits	309,883	333,451	332,047	1,404
Materials and Supplies	169,297	226,111	193,938	32,173
Contractual Services	286,332	305,589	284,042	21,547
Capital Outlay	10,001	63,126	62,425	701
Other	2,664,680	2,646,151	2,632,844	13,307
Total Sheriff	5,179,834	5,410,186	5,330,873	79,313
Total Public Safety	6,350,169	6,682,306	6,588,001	94,305

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2005

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Public Works				
Engineer				
Materials and Supplies	\$6,000	\$6,079	\$6,057	\$22
Contractual Services	2,770	2,189	2,097	92
Other	3,582	4,084	4,084	0
Total Public Works	12,352	12,352	12,238	114
Health				
Agriculture				
Contractual Services	142,480	143,905	143,905	0
Tuberculosis				
Contractual Services	4,420	4,420	1,480	2,940
Vital Statistics				
Contractual Services	127,879	129,010	98,443	30,567
Ditch Cleaning and Repair				
Other	9,369	126	25	101
Other Health				
Other	24,159	20,860	20,860	0
Total Health	308,307	298,321	264,713	33,608
Human Services				
Soldiers Relief				
Personal Services	26,226	26,226	26,226	0
Fringe Benefits	3,934	4,486	4,388	98
Materials and Supplies	8,300	10,597	10,569	28
Contractual Services	3,900	5,703	4,606	1,097
Other	73,520	61,633	59,466	2,167
Total Soldiers Relief	115,880	108,645	105,255	3,390

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2005

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Veteran Services				
Personal Services	\$122,124	\$130,124	\$128,684	\$1,440
Fringe Benefits	18,319	19,219	18,526	693
Materials and Supplies	2,000	2,000	1,981	19
Contractual Services	7,500	7,500	7,000	500
Total Veteran Services	149,943	158,843	156,191	2,652
Total Human Services	265,823	267,488	261,446	6,042
Conservation and Recreation				
Historical Society				
Contractual Services	12,000	12,000	12,000	0
Other Conservation and Recreation				
Other	47,000	284,642	284,475	167
Total Conservation and Recreation	59,000	296,642	296,475	167
Other				
Miscellaneous				
Contractual Services	555,086	593,321	576,047	17,274
Other	12,826	60,580	20,416	40,164
Total Other	567,912	653,901	596,463	57,438
Capital Outlay	3,987	3,987	3,987	0
Intergovernmental	235,639	235,639	235,639	0
Total Expenditures	14,365,269	15,154,427	14,638,651	515,776
Excess of Revenues Over (Under) Expenditures	(242,962)	(669,280)	196,837	866,117

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Other Financing Sources (Uses)</u>				
Sale of Capital Assets	\$2,000	\$3,390,548	\$3,390,548	\$0
Advances - In	122,000	122,000	100,355	(21,645)
Advances - Out	(122,000)	(91,574)	(46,906)	44,668
Transfers - In	84,675	87,305	47,853	(39,452)
Transfers - Out	(1,152,380)	(1,940,294)	(1,454,310)	485,984
Total Other Financing Sources (Uses)	<u>(1,065,705)</u>	<u>1,567,985</u>	<u>2,037,540</u>	<u>469,555</u>
Changes in Fund Balance	(1,308,667)	898,705	2,234,377	1,335,672
Fund Balance at Beginning of Year	2,254,636	2,254,636	2,254,636	0
Prior Year Encumbrances Appropriated	<u>410,862</u>	<u>410,862</u>	<u>410,862</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,356,831</u></u>	<u><u>\$3,564,203</u></u>	<u><u>\$4,899,875</u></u>	<u><u>\$1,335,672</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Job and Family Services Special Revenue Fund
For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Charges for Services	\$264,000	\$264,000	\$285,415	\$21,415
Intergovernmental	6,636,515	6,408,215	5,566,331	(841,884)
Other	15,000	15,000	18,602	3,602
Total Revenues	6,915,515	6,687,215	5,870,348	(816,867)
<u>Expenditures</u>				
Current				
Human Services				
Administrative				
Personal Services	2,186,725	2,031,725	2,027,184	4,541
Fringe Benefits	812,660	723,568	723,361	207
Materials and Supplies	100,000	88,069	84,987	3,082
Contractual Services	1,440,000	1,343,767	1,290,936	52,831
Capital Outlay	65,000	126,633	126,633	0
Other	76,613	82,293	81,414	879
Total Administrative	4,680,998	4,396,055	4,334,515	61,540
Public Assistance				
Personal Services	252,000	202,000	196,342	5,658
Fringe Benefits	98,000	76,600	76,546	54
Materials and Supplies	27,500	24,010	22,797	1,213
Contractual Services	1,832,000	2,047,316	1,971,920	75,396
Capital Outlay	0	77,610	76,652	958
Other	21,567	20,803	20,281	522
Total Public Assistance	2,231,067	2,448,339	2,364,538	83,801
Total Expenditures	6,912,065	6,844,394	6,699,053	145,341
Excess of Revenues Over (Under) Expenditures	3,450	(157,179)	(828,705)	(671,526)
<u>Other Financing Sources (Uses)</u>				
Transfers - In	280,000	280,000	284,096	4,096
Transfers - Out	(283,450)	(283,450)	(279,800)	3,650
Total Other Financing Sources (Uses)	(3,450)	(3,450)	4,296	7,746

continued

Marion County, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
Job and Family Services Special Revenue Fund (continued)
 For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
Changes in Fund Balance	\$0	(\$160,629)	(\$824,409)	(\$663,780)
Fund Balance at Beginning of Year	866,725	866,725	866,725	0
Prior Year Encumbrances Appropriated	241,723	241,723	241,723	0
Fund Balance at End of Year	<u>\$1,108,448</u>	<u>\$947,819</u>	<u>\$284,039</u>	<u>(\$663,780)</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Motor Vehicle Gasoline Tax Special Revenue Fund
For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Charges for Services	\$30,000	\$30,000	\$102,733	\$72,733
Fines and Forfeitures	25,000	25,000	20,748	(4,252)
Intergovernmental	3,830,000	3,830,000	3,961,928	131,928
Interest	1,500	1,500	6,942	5,442
Other	82,183	82,183	121,641	39,458
Total Revenues	<u>3,968,683</u>	<u>3,968,683</u>	<u>4,213,992</u>	<u>245,309</u>
<u>Expenditures</u>				
Current				
Public Works				
Personal Services	1,584,806	1,363,971	1,330,760	33,211
Fringe Benefits	674,400	630,808	617,044	13,764
Materials and Supplies	710,000	693,517	642,526	50,991
Contractual Services	1,344,683	1,282,189	1,268,990	13,199
Capital Outlay	260,000	218,709	214,546	4,163
Other	55,000	65,466	61,097	4,369
Total Expenditures	<u>4,628,889</u>	<u>4,254,660</u>	<u>4,134,963</u>	<u>119,697</u>
Excess of Revenues Over (Under) Expenditures	(660,206)	(285,977)	79,029	365,006
<u>Other Financing Uses</u>				
Transfers - Out	(92,000)	(594,408)	(594,394)	14
Changes in Fund Balance	(752,206)	(880,385)	(515,365)	365,020
Fund Balance at Beginning of Year	871,723	871,723	871,723	0
Prior Year Encumbrances Appropriated	8,662	8,662	8,662	0
Fund Balance at End of Year	<u>\$128,179</u>	<u>\$0</u>	<u>\$365,020</u>	<u>\$365,020</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Children Services Special Revenue Fund
For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property Taxes	\$1,525,000	\$1,525,000	\$1,546,243	\$21,243
Charges for Services	27,200	27,200	17,046	(10,154)
Intergovernmental	2,075,300	2,075,300	2,085,009	9,709
Other	35,000	35,000	30,245	(4,755)
Total Revenues	3,662,500	3,662,500	3,678,543	16,043
<u>Expenditures</u>				
Current				
Human Services				
Personal Services	1,723,412	1,723,412	1,658,929	64,483
Fringe Benefits	632,105	727,105	586,234	140,871
Materials and Supplies	94,000	96,743	71,526	25,217
Contractual Services	1,530,600	1,476,115	1,171,812	304,303
Capital Outlay	46,750	47,950	31,343	16,607
Other	22,800	23,000	9,558	13,442
Total Expenditures	4,049,667	4,094,325	3,529,402	564,923
Excess of Revenues Over (Under) Expenditures	(387,167)	(431,825)	149,141	580,966
<u>Other Financing Uses</u>				
Transfers - Out	(10,000)	(34,950)	(24,950)	10,000
Changes in Fund Balance	(397,167)	(466,775)	124,191	590,966
Fund Balance at Beginning of Year	4,389,762	4,389,762	4,389,762	0
Prior Year Encumbrances Appropriated	132,126	132,126	132,126	0
Fund Balance at End of Year	\$4,124,721	\$4,055,113	\$4,646,079	\$590,966

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Mental Disabilities Special Revenue Fund
For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>			Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues</u>				
Property Taxes	\$2,857,000	\$2,857,000	\$2,898,788	\$41,788
Intergovernmental	2,916,000	2,916,000	3,073,556	157,556
Other	463,500	458,500	507,312	48,812
Total Revenues	<u>6,236,500</u>	<u>6,231,500</u>	<u>6,479,656</u>	<u>248,156</u>
<u>Expenditures</u>				
Current				
Health				
Personal Services	3,060,000	3,060,491	2,873,001	187,490
Fringe Benefits	1,040,149	1,215,551	1,138,127	77,424
Materials and Supplies	321,830	385,860	330,249	55,611
Contractual Services	3,931,221	4,151,972	3,685,127	466,845
Capital Outlay	37,740	46,371	19,428	26,943
Other	207,560	182,933	103,128	79,805
Total Expenditures	<u>8,598,500</u>	<u>9,043,178</u>	<u>8,149,060</u>	<u>894,118</u>
Changes in Fund Balance	(2,362,000)	(2,811,678)	(1,669,404)	1,142,274
Fund Balance at Beginning of Year	2,686,976	2,686,976	2,686,976	0
Prior Year Encumbrances Appropriated	<u>900,923</u>	<u>900,923</u>	<u>900,923</u>	<u>0</u>
Fund Balance at End of Year	<u>\$1,225,899</u>	<u>\$776,221</u>	<u>\$1,918,495</u>	<u>\$1,142,274</u>

Marion County, Ohio
Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Sewer District Enterprise Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$1,026,000	\$1,063,770	\$37,770
Tap In Fees	80,000	135,356	55,356
Interest	6,500	15,884	9,384
General Obligation Bonds Issued	2,625,000	2,625,000	0
Other	0	3,960	3,960
Total Revenues	3,737,500	3,843,970	106,470
<u>Expenses</u>			
Personal Services	366,500	363,816	2,684
Fringe Benefits	69,700	53,403	16,297
Materials and Supplies	50,688	43,508	7,180
Contractual Services	343,261	304,128	39,133
Capital Outlay	118,000	106,897	11,103
Other	82,700	61,168	21,532
Debt Service:			
Principal Retirement	2,906,900	2,904,721	2,179
Interest and Fiscal Charges	195,599	195,562	37
Total Expenses	4,133,348	4,033,203	100,145
Changes in Fund Balance	(395,848)	(189,233)	206,615
Fund Balance at Beginning of Year	2,123,933	2,123,933	0
Prior Year Encumbrances Appropriated	40,468	40,468	0
Fund Balance at End of Year	\$1,768,553	\$1,975,168	\$206,615

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Child Support Enforcement Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Intergovernmental	\$1,453,045	\$1,306,390	(\$146,655)
<u>Expenditures</u>			
Current			
Human Services			
Personal Services	433,000	424,988	8,012
Fringe Benefits	168,145	165,287	2,858
Materials and Supplies	2,000	1,226	774
Contractual Services	576,118	552,261	23,857
Other	324,312	302,453	21,859
Total Expenditures	1,503,575	1,446,215	57,360
Changes in Fund Balance	(50,530)	(139,825)	(89,295)
Fund Balance at Beginning of Year	685,359	685,359	0
Prior Year Encumbrances Appropriated	145,121	145,121	0
Fund Balance at End of Year	\$779,950	\$690,655	(\$89,295)

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Mental Health Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Property Taxes	\$602,576	\$602,576	\$0
Intergovernmental	74,817	74,817	0
Total Revenues	677,393	677,393	0
<u>Expenditures</u>			
Intergovernmental	677,393	677,393	0
Changes in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Real Estate Assessment Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$470,000	\$488,897	\$18,897
Other	10,583	13,454	2,871
Total Revenues	<u>480,583</u>	<u>502,351</u>	<u>21,768</u>
<u>Expenditures</u>			
Current			
General Government - Legislative and Executive			
Personal Services	227,000	194,363	32,637
Fringe Benefits	95,322	77,973	17,349
Materials and Supplies	20,240	10,919	9,321
Contractual Services	407,418	401,541	5,877
Capital Outlay	17,000	12,150	4,850
Other	30,057	16,862	13,195
Total Expenditures	<u>797,037</u>	<u>713,808</u>	<u>83,229</u>
Changes in Fund Balance	(316,454)	(211,457)	104,997
Fund Balance at Beginning of Year	262,928	262,928	0
Prior Year Encumbrances Appropriated	<u>59,853</u>	<u>59,853</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$6,327</u></u>	<u><u>\$111,324</u></u>	<u><u>\$104,997</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
North Central Ohio Rehabilitation Center Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Intergovernmental	\$1,256,549	\$1,187,732	(\$68,817)
Other	35,400	37,445	2,045
Total Revenues	<u>1,291,949</u>	<u>1,225,177</u>	<u>(66,772)</u>
<u>Expenditures</u>			
Current			
Public Safety			
Personal Services	736,000	729,729	6,271
Fringe Benefits	313,000	240,360	72,640
Materials and Supplies	92,755	80,499	12,256
Contractual Services	161,808	148,555	13,253
Capital Outlay	34,000	30,285	3,715
Other	15,956	12,183	3,773
Total Expenditures	<u>1,353,519</u>	<u>1,241,611</u>	<u>111,908</u>
Changes in Fund Balance	(61,570)	(16,434)	45,136
Fund Balance at Beginning of Year	126,703	126,703	0
Prior Year Encumbrances Appropriated	<u>11,553</u>	<u>11,553</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$76,686</u></u>	<u><u>\$121,822</u></u>	<u><u>\$45,136</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Drug Law Enforcement Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$12,372	\$12,372	\$0
Interest	200	200	0
Other	8,646	8,646	0
Total Revenues	21,218	21,218	0
<u>Expenditures</u>			
Current			
Public Safety			
Materials and Supplies	77,211	62,357	14,854
Changes in Fund Balance	(55,993)	(41,139)	14,854
Fund Balance at Beginning of Year	45,888	45,888	0
Prior Year Encumbrances Appropriated	12,057	12,057	0
Fund Balance at End of Year	<u>\$1,952</u>	<u>\$16,806</u>	<u>\$14,854</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Prison Reduction Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Intergovernmental	\$255,665	\$255,665	\$0
<u>Expenditures</u>			
Current			
Public Safety			
Personal Services	178,790	164,175	14,615
Fringe Benefits	92,706	85,079	7,627
Materials and Supplies	67	0	67
Total Expenditures	271,563	249,254	22,309
Excess of Revenues Over (Under) Expenditures	(15,898)	6,411	22,309
<u>Other Financing Sources (Uses)</u>			
Advances - In	30,000	39,075	9,075
Advances - Out	(28,139)	(30,013)	(1,874)
Transfers - In	0	1,862	1,862
Total Other Financing Sources (Uses)	1,861	10,924	9,063
Changes in Fund Balance	(14,037)	17,335	31,372
Fund Balance at Beginning of Year	30,525	30,525	0
Fund Balance at End of Year	\$16,488	\$47,860	\$31,372

Marion County, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
Indigent Guardianship Special Revenue Fund
 For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$11,000	\$11,630	\$630
<u>Expenditures</u>			
Current			
Public Safety			
Contractual Services	11,755	11,395	360
Changes in Fund Balance	(755)	235	990
Fund Balance at Beginning of Year	1,881	1,881	0
Prior Year Encumbrances Appropriated	755	755	0
Fund Balance at End of Year	<u>\$1,881</u>	<u>\$2,871</u>	<u>\$990</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
County Probation Services Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$28,200	\$34,713	\$6,513
Other	0	2,208	2,208
Total Revenues	<u>28,200</u>	<u>36,921</u>	<u>8,721</u>
<u>Expenditures</u>			
Current			
Public Safety			
Personal Services	25,162	23,400	1,762
Fringe Benefits	4,158	3,477	681
Materials and Supplies	13,675	8,048	5,627
Contractual Services	13,750	6,733	7,017
Total Expenditures	<u>56,745</u>	<u>41,658</u>	<u>15,087</u>
Excess of Revenues Under Expenditures	(28,545)	(4,737)	23,808
<u>Other Financing Uses</u>			
Transfers - Out	<u>(2,630)</u>	<u>(2,630)</u>	<u>0</u>
Changes in Fund Balance	(31,175)	(7,367)	23,808
Fund Balance at Beginning of Year	56,555	56,555	0
Prior Year Encumbrances Appropriated	<u>3,750</u>	<u>3,750</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$29,130</u></u>	<u><u>\$52,938</u></u>	<u><u>\$23,808</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Felony Delinquent Care and Custody Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Intergovernmental	\$713,335	\$797,149	\$83,814
Other	600	152	(448)
Total Revenues	<u>713,935</u>	<u>797,301</u>	<u>83,366</u>
<u>Expenditures</u>			
Current			
Public Safety			
Personal Services	315,000	256,242	58,758
Fringe Benefits	130,000	88,725	41,275
Materials and Supplies	14,000	5,796	8,204
Contractual Services	222,296	199,555	22,741
Capital Outlay	7,000	1,065	5,935
Other	28,072	9,169	18,903
Total Expenditures	<u>716,368</u>	<u>560,552</u>	<u>155,816</u>
Changes in Fund Balance	(2,433)	236,749	239,182
Fund Balance at Beginning of Year	546,059	546,059	0
Prior Year Encumbrances Appropriated	22,365	22,365	0
Fund Balance at End of Year	<u><u>\$565,991</u></u>	<u><u>\$805,173</u></u>	<u><u>\$239,182</u></u>

Marion County, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
DWI Education Special Revenue Fund
 For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$0	\$874	\$874
<u>Expenditures</u>			
Current:			
Public Safety			
Materials and Supplies	11,292	5,480	5,812
Changes in Fund Balance	(11,292)	(4,606)	6,686
Fund Balance at Beginning of Year	11,395	11,395	0
Fund Balance at End of Year	\$103	\$6,789	\$6,686

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Jail Reduction Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Intergovernmental	\$37,106	\$37,106	\$0
<u>Expenditures</u>			
Current			
Public Safety			
Personal Services	23,928	23,843	85
Fringe Benefits	18,178	15,653	2,525
Total Expenditures	42,106	39,496	2,610
Excess of Revenues			
Under Expenditures	(5,000)	(2,390)	2,610
<u>Other Financing Sources (Uses)</u>			
Advances - In	5,000	6,650	1,650
Advances - Out	(1,012)	(5,069)	(4,057)
Transfers - In	0	3,988	3,988
Total Other Financing Sources (Uses)	3,988	5,569	1,581
Changes in Fund Balance	(1,012)	3,179	4,191
Fund Balance at Beginning of Year	2,151	2,151	0
Fund Balance at End of Year	\$1,139	\$5,330	\$4,191

Marion County, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
Electronic Monitoring Special Revenue Fund
 For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$2,000	\$3,335	\$1,335
<u>Expenditures</u>			
Current			
Public Safety			
Contractual Services	5,000	3,918	1,082
Changes in Fund Balance	(3,000)	(583)	2,417
Fund Balance at Beginning of Year	5,480	5,480	0
Fund Balance at End of Year	<u>\$2,480</u>	<u>\$4,897</u>	<u>\$2,417</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Law Enforcement Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$9,900	\$22,113	\$12,213
Interest	100	83	(17)
Other	0	1,000	1,000
Total Revenues	10,000	23,196	13,196
<u>Expenditures</u>			
Current			
Public Safety			
Materials and Supplies	21,142	1,636	19,506
Changes in Fund Balance	(11,142)	21,560	32,702
Fund Balance at Beginning of Year	21,206	21,206	0
Prior Year Encumbrances Appropriated	108	108	0
Fund Balance at End of Year	<u>\$10,172</u>	<u>\$42,874</u>	<u>\$32,702</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
PEACE Program Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$16,000	\$10,650	(\$5,350)
<u>Expenditures</u>			
Current			
Public Safety			
Materials and Supplies	4,000	1,156	2,844
Contractual Services	12,000	10,050	1,950
Total Expenditures	16,000	11,206	4,794
Changes in Fund Balance	0	(556)	(556)
Fund Balance at Beginning of Year	7,590	7,590	0
Prior Year Encumbrances Appropriated	1,950	1,950	0
Fund Balance at End of Year	\$9,540	\$8,984	(\$556)

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Disaster Services Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$24,705	\$24,698	(\$7)
Intergovernmental	371,692	267,878	(103,814)
Other	288	168	(120)
Total Revenues	396,685	292,744	(103,941)
<u>Expenditures</u>			
Current			
Public Safety			
Personal Services	36,003	35,868	135
Fringe Benefits	10,628	10,049	579
Materials and Supplies	5,102	1,239	3,863
Contractual Services	7,779	4,281	3,498
Capital Outlay	372,973	237,051	135,922
Other	9,862	4,483	5,379
Total Expenditures	442,347	292,971	149,376
Changes in Fund Balance	(45,662)	(227)	45,435
Fund Balance at Beginning of Year	19,051	19,051	0
Prior Year Encumbrances Appropriated	30,191	30,191	0
Fund Balance at End of Year	\$3,580	\$49,015	\$45,435

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Dog and Kennel Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$3,500	\$3,488	(\$12)
Licenses and Permits	120,000	150,948	30,948
Fines and Forfeitures	18,000	18,617	617
Other	2,500	2,428	(72)
Total Revenues	<u>144,000</u>	<u>175,481</u>	<u>31,481</u>
<u>Expenditures</u>			
Current			
Health			
Personal Services	62,575	59,530	3,045
Fringe Benefits	60,995	60,970	25
Materials and Supplies	20,795	15,927	4,868
Contractual Services	15,171	13,371	1,800
Capital Outlay	1,168	1,137	31
Other	50	0	50
Total Expenditures	<u>160,754</u>	<u>150,935</u>	<u>9,819</u>
Changes in Fund Balance	(16,754)	24,546	41,300
Fund Balance at Beginning of Year	35,743	35,743	0
Prior Year Encumbrances Appropriated	<u>2,667</u>	<u>2,667</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$21,656</u></u>	<u><u>\$62,956</u></u>	<u><u>\$41,300</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Ditch Maintenance Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Special Assessments	\$21,745	\$33,755	\$12,010
<u>Expenditures</u>			
Current			
Public Works			
Materials and Supplies	5,000	2,890	2,110
Contractual Services	181,657	83,266	98,391
Capital Outlay	6,364	0	6,364
Other	184	184	0
Total Expenditures	193,205	86,340	106,865
Changes in Fund Balance	(171,460)	(52,585)	118,875
Fund Balance at Beginning of Year	155,769	155,769	0
Prior Year Encumbrances Appropriated	15,900	15,900	0
Fund Balance at End of Year	\$209	\$119,084	\$118,875

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Community Development Block Grant Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Intergovernmental	\$117,000	\$80,020	(\$36,980)
Interest	120	532	412
Other	16,758	12,798	(3,960)
Total Revenues	<u>133,878</u>	<u>93,350</u>	<u>(40,528)</u>
<u>Expenditures</u>			
Current			
Public Works			
Materials and Supplies	66,500	10,244	56,256
Capital Outlay	128,170	91,250	36,920
Total Expenditures	<u>194,670</u>	<u>101,494</u>	<u>93,176</u>
Changes in Fund Balance	(60,792)	(8,144)	52,648
Fund Balance at Beginning of Year	123,201	123,201	0
Prior Year Encumbrances Appropriated	<u>1,170</u>	<u>1,170</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$63,579</u></u>	<u><u>\$116,227</u></u>	<u><u>\$52,648</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Litter Control and Recycling Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$0	\$300	\$300
Intergovernmental	82,065	83,675	1,610
Other	300	6,516	6,216
Total Revenues	<u>82,365</u>	<u>90,491</u>	<u>8,126</u>
<u>Expenditures</u>			
Current			
Public Works			
Personal Services	58,008	58,008	0
Fringe Benefits	16,504	16,007	497
Materials and Supplies	700	644	56
Other	11,350	10,874	476
Total Expenditures	<u>86,562</u>	<u>85,533</u>	<u>1,029</u>
Excess of Revenues Over (Under) Expenditures	<u>(4,197)</u>	<u>4,958</u>	<u>9,155</u>
<u>Other Financing Sources (Uses)</u>			
Advances - In	2,500	0	(2,500)
Advances - Out	0	(6,000)	(6,000)
Total Other Financing Sources (Uses)	<u>2,500</u>	<u>(6,000)</u>	<u>(8,500)</u>
Changes in Fund Balance	(1,697)	(1,042)	655
Fund Balance at Beginning of Year	3,150	3,150	0
Prior Year Encumbrances Appropriated	544	544	0
Fund Balance at End of Year	<u><u>\$1,997</u></u>	<u><u>\$2,652</u></u>	<u><u>\$655</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Delinquent Real Estate Tax Assessment Prosecutor Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$64,000	\$62,463	(\$1,537)
Other	8,500	2,374	(6,126)
Total Revenues	<u>72,500</u>	<u>64,837</u>	<u>(7,663)</u>
<u>Expenditures</u>			
Current			
General Government - Legislative and Executive			
Personal Services	52,379	48,216	4,163
Fringe Benefits	17,567	8,477	9,090
Materials and Supplies	2,500	2,000	500
Contractual Services	7,200	5,595	1,605
Capital Outlay	4,729	4,625	104
Other	500	0	500
Total Expenditures	<u>84,875</u>	<u>68,913</u>	<u>15,962</u>
Changes in Fund Balance	(12,375)	(4,076)	8,299
Fund Balance at Beginning of Year	66,668	66,668	0
Prior Year Encumbrances Appropriated	<u>2,959</u>	<u>2,959</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$57,252</u></u>	<u><u>\$65,551</u></u>	<u><u>\$8,299</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Delinquent Real Estate Tax Assessment Treasurer Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$60,000	\$62,463	\$2,463
<u>Expenditures</u>			
Current			
General Government - Legislative and Executive			
Personal Services	55,000	43,717	11,283
Fringe Benefits	16,200	10,380	5,820
Materials and Supplies	10,000	9,267	733
Capital Outlay	3,000	617	2,383
Other	8,000	6,977	1,023
Total Expenditures	92,200	70,958	21,242
Changes in Fund Balance	(32,200)	(8,495)	23,705
Fund Balance at Beginning of Year	139,939	139,939	0
Fund Balance at End of Year	\$107,739	\$131,444	\$23,705

Marion County, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
Prepayment Interest Special Revenue Fund
 For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Interest	\$1,000	\$1,989	\$989
<u>Expenditures</u>			
Current			
General Government - Legislative and Executive			
Materials and Supplies	7,000	6,206	794
Other	2,000	0	2,000
Total Expenditures	9,000	6,206	2,794
Changes in Fund Balance	(8,000)	(4,217)	3,783
Fund Balance at Beginning of Year	10,485	10,485	0
Fund Balance at End of Year	\$2,485	\$6,268	\$3,783

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Computerization Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$155,000	\$115,897	(\$39,103)
<u>Expenditures</u>			
Current			
General Government - Judicial			
Personal Services	51,500	50,961	539
Contractual Services	16,853	603	16,250
Capital Outlay	10,350	10,174	176
Other	500	183	317
Total Expenditures	79,203	61,921	17,282
Excess of Revenues Over Expenditures	75,797	53,976	(21,821)
<u>Other Financing Uses</u>			
Transfers - Out	(126,249)	(41,758)	84,491
Changes in Fund Balance	(50,452)	12,218	62,670
Fund Balance at Beginning of Year	98,329	98,329	0
Prior Year Encumbrances Appropriated	1,819	1,819	0
Fund Balance at End of Year	\$49,696	\$112,366	\$62,670

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
GFM Recorder Equipment Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$62,344	\$56,131	(\$6,213)
<u>Expenditures</u>			
Current			
General Government - Legislative and Executive			
Capital Outlay	77,402	46,528	30,874
Excess of Revenues Over (Under) Expenditures	(15,058)	9,603	24,661
<u>Other Financing Sources</u>			
Transfers - In	5,000	5,000	0
Changes in Fund Balance	(10,058)	14,603	24,661
Fund Balance at Beginning of Year	11,628	11,628	0
Prior Year Encumbrances Appropriated	9,902	9,902	0
Fund Balance at End of Year	<u>\$11,472</u>	<u>\$36,133</u>	<u>\$24,661</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Certificate of Title Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$255,000	\$263,935	\$8,935
<u>Expenditures</u>			
Current			
General Government - Judicial			
Personal Services	137,700	129,051	8,649
Fringe Benefits	82,700	66,293	16,407
Material and Supplies	6,798	5,473	1,325
Contractual Services	4,000	773	3,227
Capital Outlay	500	0	500
Other	3,750	1,249	2,501
Total Expenditures	235,448	202,839	32,609
Excess of Revenues Over Expenditures	19,552	61,096	41,544
<u>Other Financing Uses</u>			
Transfers - Out	(75,000)	(37,500)	37,500
Changes in Fund Balance	(55,448)	23,596	79,044
Fund Balance at Beginning of Year	321,129	321,129	0
Prior Year Encumbrances Appropriated	1,798	1,798	0
Fund Balance at End of Year	\$267,479	\$346,523	\$79,044

Marion County, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
Paternity Mediation Special Revenue Fund
 For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$4,845	\$2,208	(\$2,637)
<u>Expenditures</u>			
Current			
General Government - Judicial			
Contractual Services	4,845	2,128	2,717
Changes in Fund Balance	0	80	80
Fund Balance at Beginning of Year	688	688	0
Fund Balance at End of Year	<u>\$688</u>	<u>\$768</u>	<u>\$80</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Underground Storage Tank Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures</u>			
Current			
Health			
Contractual Services	700	700	0
Excess of Revenues Under Expenditures	(700)	(700)	0
<u>Other Financing Sources</u>			
Transfers - In	650	700	50
Changes in Fund Balance	(50)	0	50
Fund Balance at Beginning of Year	11,000	11,000	0
Fund Balance at End of Year	<u>\$10,950</u>	<u>\$11,000</u>	<u>\$50</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Ohio Children's Trust Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Intergovernmental	\$39,427	\$1,717	(\$37,710)
<u>Expenditures</u>			
Current			
Human Services			
Contractual Services	37,061	21,590	15,471
Changes in Fund Balance	2,366	(19,873)	(22,239)
Fund Balance at Beginning of Year	23,825	23,825	0
Prior Year Encumbrances Appropriated	2,700	2,700	0
Fund Balance at End of Year	<u>\$28,891</u>	<u>\$6,652</u>	<u>(\$22,239)</u>

Marion County, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
Juvenile Drug Testing Special Revenue Fund
 For the Year Ended December 31, 2005

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

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Family Services Special Revenue Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$7,000	\$7,301	\$301
Other	2,000	39	(1,961)
Total Revenues	<u>9,000</u>	<u>7,340</u>	<u>(1,660)</u>
<u>Expenditures</u>			
Current			
General Government - Judicial			
Capital Outlay	2,788	2,788	0
Other	1,212	537	675
Total Expenditures	<u>4,000</u>	<u>3,325</u>	<u>675</u>
Changes in Fund Balance	5,000	4,015	(985)
Fund Balance at Beginning of Year	<u>19,044</u>	<u>19,044</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$24,044</u></u>	<u><u>\$23,059</u></u>	<u><u>(\$985)</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Bond Retirement Debt Service Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures</u>			
Debt Service			
General Obligation Bond Retirement			
Coliseum Bonds			
Principal Retirement	145,000	145,000	0
Interest and Fiscal Charges	13,000	7,105	5,895
Office Building Bonds			
Principal Retirement	95,000	95,000	0
Interest and Fiscal Charges	229,715	229,715	0
Job and Family Services Bonds			
Principal Retirement	120,000	120,000	0
Interest and Fiscal Charges	29,424	29,424	0
Regional Jail Bonds			
Principal Retirement	100,000	100,000	0
Interest and Fiscal Charges	168,595	168,595	0
Justice Center Bonds			
Principal Retirement	20,000	20,000	0
Interest and Fiscal Charges	35,835	35,835	0
Total General Obligation Bond Retirement	956,569	950,674	5,895
Manuscript Retirement			
Marion Senior Housing			
Interest and Fiscal Charges	13,188	13,188	0
Total Manuscript Retirement	13,188	13,188	0

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Bond Retirement Debt Service Fund (continued)
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
Issue II Loans			
Engineer			
Principal Retirement	\$16,477	\$16,477	\$0
Total Expenditures	986,234	980,339	5,895
Excess of Revenues			
Under Expenditures	(986,234)	(980,339)	5,895
<u>Other Financing Sources (Uses)</u>			
Advances - Out	(11,273)	(11,273)	0
Transfers - In	997,508	1,127,883	130,375
Total Other Financing Sources (Uses)	986,235	1,116,610	130,375
Changes in Fund Balance	1	136,271	136,270
Fund Balance at Beginning of Year	525,254	525,254	0
Fund Balance at End of Year	\$525,255	\$661,525	\$136,270

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Capital Improvement Capital Projects Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Service	\$25,200	\$25,200	\$0
Other	0	500	500
Total Revenues	25,200	25,700	500
<u>Expenditures</u>			
Capital Outlay	598,583	575,727	22,856
Excess of Revenues Under Expenditures	(573,383)	(550,027)	23,356
<u>Other Financing Sources (Uses)</u>			
Advances - In	151,342	151,342	0
Advances - Out	(4,000)	(4,000)	0
Transfers - In	141,758	141,758	0
Transfers - Out	(10,000)	(10,000)	0
Total Other Financing Sources (Uses)	279,100	279,100	0
Changes in Fund Balance	(294,283)	(270,927)	23,356
Fund Balance at Beginning of Year	485,915	485,915	0
Prior Year Encumbrances Appropriated	96,984	96,984	0
Fund Balance at End of Year	<u>\$288,616</u>	<u>\$311,972</u>	<u>\$23,356</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Ditch Drainage Capital Projects Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Special Assessments	\$56,800	\$52,973	(\$3,827)
<u>Expenditures</u>			
Capital Outlay	74,912	4,900	70,012
Debt Service			
Principal Retirement	55,000	55,000	0
Interest and Fiscal Charges	10,612	10,612	0
Total Expenditures	140,524	70,512	70,012
Changes in Fund Balance	(83,724)	(17,539)	66,185
Fund Balance at Beginning of Year	217,474	217,474	0
Prior Year Encumbrances Appropriated	23,830	23,830	0
Fund Balance at End of Year	<u>\$157,580</u>	<u>\$223,765</u>	<u>\$66,185</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Children Home Capital Projects Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures</u>			
Capital Outlay	45,000	35,436	9,564
Excess of Revenues Under Expenditures	(45,000)	(35,436)	9,564
<u>Other Financing Sources</u>			
Transfers - In	45,000	24,950	(20,050)
Changes in Fund Balance	0	(10,486)	(10,486)
Fund Balance at Beginning of Year	722	722	0
Prior Year Encumbrances Appropriated	21,701	21,701	0
Fund Balance at End of Year	<u>\$22,423</u>	<u>\$11,937</u>	<u>(\$10,486)</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Marca Capital Projects Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Property Taxes	\$308,000	\$309,141	\$1,141
Intergovernmental	35,300	38,285	2,985
Other	0	14,182	14,182
Total Revenues	343,300	361,608	18,308
<u>Expenditures</u>			
Capital Outlay	980,515	725,459	255,056
Changes in Fund Balance	(637,215)	(363,851)	273,364
Fund Balance at Beginning of Year	432,638	432,638	0
Prior Year Encumbrances Appropriated	204,927	204,927	0
Fund Balance at End of Year	<u>\$350</u>	<u>\$273,714</u>	<u>\$273,364</u>

Marion County, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
Job and Family Capital Projects Fund
 For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures</u>			
Capital Outlay	74,977	26,977	48,000
Changes in Fund Balance	(74,977)	(26,977)	48,000
Fund Balance at Beginning of Year	112,835	112,835	0
Prior Year Encumbrances Appropriated	19,977	19,977	0
Fund Balance at End of Year	<u>\$57,835</u>	<u>\$105,835</u>	<u>\$48,000</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Issue II Capital Projects Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Intergovernmental	\$414,378	\$125,163	(\$289,215)
<u>Expenditures</u>			
Capital Outlay	357,821	197,456	160,365
Excess of Revenues Over (Under) Expenditures	56,557	(72,293)	(128,850)
<u>Other Financing Sources (Uses)</u>			
Transfers - In	25,290	262,692	237,402
Transfers - Out	(138,014)	(138,014)	0
Total Other Financing Sources (Uses)	(112,724)	124,678	237,402
Changes in Fund Balance	(56,167)	52,385	108,552
Fund Balance at Beginning of Year	161,335	161,335	0
Prior Year Encumbrances Appropriated	7,844	7,844	0
Fund Balance at End of Year	<u>\$113,012</u>	<u>\$221,564</u>	<u>\$108,552</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Justice Center Capital Projects Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures</u>			
Capital Outlay	154,376	154,014	362
Excess of Revenues Under Expenditures	(154,376)	(154,014)	362
<u>Other Financing Uses</u>			
Advances - Out	(151,342)	(151,342)	0
Changes in Fund Balance	(305,718)	(305,356)	362
Fund Balance at Beginning of Year	296,117	296,117	0
Prior Year Encumbrances Appropriated	9,601	9,601	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$362</u>	<u>\$362</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Dog and Kennel Capital Projects Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures</u>			
Debt Service			
Principal Retirement	35,000	35,000	0
Interest and Fiscal Charges	2,362	2,362	0
Total Expenditures	37,362	37,362	0
Excess of Revenues			
Under Expenditures	(37,362)	(37,362)	0
<u>Other Financing Sources</u>			
Advances - In	0	1,181	1,181
Transfers - In	37,363	36,181	(1,182)
Total Other Financing Sources	37,363	37,362	(1)
Changes in Fund Balance	1	0	(1)
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$1	\$0	(\$1)

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Coliseum Levy Capital Projects Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Property Taxes	\$239,100	\$244,560	\$5,460
Intergovernmental	31,409	30,161	(1,248)
Total Revenues	270,509	274,721	4,212
<u>Expenditures</u>			
Capital Outlay	157,335	157,335	0
Excess of Revenues Over Expenditures	113,174	117,386	4,212
<u>Other Financing Uses</u>			
Advances - Out	(44,000)	(44,000)	0
Transfers - Out	(158,000)	(158,000)	0
Total Other Financing Uses	(202,000)	(202,000)	0
Changes in Fund Balance	(88,826)	(84,614)	4,212
Fund Balance at Beginning of Year	245,219	245,219	0
Prior Year Encumbrances Appropriated	34,698	34,698	0
Fund Balance at End of Year	<u>\$191,091</u>	<u>\$195,303</u>	<u>\$4,212</u>

Marion County, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
Administration Building Capital Projects Fund
 For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures</u>			
Capital Outlay	5,000	500	4,500
Changes in Fund Balance	(5,000)	(500)	4,500
Fund Balance at Beginning of Year	11,799	11,799	0
Fund Balance at End of Year	\$6,799	\$11,299	\$4,500

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Road Capital Projects Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Ingovernmental	\$38,092	\$0	(\$38,092)
<u>Expenditures</u>			
Capital Outlay	171,634	0	171,634
Excess of Revenues Under Expenditures	(133,542)	0	133,542
<u>Other Financing Sources</u>			
Transfers - In	133,542	452,393	318,851
Changes in Fund Balance	0	452,393	452,393
Fund Balance at Beginning of Year	38,092	38,092	0
Fund Balance at End of Year	<u>\$38,092</u>	<u>\$490,485</u>	<u>\$452,393</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Northwest Intercept Capital Projects Fund
For the Year Ended December 31, 2005

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Intergovernmental	20,000	12,233	(7,767)
<u>Expenditures</u>			
Capital Outlay	37,000	37,000	0
Excess of Revenues Under Expenditures	(17,000)	(24,767)	(7,767)
<u>Other Financing Sources</u>			
Transfers - In	20,000	352,000	332,000
Changes in Fund Balance	3,000	327,233	324,233
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$3,000</u>	<u>\$327,233</u>	<u>\$324,233</u>

Marion County, Ohio
Statistical Section Description

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

CONTENTS

Financial Trends S3

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

Revenue Capacity..... S10

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

Debt Capacity S22

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

Demographic and Economic Information S27

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

Operating Information S30

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement No. 34 in 2003; schedules presenting government-wide information include information beginning in that year.

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Marion County, Ohio
Net Assets by Component
Last Three Years

	<u>2005</u>	<u>2004</u>	<u>2003</u>
Governmental Activities			
Invested in Capital Assets, Net of Related Debt	\$43,101,269	\$42,907,872	\$39,156,278
Restricted	19,405,997	19,048,665	18,559,792
Unrestricted	<u>3,659,591</u>	<u>4,039,480</u>	<u>4,647,786</u>
Total Governmental Activities Net Assets	<u>\$66,166,857</u>	<u>\$65,996,017</u>	<u>\$62,363,856</u>
Business-Type Activities			
Invested in Capital Assets, Net of Related Debt	\$6,067,334	\$5,926,439	\$6,143,077
Restricted	0	422,811	348,241
Unrestricted	<u>2,205,459</u>	<u>1,911,972</u>	<u>1,910,537</u>
Total Business-Type Activities Net Assets	<u>\$8,272,793</u>	<u>\$8,261,222</u>	<u>\$8,401,855</u>
Primary Government			
Invested in Capital Assets, Net of Related Debt	\$49,168,603	\$48,834,311	\$45,299,355
Restricted	19,405,997	19,471,476	18,908,033
Unrestricted	<u>5,865,050</u>	<u>5,951,452</u>	<u>6,558,323</u>
Total Primary Government Net Assets	<u>\$74,439,650</u>	<u>\$74,257,239</u>	<u>\$70,765,711</u>

Source: Marion County Auditor

Marion County, Ohio
Changes in Net Assets
Last Three Years

	<u>2005</u>	<u>2004</u>	<u>2003</u>
Expenses			
Governmental Activities			
General Government			
Legislative and Executive	\$6,702,826	\$6,391,895	\$6,154,441
Judicial	2,273,672	2,077,911	1,698,069
Public Safety	9,146,720	8,555,754	8,373,301
Public Works	4,318,173	4,008,867	4,270,667
Health	7,569,028	8,095,789	8,007,742
Human Services	11,575,193	11,560,376	12,122,494
Conservation and Recreation	308,836	12,000	15,000
Other	0	0	647,380
Intergovernmental	913,032	957,447	903,239
Interest and Fiscal Charges	492,992	517,689	540,876
Total Governmental Activities Expenses	<u>43,300,472</u>	<u>\$42,177,728</u>	<u>\$42,733,209</u>
Business-Type Activities			
Sewer District	1,216,520	1,383,704	1,343,220
Total Business-Type Activities Expenses	<u>1,216,520</u>	<u>1,383,704</u>	<u>1,343,220</u>
Total Primary Government Expenses	<u><u>\$44,516,992</u></u>	<u><u>\$43,561,432</u></u>	<u><u>\$44,076,429</u></u>
Program Revenues			
Governmental Activities			
Charges for Services			
General Government			
Legislative and Executive	\$2,280,729	\$2,340,550	\$2,228,818
Judicial	1,107,315	980,036	1,158,754
Public Safety	893,504	837,317	1,083,333
Public Works	177,669	128,649	258,452
Health	174,167	153,484	187,451
Human Services	302,246	306,040	311,793
Conservation and Recreation	0	0	0
Intergovernmental	0	0	0
Operating Grants, Contributions, and Interest	20,070,808	20,384,989	18,044,777
Capital Grants, Contributions, and Interest	195,454	359,042	276,307
Total Governmental Activities Program Revenues	<u>25,201,892</u>	<u>25,490,107</u>	<u>23,549,685</u>
Business-Type Activities			
Charges for Services	1,077,909	1,066,299	1,021,108
Capital Grants, Contributions, and Interest	135,356	170,559	79,844
Total Business-Type Activities Program Revenues	<u>1,213,265</u>	<u>1,236,858</u>	<u>1,100,952</u>
Total Primary Government Program Revenues	<u><u>\$26,415,157</u></u>	<u><u>\$26,726,965</u></u>	<u><u>\$24,650,637</u></u>
Net Expense			
Governmental Activities	(\$18,098,580)	(\$16,687,621)	(\$19,183,524)
Business-Type Activities	(3,255)	(146,846)	(242,268)
Total Primary Government Net Expense	<u><u>(\$18,101,835)</u></u>	<u><u>(\$16,834,467)</u></u>	<u><u>(\$19,425,792)</u></u>

continued

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

	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Revenues and Other Changes in Net Assets			
Governmental Activities			
Property Taxes Levied for			
General Operating	\$2,254,001	\$2,134,707	\$2,123,288
Health-Mental Health	622,349	598,559	594,917
Health-Mental Disabilities	2,999,864	2,882,714	2,873,363
Human Services - Children Services	1,595,685	1,535,336	1,525,292
Marca	318,295	307,698	304,954
Coliseum	216,536	241,986	240,466
Sales Tax	6,385,212	6,365,990	6,171,612
Grants and Entitlements not Restricted to Other Programs	1,629,633	1,611,835	1,677,185
Interest	1,049,757	535,797	827,799
Other	1,198,088	1,134,822	1,241,178
Special Item - Gain on Sale of Capital Assets	0	2,970,338	0
Total Governmental Activities	<u>18,269,420</u>	<u>20,319,782</u>	<u>17,580,054</u>
Business-Type Activities:			
Interest	14,272	6,213	7,020
Other	554	0	45,158
Total Business-Type Activities	<u>14,826</u>	<u>6,213</u>	<u>52,178</u>
Total Primary Government	<u>\$18,284,246</u>	<u>\$20,325,995</u>	<u>\$17,632,232</u>
Change in Net Assets			
Governmental Activities	\$170,840	\$3,632,161	(\$1,603,470)
Business-Type Activities	11,571	(140,633)	(190,090)
Total Primary Government	<u>\$182,411</u>	<u>\$3,491,528</u>	<u>(\$1,793,560)</u>

Source: Marion County Auditor

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

	<u>2005</u>	<u>2004</u>	<u>2003 (1)</u>	<u>2002</u>
General Fund				
Reserved	\$497,443	\$576,813	\$298,446	\$1,093,240
Unreserved	6,037,725	3,153,655	4,073,678	4,095,584
Total General Fund	<u>6,535,168</u>	<u>3,730,468</u>	<u>4,372,124</u>	<u>5,188,824</u>
All Other Governmental Funds				
Reserved	1,936,328	1,311,288	1,839,343	2,767,925
Unreserved, reported in:				
Special Revenue Funds	11,871,904	12,111,366	11,075,880	12,348,923
Debt Service Funds	651,940	521,564	385,989	251,580
Capital Projects Funds (Deficit)	<u>1,468,191</u>	<u>1,364,837</u>	<u>1,595,662</u>	<u>1,535,054</u>
Total All Other Governmental Funds	<u>15,928,363</u>	<u>15,309,055</u>	<u>14,896,874</u>	<u>16,903,482</u>
Total Governmental Funds	<u><u>\$22,463,531</u></u>	<u><u>\$19,039,523</u></u>	<u><u>\$19,268,998</u></u>	<u><u>\$22,092,306</u></u>

(1) GASB Statements No. 33 and 34 was implemented in 2003 which modified the presentation of property taxes, fund structure, and compensated absences payable.

Source: Marion County Auditor

<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
\$938,630	\$166,744	\$182,032	\$156,031	\$233,483	\$931,366
4,351,736	4,440,714	3,065,339	3,276,429	2,515,690	1,407,935
<u>5,290,366</u>	<u>4,607,458</u>	<u>3,247,371</u>	<u>3,432,460</u>	<u>2,749,173</u>	<u>2,339,301</u>
3,793,862	10,046,618	2,140,932	1,211,251	3,104,556	713,501
13,055,918	12,744,102	12,022,581	11,541,079	9,593,265	7,031,055
235,417	38,068	38,068	37,334	34,628	32,086
<u>1,320,383</u>	<u>(7,278,270)</u>	<u>100,160</u>	<u>884,464</u>	<u>(2,940,728)</u>	<u>1,177,810</u>
<u>18,405,580</u>	<u>15,550,518</u>	<u>14,301,741</u>	<u>13,674,128</u>	<u>9,791,721</u>	<u>8,954,452</u>
<u>\$23,695,946</u>	<u>\$20,157,976</u>	<u>\$17,549,112</u>	<u>\$17,106,588</u>	<u>\$12,540,894</u>	<u>\$11,293,753</u>

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

	2005	2004	2003	2002
Revenues				
Property Taxes	\$7,990,487	\$7,674,052	\$8,066,412	\$7,548,234
Sales Taxes	6,406,626	6,366,647	6,173,346	6,251,522
Special Assessments	73,482	148,899	34,869	76,802
Charges for Services	4,520,529	4,405,092	4,785,221	4,239,632
Licenses and Permits	157,520	131,490	126,836	109,982
Fines and Forfeitures	223,446	172,395	219,576	252,552
Intergovernmental	21,845,497	21,787,094	19,701,683	21,199,797
Interest	1,029,169	548,775	836,672	1,022,104
Donations	0	0	0	0
Other	1,198,088	1,134,822	1,241,178	1,611,905
Total Revenues	43,444,844	42,369,266	41,185,793	42,312,530
Expenditures				
General Government:				
Legislative and Executive	5,816,674	5,646,287	5,273,196	5,433,049
Judicial	2,056,800	1,938,925	1,910,773	1,766,831
Public Safety	8,825,098	8,719,203	8,497,685	9,019,495
Public Works	4,374,489	4,087,891	3,638,147	4,061,097
Health	7,088,141	7,545,788	7,750,298	6,428,271
Human Services	11,489,016	11,374,219	12,111,553	12,073,702
Conservation and Recreation	296,475	12,000	15,000	16,920
Other	0	0	647,380	607,475
Capital Outlay	1,548,499	1,503,966	2,327,997	2,594,791
Intergovernmental	913,032	957,447	903,239	930,268
Debt Service	1,003,160	1,045,610	1,039,661	958,200
Total Expenditures	43,411,384	42,831,336	44,114,929	43,890,099
Excess of Revenues Over (Under) Expenditures	33,460	(462,070)	(2,929,136)	(1,577,569)
Other Financing Sources (Uses)				
Sale of Capital Assets	3,390,548	150,000	0	0
Inception of Capital Lease	0	0	0	0
Bonds Issued	0	0	0	0
Loans Issued	0	82,595	105,828	0
Transfers - In	2,583,356	1,762,347	2,025,471	1,347,423
Transfers - Out	(2,583,356)	(1,762,347)	(2,025,471)	(1,373,494)
Total Other Financing Sources (Uses)	3,390,548	232,595	105,828	(26,071)
Net Change in Fund Balances	\$3,424,008	(\$229,475)	(\$2,823,308)	(\$1,603,640)
Debt service as a percentage of noncapital expenditures	2.4%	2.6%	2.5%	2.3%

Source: Marion County Auditor

2001	2000	1999	1998	1997	1996
\$7,305,808	\$7,102,641	\$6,934,401	\$6,733,664	\$6,867,570	\$5,825,103
6,017,820	6,094,993	5,805,659	5,575,083	5,270,798	4,983,734
710,708	28,744	71,569	24,601	40,214	88,635
4,013,918	4,180,849	4,090,379	4,219,115	3,834,481	2,903,638
123,930	130,581	125,895	120,896	128,710	125,877
243,905	339,539	288,157	232,078	244,027	229,082
21,690,464	21,234,620	18,057,098	16,419,488	16,377,183	14,690,436
2,265,133	2,688,893	1,709,716	1,836,996	1,374,060	1,169,749
28,904	39,701	57,360	58,544	71,929	74,990
1,213,682	1,045,676	922,755	1,382,568	932,123	1,104,920
<u>43,614,272</u>	<u>42,886,237</u>	<u>38,062,989</u>	<u>36,603,033</u>	<u>35,141,095</u>	<u>31,196,164</u>
4,943,276	4,529,300	4,165,994	4,074,412	3,647,250	3,882,589
1,681,556	1,591,109	1,548,493	1,564,884	1,353,637	1,350,196
8,756,552	8,573,196	8,128,168	6,299,186	5,958,299	5,568,802
3,494,913	3,622,122	3,591,100	3,104,836	3,075,415	3,092,037
6,486,969	5,968,780	5,106,221	5,019,847	4,922,924	4,207,944
12,962,859	12,258,017	10,199,779	9,313,605	8,838,111	8,801,812
11,612	16,938	16,425	9,025	6,000	0
674,761	485,370	500,372	448,222	511,685	686,752
10,902,651	2,591,313	2,550,828	1,005,387	1,979,493	1,422,878
923,820	878,351	1,213,382	863,815	3,545,616	1,681,949
690,566	497,210	270,621	353,185	115,309	175,883
<u>51,529,535</u>	<u>41,011,706</u>	<u>37,291,383</u>	<u>32,056,404</u>	<u>33,953,739</u>	<u>30,870,842</u>
(7,915,263)	1,874,531	771,606	4,546,629	1,187,356	325,322
64,754	764,333	28,158	616	6,260	880
0	0	0	3,171	0	0
11,400,000	0	0	0	0	0
26,547	0	0	15,278	0	0
1,521,261	8,479,135	2,263,127	2,931,344	4,348,145	3,010,259
(1,559,329)	(8,509,135)	(2,620,367)	(2,931,344)	(4,294,620)	(2,883,549)
<u>11,453,233</u>	<u>734,333</u>	<u>(329,082)</u>	<u>19,065</u>	<u>59,785</u>	<u>127,590</u>
<u>\$3,537,970</u>	<u>\$2,608,864</u>	<u>\$442,524</u>	<u>\$4,565,694</u>	<u>\$1,247,141</u>	<u>\$452,912</u>
1.7%	1.3%	0.8%	1.1%	0.3%	0.6%

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

Year	Real Property			Public Utility Personal Property	
	Assessed Value		Estimated Actual Value	Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial (1)			
2005	\$672,726,380	\$165,996,490	\$2,396,351,057	\$59,647,040	\$238,588,160
2004	654,030,390	162,759,560	2,333,685,571	60,472,980	241,891,920
2003	643,530,940	162,552,700	2,303,096,114	61,023,500	244,094,000
2002	640,970,400	161,616,090	2,293,104,257	59,668,560	238,674,240
2001	544,646,760	146,228,210	1,973,928,486	67,278,690	269,114,760
2000	533,560,840	139,359,040	1,922,628,229	68,847,820	254,991,926
1999	527,176,470	136,997,920	1,897,641,114	71,519,410	264,886,704
1998	415,792,000	132,559,910	1,566,719,743	72,086,840	266,988,296
1997	407,719,380	131,950,950	1,541,915,229	68,305,120	252,981,926
1996	404,835,050	128,893,840	1,524,939,686	68,540,590	244,787,821

Source: Marion County Auditor

(1) Includes public utility real property

(2) See S14 for property tax rate for the County's levies only. Calculation includes a portion of property taxes reimbursed from the State of Ohio for rollback and homestead.

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.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent, and/or homestead exemption before being billed.

Tangible Personal Property		Total		Tax Rate (2)
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
\$136,833,414	\$621,970,064	\$1,035,203,324	\$3,256,909,281	\$2.20
131,646,283	572,375,143	1,008,909,213	3,147,952,634	2.50
135,789,841	565,791,004	1,002,896,981	3,112,981,118	1.70
139,711,450	558,845,800	1,001,966,500	3,090,624,297	1.70
139,377,310	557,509,240	897,530,970	2,800,552,486	1.70
134,959,685	539,838,740	876,727,385	2,717,458,895	1.85
148,945,039	595,780,156	884,638,839	2,758,307,974	1.85
146,457,865	585,831,460	766,896,615	2,419,539,499	1.85
172,224,460	688,897,840	780,199,910	2,483,794,995	1.85
148,411,485	593,645,940	750,680,965	2,363,373,447	1.85

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

Collection Year	Current Tax Levy	Total Tax Collections (1)	Percent Collected	Current Delinquencies	Prior Delinquencies	Total Outstanding Delinquencies (2)	Percent of Delinquencies to Total Tax Collections
2005	\$7,160,302	\$7,079,292	98.87%	\$432,054	\$84,080	\$516,134	7.29%
2004	7,213,305	7,238,680	100.35	362,603	72,520	435,123	6.01
2003	7,132,391	7,113,129	99.73	448,836	112,926	561,762	7.90
2002	7,062,156	7,012,268	99.29	318,988	67,947	386,935	5.52
2001	6,644,567	6,708,657	100.96	261,940	109,682	371,622	5.54
2000	6,304,086	6,455,809	102.41	246,496	106,684	353,180	5.47
1999	6,379,134	6,313,739	98.97	224,587	101,715	326,302	5.17
1998	6,025,859	5,991,964	99.44	181,074	82,772	263,846	4.40
1997	5,896,125	5,874,809	99.64	242,103	70,907	313,010	5.33
1996	5,013,865	5,035,176	100.43	174,549	72,808	247,357	4.91

Source: Marion County Auditor

(1) The amounts shown as collected include the collection of delinquencies and the state reimbursement (rollback) amounts.

(2) The County does not identify delinquent tax collections by tax year. Delinquent tax collections includes penalties and interest.

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

Collection Year	Current Tax Levy	Total Tax Collections (1)	Percent Collected	Current Delinquencies	Prior Delinquencies	Total Outstanding Delinquencies (2)	Percent of Delinquencies to Total Tax Collections
2005	\$1,512,009	\$1,523,768	100.78%	\$52,086	\$44,182	\$96,268	6.32%
2004	1,513,538	1,500,644	99.15	89,777	18,250	108,027	7.20
2003	1,500,478	1,557,573	103.81	75,831	15,416	91,247	5.86
2002	1,543,812	1,542,142	99.89	80,824	12,597	93,421	6.06
2001	1,540,119	1,500,890	97.45	65,757	27,413	93,170	6.21
2000	1,450,817	1,579,311	108.86	72,974	31,828	104,802	6.64
1999	1,601,159	1,510,084	94.31	175,167	73,509	248,676	16.47
1998	1,574,422	1,506,605	95.69	112,986	60,839	173,825	11.54
1997	1,595,423	1,526,088	95.65	119,104	47,335	166,439	10.91
1996	1,333,461	1,487,387	111.54	81,184	35,526	116,710	7.85

Source: Marion County Auditor

(1) The amounts shown as collected include the collection of delinquencies and the state reimbursement (rollback) amounts.

(2) The County does not identify delinquent tax collections by tax year. Delinquent tax collections includes penalties and interest.

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

	2005	2004	2003	2002	2001	2000	1999
County Units:							
General Fund	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40
Effective Millage Rates							
Residential/Agricultural	2.40	2.40	2.40	2.40	2.40	2.40	2.40
Commercial/Industrial	2.40	2.40	2.40	2.40	2.40	2.40	2.40
Tangible/Public Utility Personal	2.40	2.40	2.40	2.40	2.40	2.40	2.40
Mental Retardation and Development Disabilities 1978	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Effective Millage Rates							
Residential/Agricultural	0.4791	0.4874	0.4882	0.4850	0.5592	0.5604	0.5598
Commercial/Industrial	0.5561	0.5591	0.5543	0.5520	0.5936	0.6006	0.5983
Tangible/Public Utility Personal	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Mental Retardation and Development Disabilities 1985	0.35	0.35	0.35	0.35	0.35	0.35	0.35
Effective Millage Rates							
Residential/Agricultural	0.1895	0.1928	0.1931	0.1918	0.2212	0.2217	0.2214
Commercial/Industrial	0.2863	0.2879	0.2854	0.2842	0.3056	0.3093	0.3081
Tangible/Public Utility Personal	0.3500	0.3500	0.3500	0.3500	0.3500	0.3500	0.3500
Mental Retardation and Development Disabilities 1987	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Effective Millage Rates							
Residential/Agricultural	0.2707	0.2754	0.2758	0.2740	0.3160	0.3167	0.3163
Commercial/Industrial	0.4092	0.4114	0.4079	0.4062	0.4368	0.4420	0.4403
Tangible/Public Utility Personal	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
Mental Retardation and Development Disabilities 1996	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Effective Millage Rates							
Residential/Agricultural	2.0640	2.1000	2.1033	2.0895	2.4094	2.4146	2.4117
Commercial/Industrial	2.7655	2.7805	2.7565	2.7451	2.9521	2.9870	2.9757
Tangible/Public Utility Personal	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000
Children Services	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Effective Millage Rates							
Residential/Agricultural	1.3534	1.3771	1.3792	1.3701	1.5799	1.5833	1.5814
Commercial/Industrial	2.0498	2.0609	2.0431	2.0346	2.1881	2.2139	2.2055
Tangible/Public Utility Personal	2.5000	2.5000	2.5000	2.5000	2.5000	2.5000	2.5000
ADAMHS	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Effective Millage Rates							
Residential/Agricultural	0.5414	0.5508	0.5517	0.5481	0.6320	0.6333	0.6326
Commercial/Industrial	0.7117	0.7155	0.7093	0.7064	0.7597	0.7687	0.7657
Tangible/Public Utility Personal	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Fairground Improvement	0.30	0.30	0.30	0.30	0.30	0.00	0.00
Effective Millage Rates							
Residential/Agricultural	0.2564	0.2609	0.2613	2.0895	0.2994	0.0000	0.0000
Commercial/Industrial	0.2778	0.2793	0.2769	0.2757	0.2965	0.0000	0.0000
Tangible/Public Utility Personal	0.3000	0.3000	0.3000	0.3000	0.3000	0.0000	0.0000
Total Voted Millage	11.05	11.05	11.05	11.05	11.05	10.75	10.75
Total Effective Voted Millage by Type of Property							
Residential/Agricultural	7.5545	7.6444	7.6526	9.4480	8.4171	8.1300	8.1232
Commercial/Industrial	9.4564	9.4946	9.4334	9.4042	9.9324	9.7215	9.6936
Tangible/Public Utility Personal	11.0500	11.0500	11.0500	11.0500	11.0500	10.7500	10.7500
In County School Districts:							
Marion CSD	44.53	44.53	44.53	44.37	46.21	42.42	42.42
Pleasant LSD	48.09	48.09	48.32	48.32	49.01	49.64	49.64

1998	1997	1996
\$2.40	\$2.40	\$2.40
2.40	2.40	2.40
2.40	2.40	2.40
2.40	2.40	2.40
1.00	1.00	N/A
0.6963	0.6960	N/A
0.6032	0.5974	N/A
1.0000	1.0000	N/A
0.35	0.35	N/A
0.2754	0.2753	N/A
0.3106	0.3076	N/A
0.3500	0.3500	N/A
0.50	0.50	N/A
0.3934	0.3933	N/A
0.4439	0.4396	N/A
0.5000	0.5000	N/A
3.00	3.00	N/A
3.0000	3.0000	N/A
3.0000	3.0000	N/A
3.0000	3.0000	N/A
2.50	2.50	N/A
1.9672	1.9663	N/A
2.2236	2.2022	N/A
2.5000	2.5000	N/A
1.00	1.00	N/A
0.7869	0.7865	N/A
0.7720	0.7646	N/A
1.0000	1.0000	N/A
0.00	0.00	N/A
0.0000	0.0000	N/A
0.0000	0.0000	N/A
0.0000	0.0000	N/A
10.75	10.75	9.75
9.5192	9.5174	N/A
9.7533	9.7114	N/A
10.7500	10.7500	N/A
44.07	44.07	44.09
51.45	51.76	46.86

continued

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

	2005	2004	2003	2002	2001	2000	1999
Overlapping School Districts:							
Buckeye Valley LSD	33.20	33.20	33.80	34.15	34.40	35.71	35.71
Cardington-Lincoln LSD	33.19	33.19	33.82	32.39	32.39	33.39	33.39
Elgin LSD	37.85	37.85	37.85	37.85	38.30	38.10	38.10
Northmor LSD	27.40	27.40	27.40	27.40	27.40	27.40	27.40
Ridgedale LSD	47.39	47.39	47.39	47.52	48.15	48.10	48.10
River Valley LSD	44.37	44.37	45.88	45.88	46.51	39.44	39.44
Upper Sandusky EVSD	33.70	33.70	33.70	33.70	33.70	33.70	33.70
Corporations:							
Caledonia	12.50	12.50	12.50	12.50	12.50	12.50	12.50
Green Camp	10.10	10.10	10.10	10.10	10.10	10.10	10.10
Larue	11.70	11.70	11.70	11.70	11.70	11.70	11.70
Marion (Elgin LSD)	2.60	2.60	3.20	3.20	3.20	3.20	3.20
Marion (Marion CSD)	3.60	3.60	4.20	4.20	4.20	4.20	4.20
Marion (Pleasant LSD)	0.90	0.90	1.50	1.50	1.50	1.50	1.50
Marion (Ridgedale LSD)	1.40	1.40	2.00	2.00	2.00	2.00	2.00
Marion (River Valley LSD)	2.70	2.70	3.30	3.30	3.30	3.30	3.30
Morral	5.20	5.20	5.20	5.20	5.20	5.20	5.20
New Bloomington	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Prospect	10.10	10.10	10.10	10.10	10.10	10.10	10.10
Waldo	6.90	6.90	7.00	7.00	7.00	7.00	7.00
Townships:							
Big Island	3.90	3.90	3.90	3.90	3.90	3.90	3.90
Bowling Green	3.30	3.30	3.30	3.30	3.30	3.30	3.30
Claridon	1.70	1.70	1.70	1.70	1.70	1.70	1.70
Grand	3.60	3.60	2.10	2.10	2.10	2.10	2.10
Grand Prairie	3.45	3.45	3.20	3.20	3.20	3.20	3.20
Green Camp	4.45	4.45	4.25	4.25	4.50	4.50	4.50
Marion	10.50	10.50	10.50	10.50	10.50	10.50	10.50
Montgomery	1.30	1.30	1.30	1.30	1.30	1.30	1.30
Pleasant	2.70	2.70	2.70	2.70	2.70	2.70	2.70
Prospect	2.80	2.80	2.80	2.80	2.80	2.80	2.80
Richland	1.20	1.20	1.20	1.20	1.20	1.60	1.60
Salt Rock	5.10	5.10	4.10	4.10	4.10	4.10	4.10
Scott	2.10	2.10	1.50	1.50	1.50	1.50	1.50
Tully	2.40	2.40	2.40	2.40	2.40	2.40	2.40
Waldo	2.90	2.90	2.90	2.90	2.90	2.90	2.90
Other Units:							
Battle Run Fire District	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Cardington-Lincoln Joint Recreation Board	1.05	1.05	1.05	1.05	1.05	0.30	0.30
Delaware County District Library	0.09	0.09	0.15	0.18	0.19	0.29	0.29
Delaware County JVSD	3.20	3.20	3.20	3.20	3.40	3.40	3.40
First Consolidated Fire District	6.00	6.00	5.00	3.50	3.50	3.50	3.50
Fort Morrow Fire District	2.00	2.00	1.50	1.50	1.50	1.50	1.50
Pioneer JVSD	4.70	4.70	4.70	4.70	4.70	4.70	4.70
Prospect Joint Park Commission	2.20	2.20	2.20	5.20	5.20	5.20	5.20
Scioto Valley Fire District	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Tri-Rivers JVSD	4.40	4.40	4.40	4.40	4.40	4.40	4.40
Vanguard JVSD	1.60	1.60	1.60	1.60	1.60	1.60	1.60
Grandview Park District	0.10	0.10	0.10	0.10	0.10		
Waldo Park Commission	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Source: Ohio Department of Taxation

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

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

1998	1997	1996
35.74	35.63	36.55
33.39	34.39	34.39
39.17	39.17	39.40
27.40	27.40	27.40
49.65	49.84	51.71
40.31	40.42	40.42
33.70	33.70	37.85
12.50	12.50	12.50
10.10	10.10	10.10
11.70	11.70	11.70
3.20	3.20	3.20
4.20	4.20	4.20
1.50	1.50	1.50
2.00	0.00	0.00
3.30	3.30	3.30
5.20	5.20	5.20
4.00	4.00	4.00
10.10	10.10	10.10
6.70	6.70	6.70
3.90	3.90	3.90
3.30	3.30	3.30
1.70	1.70	1.70
2.10	2.10	2.10
3.20	3.20	3.20
4.50	4.50	2.50
10.50	10.50	10.50
1.30	1.30	1.30
2.70	2.70	2.70
2.80	2.80	2.80
1.60	1.60	1.60
4.10	4.10	4.10
1.50	1.50	1.50
2.40	2.40	2.40
2.90	2.90	2.90
6.49	6.49	6.49
0.00	0.00	0.00
0.31	0.29	0.37
3.40	4.40	2.50
2.00	2.00	2.00
1.50	1.50	1.50
4.70	4.70	4.70
5.20	2.20	1.30
5.00	5.00	5.00
4.40	3.10	3.10
1.60	1.60	1.60
1.00	1.00	1.00

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

	Collection Year 2005			Collection Year 1996		
	Total Assessed Valuation	Rank	Percent of Total County Assessed Valuation	Taxable Assessed Value	Rank	Percent of Total County Assessed Valuation
Whirlpool	\$30,078,070	1	1.26%	\$33,786,300	1	4.50%
Ohio American Water	20,994,940	2	0.88	7,531,120	7	1.00
Ohio Edison Company	14,734,550	3	0.61	20,657,190	3	2.75
Marion Steel	9,030,660	4	0.38	11,922,200	5	1.59
Conagra Foods	6,690,380	5	0.28			
Sypris Technology	6,137,950	6	0.26			
General Mills	5,928,080	7	0.25			
Verizon North	5,451,050	8	0.23			
Scotts Company	5,411,830	9	0.23			
Ohio Power	3,500,670	10	0.15			
GTE				22,537,070	2	3.00
American Honda Motor Co				12,095,090	4	1.61
Columbia Gas of Ohio				7,667,980	6	1.02
Eaton				7,264,340	8	0.97
Marion Power Shovel				7,096,990	9	0.95
Glen Gery Corp				4,890,210	10	0.65
Total Principal Taxpayers	107,958,180		4.53	135,448,490		18.04
All Other Taxpayers	2,288,392,877		95.47	615,231,885		81.96
Total County Assessed Value	<u>\$2,396,351,057</u>		<u>100.00%</u>	<u>\$750,680,375</u>		<u>100.00%</u>

Source: Marion County Auditor

Marion County, Ohio

Taxable Sales by Type

Last Six Years

Category	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Sales Tax Payments	\$1,767,267	\$1,730,686	\$1,770,804	\$1,803,934
Direct Pay Tax Return Payments	82,320	56,950	174,027	130,255
Seller's Use Tax Return Payments	595,352	552,701	486,776	487,472
Consumer's Use Tax Return Payments	131,060	149,543	107,307	121,268
Motor Vehicle Tax Payments	962,953	1,061,260	1,097,726	1,074,552
Watercraft and Outboard Motors	11,233	12,915	13,287	19,204
Department of Liquor Control	15,141	14,068	13,133	12,551
Sales Tax on Motor Vehicle Fuel Refunds	1,440	1,242	1,220	476
Sales/Use Tax Voluntary Payments	4,234	6,076	6,379	3,141
Statewide Master Numbers	2,921,597	2,855,642	2,572,199	2,657,730
Sales/Use Tax Assessment Payments	12,861	7,882	6,579	22,902
Administrative Rotary Fund Fee	(65,054)	(64,498)	(63,130)	(62,698)
Sales/Use Tax Refunds Approved	<u>(55,192)</u>	<u>(18,477)</u>	<u>(14,695)</u>	<u>(19,265)</u>
Total	<u><u>\$6,385,212</u></u>	<u><u>\$6,365,990</u></u>	<u><u>\$6,171,612</u></u>	<u><u>\$6,251,522</u></u>
Sales Tax Rate	1.00%	1.00%	1.00%	1.00%

Source: Ohio Department of Taxation

The rate may be imposed by the commissioners subject to referendum or approved by a majority of the voters within the county.

Information prior to 2000 was not available

Information pertaining to the top ten taxpayers for sales tax is not available through the Ohio Department of Taxation.

<u>2001</u>	<u>2000</u>
\$1,699,699	\$1,799,526
182,147	125,946
421,520	422,744
135,500	145,556
1,016,431	944,453
19,489	18,357
12,331	11,635
924	768
1,924	1,166
2,661,855	2,703,383
1,944	10,849
(61,548)	(61,844)
(74,396)	(27,546)
 \$6,017,820	 \$6,094,993
1.00%	1.00%

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

Year	Governmental Activities						
	General Obligation Bonds	Special Assessment Bonds	General Obligation Notes	Special Assessment Notes	Issue II Loans	Other Loans	Capital Leases
2005	\$9,686,012	\$143,988	\$0	\$0	\$82,385	\$27,513	\$0
2004	10,077,314	177,686	145,000	0	98,862	89,074	0
2003	10,451,680	208,320	280,000	0	115,339	109,916	0
2002	10,821,045	238,956	410,000	0	131,816	89,495	0
2001	11,130,409	269,591	535,000	0	148,293	17,698	0
2000	0	0	11,327,579	0	164,770	3,935	3,350
1999	0	0	5,957,708	0	181,247	7,623	7,809
1998	0	0	7,276,832	0	197,724	11,079	12,083
1997	0	0	7,838,250	0	214,201	0	3,818
1996	0	0	1,950,000	0	230,678	0	14,781

Source: Marion County Auditor

Business-Type Activities					
General Obligation Bonds	USDA Revenue Bonds	Issue II	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
\$2,500,000	\$0	\$482,723	\$12,922,621	0.78%	\$196.00
1,437,000	1,301,100	524,344	13,850,380	0.82	209.62
1,493,000	1,316,800	565,965	14,541,020	0.88	218.81
1,546,000	1,331,800	607,586	15,176,698	0.96	229.06
1,597,000	1,346,200	649,207	15,693,398	1.03	237.29
1,645,000	1,360,000	690,828	15,195,462	1.02	229.73
1,692,000	1,377,000	647,485	9,870,872	0.70	148.36
1,736,000	0	599,808	9,833,526	0.70	146.30
1,779,000	0	633,131	10,468,400	0.78	155.07
1,820,000	0	666,454	4,681,913	0.37	69.23

Marion County
Legal Debt Margin
Last Ten Years

	2005	2004	2003	2002
Assessed Value of County	\$1,035,203,324	\$1,008,909,213	\$1,002,896,981	\$1,001,966,500
Voted Debt Limitation	\$24,380,083	\$23,722,730	\$23,572,425	\$23,549,163
Total Outstanding Debt				
General Obligation Notes	0	0	0	0
Tax Anticipation Notes	0	145,000	280,000	410,000
Issue II Loans	565,108	623,206	681,304	739,402
USDA Revenue Bonds	0	1,301,100	1,316,800	1,331,800
General Obligation Bonds	12,186,012	11,514,314	11,944,680	12,367,044
Special Assessment Bonds	143,988	177,686	208,320	238,956
Total Debt	12,895,108	13,761,306	14,431,104	15,087,202
Exemptions				
Tax Anticipation Notes	0	145,000	280,000	410,000
Transfer Station Note	0	0	0	0
Jail Construction Note	0	0	0	0
Qu Qua Ditch Note	0	0	0	0
Issue II Loans	482,723	524,344	565,965	607,586
USDA Revenue Bonds payable from enterprise fund revenues	0	1,301,100	1,316,800	1,331,800
Marion-Harding Correctional Center Bond	3,475,000	3,575,000	3,670,000	3,765,000
FMHA General Obligation Bonds payable from enterprise fund revenues	0	1,437,000	1,493,000	1,546,000
General Obligation Bonds payable from enterprise fund revenues	2,500,000	0	0	0
Special Assessment Bonds	143,988	177,686	208,320	238,956
Total Exemptions	6,601,711	7,160,130	7,534,085	7,899,342
Less Balance in Debt Service	651,940	521,564	385,989	255,365
Net Debt	5,641,457	6,079,612	6,511,030	6,932,495
Total Legal Debt Margin (Debt Limitation Minus Net Debt)	\$18,738,626	\$17,643,118	\$17,061,395	\$16,616,668
Legal Debt Margin as a Percentage of the Debt Limit (Voted)	76.86%	74.37%	72.38%	70.56%
Unvoted Debt Limitation	\$10,352,033	\$10,089,092	\$10,028,970	\$10,019,665
Total Legal Debt Margin (Unvoted)	\$4,710,576	\$4,009,480	\$3,517,940	\$3,087,170
Legal Debt Margin as a Percentage of the Debt Limit (Unvoted)	45.50%	39.74%	35.08%	30.81%

Source: Marion County Auditor

2001	2000	1999	1998	1997	1996
\$897,530,970	\$876,727,385	\$884,638,839	\$766,896,615	\$780,199,910	\$750,680,375
\$20,938,274	\$20,418,185	\$20,615,971	\$17,672,415	\$18,004,998	\$17,267,009
0	11,327,579	5,957,708	7,276,832	7,838,250	1,950,000
535,000	0	0	0	0	0
797,500	855,598	828,732	797,532	847,332	913,609
1,346,200	1,360,000	0	0	0	0
12,727,409	1,645,000	3,069,000	1,736,000	1,779,000	1,820,000
269,591	0	0	0	0	0
15,675,700	15,188,177	9,855,440	9,810,364	10,464,582	4,683,609
535,000	650,000	0	0	0	0
0	0	0	0	0	235,000
0	0	0	0	6,425,000	370,000
0	0	0	0	153,250	0
649,207	855,598	647,485	797,532	633,131	682,931
1,346,200	1,360,000	0	0	0	0
3,840,000	3,915,000	4,055,000	4,270,000	0	0
1,597,000	1,645,000	3,069,000	1,736,000	1,779,000	1,820,000
0	0	0	0	0	0
269,591	0	0	0	0	0
8,236,998	8,425,598	7,771,485	6,803,532	8,990,381	3,107,931
235,417	0	0	0	0	0
7,203,285	6,762,579	2,083,955	3,006,832	1,474,201	1,575,678
\$13,734,989	\$13,655,606	\$18,532,016	\$14,665,583	\$16,530,797	\$15,691,331
65.60%	66.88%	89.89%	82.99%	91.81%	90.87%
\$8,975,310	\$8,767,274	\$8,846,388	\$7,668,966	\$7,801,999	\$7,506,804
\$1,772,025	\$2,004,695	\$6,762,433	\$4,662,134	\$6,327,798	\$5,931,126
19.74%	22.87%	76.44%	60.79%	81.10%	79.01%

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

<u>Year</u>	<u>General Bonded Debt Outstanding</u>	<u>Percentage of Actual Taxable Value of Property (1)</u>	<u>Per Capita (2)</u>
2005	\$12,186,012	1.18%	\$184.83
2004	11,514,314	1.14%	174.27
2003	11,944,680	1.19%	179.74
2002	12,367,045	1.23%	186.66
2001	12,727,409	1.42%	192.45
2000	1,645,000	0.19%	24.87
1999	1,692,000	0.19%	25.43
1998	1,736,000	0.23%	25.83
1997	1,779,000	0.23%	26.35
1996	1,820,000	0.24%	26.91

Source: Marion County Auditor

Details regarding the County's outstanding debt can be found in the notes to the financial statements

(1) See S10 for assessed values

(2) See S27 for personal income and population data.

Marion County, Ohio
Demographic and Economic Statistics
Last Ten Years

<u>Year</u>	<u>Population (Estimated)</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2005	65,932	\$1,651,992,192	\$25,056	6.2%
2004	66,073	1,697,151,078	25,686	6.6%
2003	66,456	1,651,963,248	24,858	6.3%
2002	66,255	1,581,043,065	23,863	5.7%
2001	66,135	1,523,155,185	23,031	4.6%
2000	66,146	1,490,269,380	22,530	4.2%
1999	66,533	1,414,624,646	21,262	3.9%
1998	67,213	1,396,686,140	20,780	4.4%
1997	67,507	1,347,372,213	19,959	5.6%
1996	67,624	1,267,273,760	18,740	6.5%

Source: Ohio Workforce Informer

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

Employer	2005			1996		
	Number of Employees	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
Whirlpool Corporation	2,823	1	9.23%	2,300	1	7.15%
Marion General Hospital	1,076	2	3.52	931	4	2.90
Verizon	866	3	2.83	-		
Marion City School District	798	4	2.61	615	6	1.91
Silver Line Windows	730	5	2.39	-		
Marion County Government	700	6	2.29	938	3	2.92
North Central Correctional Institute	491	7	1.60	453	9	1.41
Meijer	485	8	1.58	487	8	1.51
Marion Correctional Institue	450	9	1.47	500	7	1.56
Smith Clinic	450	9	1.47	-		
Wyandot, Inc	425	10	1.39	-		
GTE North				1,405	2	4.37
HPM Corp Mt. Gilead/Marion				809	5	2.52
Kable Fullfillment				-	10	1.40
Total Principal Employers	9,294		30.38%	8,888		27.65%
Total County Employed	30,600			32,150		

Sources: Marion County Auditors
Marion Area Chamber of Commerce

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

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

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

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

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

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

continued

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

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

Sources: Various Marion County Departments

Information prior to 2001 was not available

Marion County, Ohio
 Capital Asset Statistics by Function/Program
 Last Six Years

Function/Program	2005	2004	2003	2002	2001	2000
Public Works						
Engineer						
State Roads (miles)	179	179	179	179	179	179
County Roads (miles)	389	389	389	389	392	392
Township Roads (miles)	268	268	268	268	266	266
Bridges	279	279	280	280	283	283
Culverts	1,369	1,369	1,368	1,368	1,365	1,365
Traffic	2	2	2	2	2	2
Storm	105,920	103,240	97,810	93,200	91,300	90,200
Vehicles	39	39	38	40	41	42
Sanitary						
Lines (miles)	48.60	46.70	45.40	41.10	40.50	N/A
Marca						
Buildings	7	7	7	7	7	7

Sources: Various Marion County Departments

Information prior to 2000 was not available



**Auditor of State
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FINANCIAL CONDITION

MARION COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 1, 2006**