



Mary Taylor, CPA
Auditor of State

PREBLE COUNTY
TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report..... (Under a Separate Cover)	
Comprehensive Annual Financial Report (Under a Separate Cover)	
Federal Awards Expenditures Schedule.....	1
Notes to the Federal Awards Expenditures Schedule	3
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	5
Independent Accounts' Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	7
Schedule of Findings.....	9

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PREBLE COUNTY

FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2007

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
<i>Passed Through Ohio Department Of Development:</i>			
Community Development Distress Block Grant	B-F-05-063-1	14.228	\$11,954
Community Development Block Grant	B-F-06-063-1	14.228	153,281
Community Development Block Grant	B-F-05-063-1	14.228	61,034
Community Housing Improvement Program	B-C-06-063-1	14.228	45,599
Community Housing Improvement Program	B-C-05-063-1	14.228	87,705
Total Community Development Block Grant			<u>359,573</u>
Community Housing Improvement Program	B-C-05-063-2	14.239	164,121
Community Housing Improvement Program	B-C-06-063-2	14.239	46,351
Total Community Housing Improvement Program			<u>210,472</u>
<i>Total Passed Through Ohio Department of Development</i>			<u>570,045</u>
Total U.S. Department of Housing and Urban Development			<u>570,045</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
<i>Passed Through Ohio Attorney General's Office:</i>			
Victims of Crime Act	2006 VAGENE 199T	16.575	47,934
Victims of Crime Act	2007 VAGENE 199T	16.575	15,978
Total Victims of Crime Act			<u>63,912</u>
<i>Passed Through Ohio Office of Criminal Justice Services:</i>			
Communications Upgrade	2005-JG-LLE-5196	16.738	17,262
Total U.S. Department of Justice			<u>81,174</u>
<u>U.S. DEPARTMENT OF FEDERAL HIGHWAY ADMINISTRATION</u>			
<i>Passed Through The Ohio Department of Transportation:</i>			
Highway Planning and Construction:			
Sign Upgrade Project	PID 83428	20.205	22,680
CR 30/37 Guardrail Project	PID 75242	20.205	4,291
Total Highway Planning and Construction			<u>26,971</u>
Total U.S. Department of Federal Highway Administration			<u>26,971</u>
<u>U.S. DEPARTMENT OF FEDERAL EMERGENCY MANAGEMENT ASSISTANCE</u>			
<i>Passed Through Ohio Department of Public Safety:</i>			
Citizen Corps Program Grant-FY 2006	2006-GC-T6-0051	97.053	3,447
Emergency Management Performance Grant-FY 2007	2007-EM-E7-0024	97.042	31,904
Emergency Management Performance Grant-FY 2006	2006-EM-E6-0042	97.042	2,072
Emergency Management Performance Grant-Supplemental-FY 2007	2007-EM-E7-0085	97.042	8,967
Emergency Management Performance EOC Construction Grant-FY 2005	2005-EM-T5-0001	97.042	20,000
Total Emergency Management Performance Grants			<u>62,943</u>
Total U.S. Department of Federal Emergency Management Assistance			<u>66,390</u>
<u>U.S. DEPARTMENT OF LABOR</u>			
<i>Passed Through Montgomery County Department of Job & Family Services:</i>			
Workforce Investment Act Cluster:			
Workforce Investment Act - Adult		17.258	86,530
Workforce Investment Act - Adult Administrative			8,551
Total Workforce Investment Act - Adult			<u>95,081</u>
Workforce Investment Act - Youth		17.259	85,584
Workforce Investment Act - Dislocated Worker		17.260	151,070
Workforce Investment Act - Dislocated Worker Administrative			15,438
Total Workforce Investment Act - Dislocated Worker			<u>166,508</u>
Total U.S. Department of Labor			<u>347,173</u>

(Continued)

PREBLE COUNTY

FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<i>Passed Through Ohio Department of Mental Health:</i>			
Early Childhood Grant-FY 07	N/A	93.590	18,409
<i>Passed Through Ohio Department of Mental Health:</i>			
Family and Systems Team Dollars Initiative (FAST)	N/A	93.556	23,300
<i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities:</i>			
Title XX Social Service Block Grant-FY 07	N/A	93.667	14,268
Title XX Social Service Block Grant-FY 08	N/A	93.667	15,378
			<u>29,646</u>
<i>Passed Through Ohio Department of Mental Health:</i>			
Title XX Social Service Block Grant-FY 07	N/A	93.667	23,972
Total Title XX Social Service Block Grant			<u>53,618</u>
<i>Passed Through Ohio Department of Mental Health:</i>			
Title XIX Medical Assistance Program	N/A	93.778	449,920
<i>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</i>			
Title XIX Medical Assistance Program	N/A	93.778	90,492
<i>Passed Through Ohio Department of Mental Retardation & Developmental Disabilities:</i>			
Title XIX Medical Assistance Program - Waiver Administration	N/A	93.778	21,752
Title XIX Medical Assistance Program - Day Hab	N/A	93.778	252,867
Title XIX Medical Assistance Program - Target Case Management SCHIP	N/A	93.778	265
Title XIX Medical Assistance Program -Target Case Management	N/A	93.778	70,392
			<u>345,276</u>
Total Title XIX Medical Assistance Program			<u>885,688</u>
<i>Passed Through Ohio Department of Mental Health:</i>			
Community Mental Service Block Grant	N/A	93.958	38,219
Suicide Prevention	125-CS-07-01	93.958	5,000
			<u>43,219</u>
<i>Passed Through Ohio Department of Alcohol & Drug Addiction Services:</i>			
Block Grant for the Prevention and Treatment of Substance Abuse	N/A	93.959	400,292
Total U.S. Department of Health and Human Services			<u>1,424,526</u>
Total			<u>\$2,516,279</u>

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

PREBLE COUNTY

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FISCAL YEAR ENDED DECEMBER 31, 2007**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - SUBRECIPIENTS

The County passes-through certain Federal assistance received from U.S. Department of Health and Human Services and the U.S. Department of Housing and Urban Development to other governments or not-for-profit agencies (subrecipients). As described in Note A, the County records expenditures of Federal awards to subrecipients when paid in cash.

The subrecipient agencies have certain compliance responsibilities related to administering these Federal Programs. Under Federal Circular A-133, the County is responsible for monitoring subrecipients to help assure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements, and that performance goals are achieved.

NOTE C - COMMUNITY HOME IMPROVEMENT PROGRAM

The Federal Department of Housing and Urban Development (HUD) grants money for loans to the County passed through the Ohio Department of Development. The County uses the loan program to provide interest free loans to individuals for home repair, rental rehab, and to assist with down payments for first-time home buyers. The initial loan of this money is recorded as a disbursement on the accompanying Schedule of Federal Awards Expenditures (the Schedule).

These loans are collateralized by mortgages on the property. At December 31, 2007, the gross amount of loans outstanding under the CDBG CHIP program was \$34,182. At December 31, 2007, the gross amount of loans outstanding under the HOME CHIP program was \$215,285.

The County has established a CHIP Revolving Loan Fund, which had a balance of \$42,562 as of December 31, 2007. The balance is from program income received when CDBG CHIP and HOME CHIP mortgages are paid back. Loans repaid 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.

NOTE D - MATCHING REQUIREMENTS

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

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Mary Taylor, CPA

Auditor of State

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

Preble County
100 East Main Street
Eaton, Ohio 45320

To the Board of County Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of Preble County, Ohio (the County), as of and for the year ended December 31, 2007, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 22, 2008, in which we noted that the Landfill Fund had an accumulated deficit of \$713,031 as of December 31, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

We consider the following deficiencies described in the accompanying schedule of findings to be significant deficiencies in internal control over financial reporting: 2007-001 through 2007-002 and 2007-004.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies in the internal control that might be significant deficiencies or material weaknesses. However, of the significant deficiencies described above, we believe finding numbers 2007-002 and 2007-004 are also material weaknesses.

We also noted certain internal control matters that we reported to the County's management in a separate letter dated September 22, 2008.

Compliance and Other Matters

As part of reasonably assuring whether the County's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed instances of noncompliance or other matters we must report under *Government Auditing Standards*, which are described in the accompanying schedule of findings as items 2007-001 through 2007-004.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the County's management in a separate letter dated September 22, 2008.

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

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



Mary Taylor, CPA
Auditor of State

September 22, 2008



Mary Taylor, CPA

Auditor of State

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

Preble County
100 East Main Street
Eaton, Ohio 45320

To the Board of County Commissioners:

Compliance

We have audited the compliance of Preble County, Ohio (the County), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended December 31, 2007. The summary of auditor's results section of the accompanying schedule of findings 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, 2007. In a separate letter to the County's management dated September 22, 2008, we reported another matter related to federal noncompliance not requiring inclusion in this report.

Internal Control Over Compliance

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

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

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the County's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

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

However, we noted matters involving the internal control over federal compliance not requiring inclusion in this report, that we reported to the County's management in a separate letter dated September 22, 2008.

Federal Awards Expenditures Schedule

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component unit and remaining fund information of the County as of and for the year ended December 31, 2007, and have issued our report thereon dated September 22, 2008, in which we noted that the Landfill Fund had an accumulated deficit of \$713,031 as of December 31, 2007. 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 audit committee, management, Board of County Commissioners, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

September 22, 2008

PREBLE COUNTY
SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2007

1. SUMMARY OF AUDITOR'S RESULTS
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<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	CFDA #93.778: Title XIX – Medical Assistance Program CFDA #17.258, 17.259, 17.260: Workforce Investment Act
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

FINDING NUMBER 2007-001

Finding for Recovery Repaid Under Audit and Significant Deficiency

In the Mental Health and Recovery Board (the Board) voucher packet #07-243 dated May 2, 2007, a payment was made to Samaritan Behavioral Health for \$6,995. The amount per the MACSIS Remittance Summary was only \$6,695, resulting in an overpayment of \$300. This overpayment was not detected by the Mental Health and Recovery Board or Samaritan Behavioral Health before it was detected during the audit.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Samaritan Behavioral Health for \$300 and in favor of the Preble County's Community Mental Health Fund.

Samaritan Behavioral Health agreed that an overpayment had been made and refunded the \$300 to the MHRB on May 2, 2008. We recommend the Board review and approve each expenditure.

The Director and Board Members sign voucher summary sheets prior to them being sent to the County Auditor for payment. The above error was not detected by the Mental Health and Recovery Board management indicating a weakness in the bill approval process. We recommend that Mental Health and Recovery Board management take due care to review all voucher summary sheets for possible errors before submitting them for payment.

Officials' Response:

We did not receive a response from Officials regarding the finding above.

FINDING NUMBER 2007-002

Material Noncompliance/Material Weakness

Ohio Admin. Code § 117-2-01(D) states, in part, that when designing the public office's system of internal control and the specific control activities, management should consider ensuring that accounting records are properly designed, verifying the existence and valuation of assets and liabilities and periodically reconciling them to the accounting records, and performing analytical procedures to determine the reasonableness of financial data.

The County lacks management oversight in accounting for grants receivable and infrastructure. This lack of oversight is illustrated by the following:

- Grants Receivable was miscalculated at December 31, 2007 for the following funds: Human Services by (\$390,530), Community Mental Health by (\$80,586), Mental Retardation Levy by \$14,269, and Community Corrections Planning Board by \$7,282.
- Initial infrastructure values presented by the County for audit were not substantiated by sufficient documentation to support the calculations. The County was required to recreate their infrastructure records using data that could be traced to supporting documentation. The reported infrastructure balance at 12/31/07 decreased \$4,320,186 after the County recreation of the infrastructure values using supporting documentation. Also, the reported infrastructure accumulated depreciation balance increased \$980,727.

The lack of proper management oversight could result in material misstatement relating to grants receivable and infrastructure. To improve recordkeeping and accountability we recommend that the County use due care in posting financial activity to the County's financial statements. We also recommend that the County prepare infrastructure records using actual costs or estimates based on actual costs for historical data.

**FINDING NUMBER 2007-002
 (Continued)**

Officials' Response:

From Preble County Auditor:

Preble County began working with the Auditor of State, Local Government Services division, to implement our plan to incorporate existing major general infrastructure asset items to comply with GASB 34s reporting requirements. Preble supplied a rough draft to the audit team whereby the "team" determined that Preble County reports filed with the Ohio Department of Transportation would be more suitable to substantiate the dollar amounts. Utilizing the ODOT reports is what lowered the infrastructure balance and accumulated depreciation balance. The audit team requested no adjustments from LGS and the dollar amounts were confirmed as true and accurate. Preble County will continue to work together to meet compliance with GASB 34 reporting requirements. **It's my opinion that this recommendation should be removed from the final report based on information dispensed and agreeable by the Auditor of State.**

Auditor of State conclusion:

Auditor of State Bulletin 2001-008 provides guidance on the proper implementation of GASB 34. GASB 34 requires the reporting of a beginning general infrastructure asset balance to be based on reasonable assumptions using whatever documentation is currently available. Estimated historical cost may be based on currently available documentation including financial reports, bond issuance information, construction contracts and engineering report. The audit team was provided with the original list of infrastructure asset items and proceeded to perform audit procedures on these items. The original list was not supported by substantial documentation and was determined to be inaccurate. We provided the County with possible examples of spreadsheets for them to utilize to prepare their asset listing which would help them in gathering information that was supported by documentation listed above. Once the County prepared these items we were able to perform our procedures and did not have any audit adjustments. The amounts noted above were the differences between the original list and the list that was supported by proper documentation.

FINDING NUMBER 2007-003

Material Noncompliance

Ohio Revised Code, § 5705.36(A)(4), states that upon a determination by the fiscal officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the level of current appropriations, the fiscal officer shall certify the amount of the deficiency to the commission, and the commission shall certify an amended certificate reflecting the deficiency.

At December 31, 2007, estimated receipts exceeded actual receipts in the funds noted below and the amount of the deficiency reduced available resources below the level of current appropriations.

Fund	Appropriations	Beginning Unencumbered Fund Balance + Actual Receipts	Variance
Motor Vehicle & Gas Tax (Fund 002)	\$5,348,938	\$4,847,946	\$500,992
Public Assistance (Fund 006)	4,234,007	3,783,061	450,946
PCSD #2 Revenue (Fund 032)	193,552	62,188	131,364
Landfill (Fund 033)	2,997,316	2,963,305	34,011
CDBG CHIP (Fund 078)	576,331	139,700	436,631
CDBG (Fund 080)	294,919	184,928	109,991
PC Sewer District #3 (Fund 100)	162,987	109,076	53,911
Centerline/Edgeline/Striping (Fund 215)	155,000	0	155,000
CR21 Bridge Replacement (Fund 216)	200,000	0	200,000
Covered Bridge Rehab Fund (Fund 217)	2,015,300	1,000	2,014,300

**FINDING NUMBER 2007-003
(Continued)**

Failure to properly obtain amended certificates when the amount of deficiency will reduce available resources below the current level of appropriation can result in overspending and negative fund balances. However, the County's accounting system has controls in place that prevent the County from issuing checks if there is an insufficient fund balance. We recommend that the County monitor estimated and actual receipts and obtain amendments when required.

Officials' Response:

From Preble County Auditor:

Preble County does monitor the activity of all funds when including those where revenue will be lower than expected. However, this office does not always reduce the Amended Certificate of Estimated Resources when actual revenue is less than estimated revenue as a result of Technical Bulletin 97-010 issued by the Auditor of State:

The following examples illustrate circumstances under which a variance between the amended certificate of estimated resources and the actual resources is not indicative of a deleterious budgetary effect.

- 3. Actual revenue falls below the amount of the amended official certificate of estimated resources, but is sufficient to cover actual expenditures and encumbrances for the fiscal year. For example, an entity may have an amended official certificate of estimated resources in the amount \$100,000.00, actual revenues of \$90,000 and expenditures and encumbrances of \$85,000. Under such circumstances, the failure to obtain an amended certification reflecting the lowered revenue level would not be required.*

In addition, the internal controls in the county's ISSG computer accounting software has built internal controls that prevent the possibility of the county paying a bill where insufficient appropriations exist by line or if there is an insufficient cash balance. **It's my opinion that this recommendation should be removed from the final report based on prior technical information dispensed by the Auditor of State.**

Auditor of State conclusion:

While governments should utilize Auditor of State Bulletin 97-010 for technical guidance it is not all encompassing of all Ohio Revised Code sections pertaining to budgetary compliance. Governments should consult the Ohio Revised Code for all items pertaining to compliance over laws and regulations and specifically for the finding noted above Ohio Revised Code Section 5705.36 in its entirety. Our finding above addresses estimated receipts exceeding actual receipts and the appropriations greater than the unencumbered January 1, 2007 fund balance plus actual receipts. In the section of the Bulletin that the County Auditor is quoting, we would compare the actual receipts with the actual expenditures for the fiscal year. When we looked at this comparison, the variances were positive in about half of the funds; however, the Bulletin does not take into account appropriations exceeding the available resources.

FINDING NUMBER 2007-004

Material Noncompliance/Material Weakness

Ohio Admin. Code § 117-2-01(D) states, in part, that when designing the public office's system of internal control and the specific control activities, management should consider ensuring that all transactions are properly authorized in accordance with management's policies, ensuring that accounting records are properly designed, and verifying the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

The County lacked management oversight in the proper preparation of their Certificate of the Total Amount from all Sources Available for Expenditures, and Balances. This lack of oversight is illustrated by the following:

**FINDING NUMBER 2007-004
(Continued)**

- In 2007, the General Fund reported an Advance Not Repaid from the Landfill Fund in the amount of \$791,468. Even though the County intended to repay this money, Commissioners ultimately approved transfers on April 28, 1997, November 17, 1997, May 4, 1998, and November 9, 1998 rather than advances. In addition, the County recorded the transactions as transfers from the General Fund to the Landfill Fund. Furthermore the 1998 through 2005, the Certificates of the Total Amount from all Sources Available for Expenditures, and Balances did not include Advances Not Repaid.

Failure to properly prepare the Certificate of the Total Amount Available from All Sources Available for Expenditures, and Balances can result in over appropriation and negative fund balances. We recommend that advance and transfer activity be properly presented and disclosed. To improve accountability, we recommend that the County use due care in preparing the Certificate of the Total Amount from All Sources Available for Expenditures, and Balances.

Officials' Response:

From Preble County Board of Commissioners:

The Board of Preble County Commissioners is in the process of petitioning the Court of Common Pleas for a payment plan for the repayment of monies in the amount of \$791,467.50 from the Preble County Sanitary Landfill to the Preble County General Fund. (Reference – Preble County Commission Resolution #267-97-79 dated April 28, 1997, #681-97-81 dated November 17, 1997, #318-98-82 dated May 4, 1998 and #723-98-85 dated November 9, 1998). Ohio Revised Code Section 5705.16 is referenced on the procedure to be used to seek said repayment.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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None.

Preble County, Ohio

Comprehensive Annual Financial Report

For The Year Ended December 31, 2007

Issued by:
County Auditor's Office

Mindy S. Robbins
Preble County Auditor

PREBLE COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2007

Table of Contents

INTRODUCTORY SECTION

Table of Contents	i
Letter of Transmittal	v
GFOA Certificate of Achievement	ix
List of Elected Officials	x
Organization Chart.....	xi

FINANCIAL SECTION

Independent Accountants' Report	1
---------------------------------------	---

Management's Discussion and Analysis	3
--	---

Basic Financial Statements

Government-Wide Financial Statements:

Statement of Net Assets	17
-------------------------------	----

Statement of Activities.....	18
------------------------------	----

Fund Financial Statements:

Balance Sheet – Governmental Funds	20
--	----

Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities	22
--	----

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	24
--	----

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	26
---	----

Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis) – General Fund.....	27
--	----

PREBLE COUNTY, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2007

Table of Contents
 (Continued)

Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis) – Motor Vehicle and Gas Tax Fund.....	28
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis) – Human Services Fund.....	29
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis) – Community Mental Health Fund	30
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis) – Mental Retardation Levy Fund.....	31
Statement of Fund Net Assets – Proprietary Funds.....	32
Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Funds.....	33
Statement of Cash Flows – Proprietary Funds.....	34
Statement of Fiduciary Net Assets – Fiduciary Funds	36
Statement of Changes in Fiduciary Net Assets – Private Purpose Trust Fund.....	37
Notes to the Basic Financial Statements.....	38
Combining Financial Statements and Individual Fund Schedules:	
Combining Statements – Nonmajor Governmental Funds:	
Nonmajor Fund Descriptions.....	82
Combining Balance Sheet – Nonmajor Governmental Funds.....	84
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	85
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	86

PREBLE COUNTY, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2007

Table of Contents
 (Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	88
Combining Balance Sheet – Nonmajor Capital Projects Funds	90
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	92
Combining Statements – Agency Funds:	
Agency Fund Descriptions.....	94
Combining Statement of Changes in Assets and Liabilities – Agency Funds	97
Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes in Fund Balance/Fund Equity – Budget and Actual (Budget Basis):	
Major Funds:	
General Fund.....	102
Motor Vehicle and Gas Tax Fund.....	108
Human Services Fund.....	109
Community Mental Health Fund	110
Mental Retardation Levy Fund.....	111
Sewer Fund	112
Landfill Fund	113
Nonmajor Funds:	
Children Services Fund.....	114
Other Legislative and Executive Fund.....	115
Other Judicial Fund.....	116
Other Public Safety Fund.....	117
Other Public Works Fund	118
Other Health Fund	119

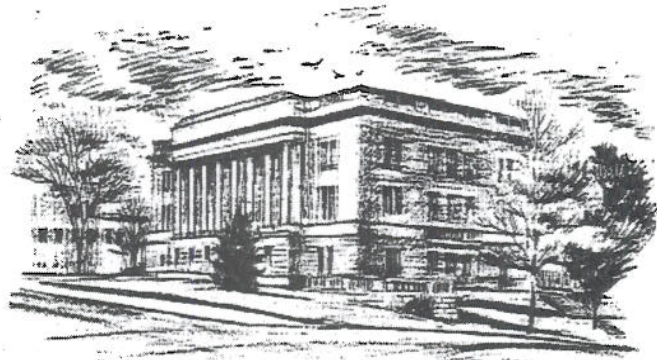
PREBLE COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2007

Table of Contents
(Continued)

Other Human Services Fund.....	120
Other Community and Economic Development Fund.....	121
General Obligation Bond Retirement Fund.....	122
Permanent Improvement Fund.....	123
Building Construction Fund.....	124
Ditch and Guardrail Construction Fund.....	125
Road and Bridge Construction Fund	126
Employees Health Insurance Fund	127

STATISTICAL SECTION

Statistical Tables Description	129
Net Assets by Component – Last Six Years	130
Changes in Net Assets – Last Five Years	132
Program Revenues by Function/Program – Last Five Years.....	136
Fund Balances – Governmental Funds – Last Ten Years.....	138
Changes in Fund Balances – Governmental Funds – Last Ten Years.....	140
Sales Tax Collections by Industry (Category) – December 31, 2007 and 2006.....	142
Computation of Direct and Overlapping Governmental Activities Debt	143
Computation of Legal Debt Margin – Last Ten Years	144
Ratio of Outstanding Debt to Total Personal Income and Debt per Capita – Last Ten Years.....	146
Ratio of General Obligation Bonded Debt to Estimated True Value and Bonded Debt per Capita – Last Ten Years	148
Pledged Revenue Coverage – Last Two Years.....	150
Principal Employers – 2007 and 2006.....	152
Demographic and Economic Statistics – Last Ten Years.....	153
Capital Asset Statistics by Function/Program – Last Six Years.....	154
Operating Indicators by Function/Program – Last Six Years.....	158
County Employees by Function/Program – Last Two Years	162



*Preble County Courthouse
Eaton, Ohio*

Preble County Auditor **MINDY S. ROBBINS**

Courthouse, 2nd Floor
101 East Main Street
Eaton, Ohio 45320

Phone: (937) 456-8148

Fax: (937) 456-8108

September 22, 2008

The Citizens of Preble County and
Preble County Board of Commissioners
100 East Main Street
Eaton, Ohio 45320

As Auditor of Preble County, I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of Preble County for the year ended December 31, 2007. The CAFR contains the required financial statements and other financial and statistical information and conforms to generally accepted accounting principles (GAAP) as applicable to governmental entities, and represents a significant achievement brought about by the combined efforts of many County departments. The CAFR provides complete and full disclosure of all material financial aspects of Preble County ("the County").

State law requires that every general-purpose local government file financial statements with the Auditor of State of Ohio and publish notice of their availability within 150 days of the close of each year. The basic financial statements from this report were filed to fulfill that requirement for the year ended December 31, 2007. The County has elected to prepare and publish a CAFR in the belief that the additional data contained in the report provides important information that helps a reader understand more fully the financial condition of the County.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the work of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The Office of the Auditor of State Mary Taylor has issued an unqualified ("clean") opinion on Preble County's financial statements for the year ended December 31, 2007. The Auditor of State's Independent Accountants' Report is located at the front of the financial section of this report.

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

THE COUNTY

The County was formed by an Act of the Ohio General Assembly on February 15, 1808, and was named for Revolutionary War Naval Commander Edward Preble.

The elected three-member Board of County Commissioners functions as both the legislative and the executive branch of the County. Each Commissioner serves a four-year term. In addition to the County Auditor, who serves as chief fiscal officer, there are seven elected administrative officials, each of whom operate independently as set forth by Ohio law. These officials are: Treasurer, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Recorder, and Sheriff. These elected officials serve four-year terms. The Common Pleas Court - Domestic Relations Court Judge and the Juvenile Court - Probate Court Judge are elected on a County-wide basis to oversee the County's judicial system. Judges are elected to six-year terms.

Reporting Entity and Services

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that 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 Preble County, this includes the Preble County Board of Mental Retardation and Developmental Disabilities, Preble County Community Development, and the departments and activities that are directly operated by the elected County officials. The County also operates and maintains a wastewater treatment system and a landfill.

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

The Preble County Library Board and the Preble Metropolitan Housing Authority were determined to be related organizations of the County. The Preble County Emergency Management Agency was determined to be a joint venture and the County Risk Sharing Authority, Inc. was determined to be a risk sharing pool. The West Central Ohio Network was determined to be a jointly governed organization. The County Commissioners' Association of Ohio Workers' Compensation Group Rating Plan provided by The County Commissioners' Association of Ohio Service Corporation (CCAOSC) was determined to be an insurance purchasing pool.

Annual Budget

The annual budget serves as the foundation for the County's financial planning and control. The budget is prepared at the object level. Therefore, transfers between objects need approval from the County Commissioners.

LOCAL ECONOMY

The County is an agriculturally rich county, with approximately 71 percent or 195,000 acres of County land used for agriculture. The County currently produces corn and soybeans. Ohio Agriculture Statistics for 2007 state that the 1,030 farms in the County average 190 acres per farm. The average corn yield in 2006 was approximately 176 bushels per acre, with soybeans averaging approximately 47.0 bushels per acre.

The County's location and transportation routes have contributed greatly to growth in population and industry. The County is conveniently located near State Route 127 and Interstate 70. The County's financial base includes a diverse range of manufacturing and utility companies. The County population has risen nearly 70 percent since 1940; that is well ahead of the pace of most of the Midwest and Ohio.

The County has a mixed economic outlook as some manufacturing companies continuing to expand their facilities in the County including Iams Company (pet foods) and Henny Penny Corporation (food service equipment). Other manufacturing companies like North American Nutrition (feed and trucking), Neaton Auto Products (auto parts), and Parker Hannifin Corporation (hydraulic fittings manufacturer) saw they employment numbers decrease in 2008.

MAJOR INITIATIVES

Landfill

The financial stability of the Preble County Landfill continued to improve during 2007. In general, it was determined that most County residents were in favor of using the landfill only for Preble County waste. The user charges for all improved parcels of property were increased in 2004 to ensure financial stability. No increases were necessary during 2007.

Geographical Information System

The County implemented a fully functional Geographical Information System (GIS). The Preble County GIS was awarded the 2001 Best Practice Award by the Ohio Geographically Referenced Information Program which is a State office made to oversee County GIS programs in the State of Ohio.

With the completion of the County's digital tax maps, geographic positioned road centerlines, digital pictures of structures, geographic located addresses, and digital aerial photography, the hope is to help save lives by giving dispatchers a map tool to speed response time. The Auditor uses the GIS to more accurately tax property, and the Engineer will use the GIS to help with road and bridge maintenance and planning. Additionally, many other County departments, Villages, and the City of Eaton use the GIS for various purposes.

AWARDS

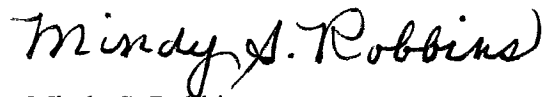
The County prepared its first CAFR in 1988 in accordance with the program guidelines for the Certificate of Achievement for Excellence in Financial Reporting (Certificate) awarded by the Government Finance Officers Association of the United States and Canada (GFOA). Each annual report must satisfy both generally accepted accounting principles and disclose applicable legal compliance requirements. The County has been awarded the Certificate for the years ended December 31, 1988 – 2006.

A Certificate of Achievement is valid for one year. We believe that our current report continues to conform to the Certificate of Achievement program requirements; thus, we are submitting it to GFOA for review.

ACKNOWLEDGMENTS

The preparation of the CAFR was made possible by the dedicated service of the entire staff of the County Auditor's office. I would also like to express my appreciation to the County Board of Commissioners and all other County Departments for their support in the preparation of this Comprehensive Annual Financial Report.

Sincerely,

A handwritten signature in black ink that reads "Mindy S. Robbins". The signature is written in a cursive, flowing style.

Mindy S. Robbins
Preble County Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Preble County
Ohio

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

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



Oliver S. Cox

President

Jeffrey R. Emer

Executive Director

PREBLE COUNTY, OHIO

ELECTED OFFICIALS

DECEMBER 31, 2007

Board of County Commissioners

David Wesler
William B. Withrow
Jane Marshall

Auditor

Mindy S. Robbins

Clerk of Common Pleas Court

Christopher B. Washington

Coroner

Dr. John Vosler

Common Pleas Court

David Abruzzo – General
Wilfred G. Dues – Probate and Juvenile

Engineer

J. Stephen Simmons

Prosecuting Attorney

Martin P. Votel

Recorder

William J. Spahr

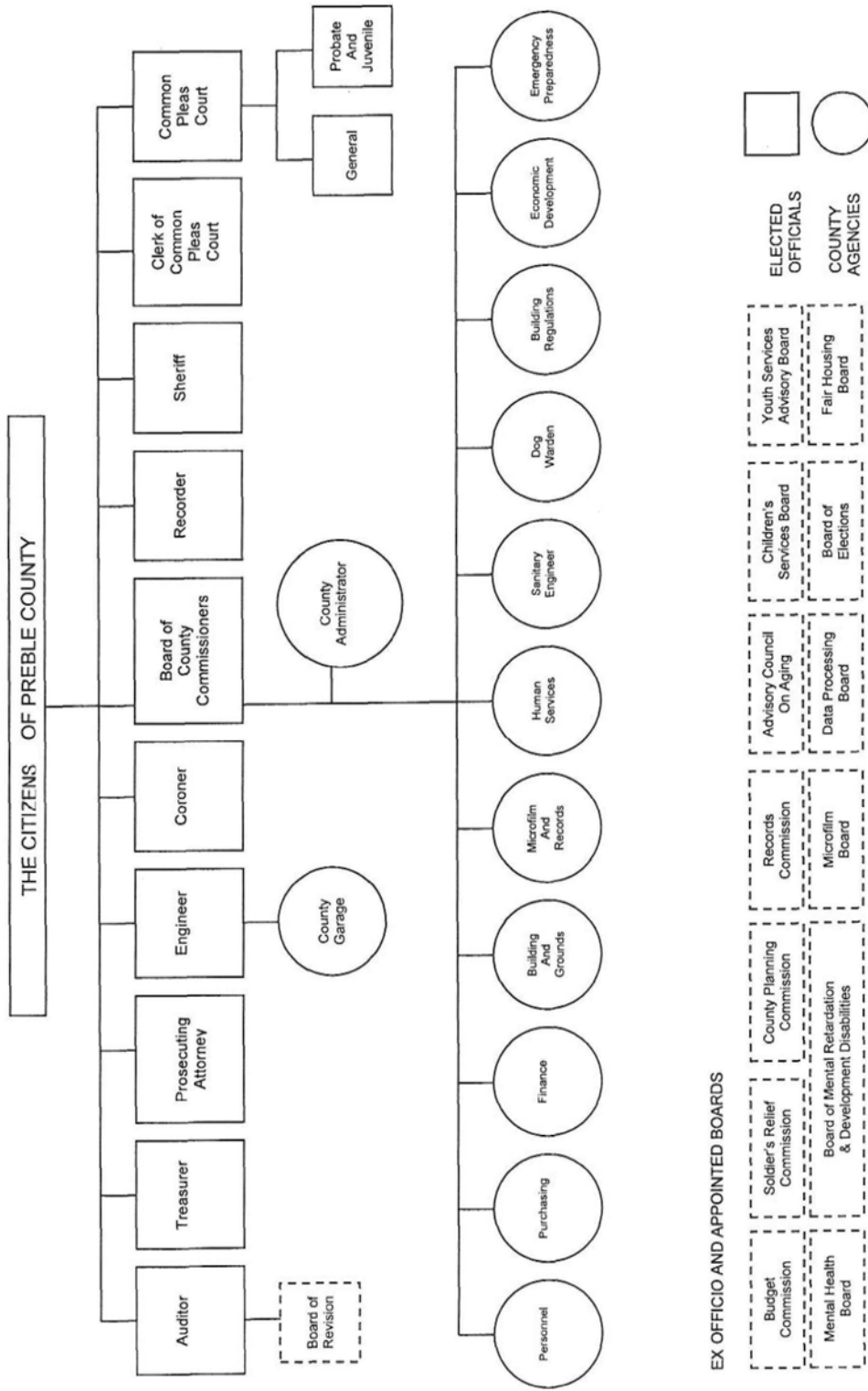
Sheriff

Michael L. Simpson

Treasurer

Brenda K. White

PREBLE COUNTY GOVERNMENT ORGANIZATION CHART



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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Preble County
100 East Main Street
Eaton, Ohio 45320

To the County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of Preble County, Ohio (the County), as of and for the year ended December 31, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of Preble County, Ohio, as of December 31, 2007, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Motor Vehicle and Gas Tax, Human Services, Community Mental Health, and Mental Retardation Levy funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Landfill fund had an accumulated deficit of \$713,031 as of December 31, 2007. This deficit and management's plan in regard to this matter is described in Note 5 to the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2008, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

We conducted our audit to opine on the financial statements that collectively comprise the County's basic financial statements. The introductory, combining and individual non-major 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 and individual non-major 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 and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

September 22, 2008

**PREBLE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED**

The discussion and analysis of Preble County's financial performance provides an overall review of the County's financial activities for the year ended December 31, 2007. The intent of this discussion and analysis is to look at the County's financial performance as a whole. Readers should also review the transmittal letter, and the basic financial statements to enhance their understanding.

FINANCIAL HIGHLIGHTS

1. The assets of the County's governmental activities exceeded its liabilities at the close of the year ended December 31, 2007, by \$37,809,394 (net assets).
2. The County's total governmental activities net assets increased by \$1,099,706, which represents a 2.99 percent increase from 2006.
3. At the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$9,091,953, a decrease of \$246 from the prior year. Of this amount, \$8,569,641 is unreserved, undesignated.
4. At the end of the current year, unreserved fund balance for the General Fund was \$2,036,578, which represents a 5.21 percent decrease over the prior year, and represents 20.86 percent of total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis introduces you to Preble County's basic financial statements, which are made up of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. Other supplementary information is also contained within this report, including the combining financial statements, individual fund schedules, and statistical information.

Government-wide Financial Statements

Preble County's government-wide financial statements include a Statement of Net Assets and a Statement of Activities, which report on the financial activities of the Preble County government as a whole, giving the reader a summary of County finances with a view of the bottom-line results of the County's operations.

Additionally, these statements are prepared using the economic resources measurement focus and the accrual basis of accounting, similar to financial statements prepared in the private sector. As a result, all assets and liabilities of the County are accrued, and revenues and expenses are reported in the current year regardless of when the resulting cash flows occur.

**PREBLE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED**

The County's financial activities are identified in the government-wide financial statements as governmental activities or business-type activities. Governmental activities constitute the majority of the County's operations and are financed primarily by operating grants, taxes, charges for services, capital grants, and other intergovernmental revenues. The County's governmental activities are accounted for in the governmental funds and are classified in the following major functions:

Legislative and Executive – general government operations including the offices of the commissioners, auditor, treasurer, prosecutor, recorder, budget commission, the data processing department, the rural zoning department, the board of elections, the maintenance department, and the microfilm department.

Judicial – court related activities including the operations of the common pleas court, probate court, juvenile court, common pleas referee, municipal court, jury commission, adult probation department, court of appeals, law library, and clerk of courts.

Public Safety – activities associated with the protection of the public including the sheriff's operations, office of the coroner, building regulations, workhouse and disaster services.

Public Works – activities associated with maintaining County roads and bridges and sanitation and drainage systems.

Health – activities related to serving the public health, including activities provided by the dog warden, the Board of Mental Retardation and Developmental Disabilities, the Mental Health Board, and the Alcohol and Drug Addiction Services Board.

Human Services – activities related to the provisions of various forms of services and assistance to individuals, children and families, including services provided by the Veteran's Services Board, Children Services Board, Child Support Enforcement Agency, and the Department of Job and Family Services.

Business-type activities are those activities accounted for in enterprise funds, including the County's sewer and landfill. Business-type activities rely on user fees and other charges to wholly, or to a large extent, fund their operations.

The Statement of Net Assets reports all assets and liabilities of the County, with net assets being the difference between the two. This statement is useful when evaluating the financial condition of the County. Monitoring the changes to net assets over time is one indication of whether the County's financial condition is improving or deteriorating.

**PREBLE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED**

The Statement of Activities reports, for the current year, the changes to the County's net assets, which is the difference between revenues and expenses. However, the format of this statement departs from a more traditional "revenues less expenses equals change in net assets" format you may see in the private sector.

Generally, private sector goals are to generate income, or simply put, maximize revenues. As such, private sector operating statements present revenues first. Expenses, which reduce revenues, are presented next as a deduction against those revenues.

Public sector goals are different in that servicing the needs of the citizens, or spending, is what drives the financial activities and dictates the level of resources that are required to be raised.

In the County's Statement of Activities, resources used to fund service activities are identified as either program revenues (resources obtained from outside the County, such as fees, charges for services, grants and restricted interest) or general revenues (all non-program revenues, including taxes). Preble County operations have also been classified into distinct governmental or business-type service activities. These activities are reported in a format that allows the reader to see the extent to which each activity is supported or self-financed by program revenues or draws on the general resources of the County. The Statement of Activities is therefore useful in assessing the level of self-sufficiency of the various governmental or business-type activities versus management established performance benchmarks.

The financial activities of L & M Products, Inc., a component unit of the County, are presented in a separate column on the Statement of Net Assets, and as a separately identified activity on the Statement of Activities. While the County provides a significant amount of services and resources to L & M Products, Inc., this discrete presentation is made in order to emphasize that it is a legally separate organization from Preble County. However, the focus of the government-wide financial statements remains clearly on Preble County as the primary government.

The government-wide financial statements begin on page 17 of this report.

Fund Financial Statements

A fund is an accounting term referring to a segregated group of accounts used to account for and to assist with the management of financial resources received. Various funds may be established to account for specific activities or objectives of the County, and to demonstrate compliance with finance related legal requirements associated with those resources.

**PREBLE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED**

Fund financial statements report additional and more detailed information about the County with an emphasis on major funds. Major funds are those governmental or enterprise funds that have been determined to be the most significant based on a defined set of financial criteria, as well as any other funds deemed to be particularly important to readers because of public interest or to ensure consistency between years. Information is presented separately in the fund financial statements for each of the major funds. Information for all nonmajor funds is aggregated and presented in a separate column of the fund financial statements. Detailed data for each of the nonmajor funds are provided in the combining statements and individual fund schedules that follow the basic financial statements.

All funds of Preble County are classified into one of three fund categories: governmental, proprietary, or fiduciary.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements, but use a different measurement focus. Governmental fund financial statements are prepared using the current financial resources measurement focus and modified accrual basis of accounting, a short-term view focusing on the flow of monies into and out of the funds and the year-end balances available for near-future spending. This is in contrast to the government-wide financial statements that incorporate a longer-term focus. A reconciliation included in the governmental fund financial statements compares the governmental funds' information with the governmental activities' information as reported in the government-wide financial statements.

Most of the County's services are reported in governmental funds, the following of which are considered major funds: General, Motor Vehicle and Gas Tax, Human Services, Community Mental Health, and Mental Retardation Levy. The basic governmental fund financial statements begin on page 20 of this report.

Proprietary Funds. The County uses two types of proprietary funds - enterprise funds and an internal service fund. Since the proprietary fund financial statements are prepared using the same measurement focus and basis of accounting as the government-wide financial statements, they provide the same type of information, only in greater detail.

Enterprise funds are used to account for the County's sewer and landfill operations, which are the business-type activities as reported in the government-wide financial statements. The internal service fund is used to account for the financing of services provided by one department to other departments in the County on a cost-reimbursement basis. The County used an internal service fund to account for its self-insurance of employee health benefits program. During 2004 the County terminated its self-insurance plan. The activity in this fund is limited to settling prior claims. Since this program mostly benefits governmental rather than business functions, it has been included in the governmental activities in the government-wide financial statements. The basic proprietary fund financial statements begin on page 32 of this report.

**PREBLE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED**

Fiduciary Funds. Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for outside parties and are accounted for in a manner similar to proprietary funds. Fiduciary funds are not presented in the government-wide financial statements as their resources are not available to support the County's governmental or business-type activities. The fiduciary fund financial statements begin on page 36 of this report.

Notes to the Financial Statements

The notes to the financial statements are an integral part of the basic financial statements, providing additional important disclosures essential for a complete understanding of the financial data reported in the government-wide and fund financial statements. The notes to the financial statements begin on page 38 of this report.

Summary

To summarize, the government-wide financial statements report the County's activities as a whole, using a longer-term, economic resources measurement focus while the fund financial statements report financial activities in more detail, with a shorter-term focus and emphasis on major funds. More simply, the primary focus of government-wide financial statements is demonstrating *operational accountability*, while the primary focus of fund financial statements is *fiscal accountability*. Preble County management believes these basic financial statements provide the reader with the best information yet available to assess the level of the County's fiscal and operational accountability, both near-term and long-term.

THE COUNTY AS A WHOLE

As stated previously, the Statement of Net Assets looks at the County as a whole. Table 1 provides a summary of the County's net assets for 2007 compared to 2006.

**PREBLE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED**

Table 1
Net Assets

	Governmental Activities		Business-Type Activities		Totals	
	Restated		Restated		Restated	
	2007	2006	2007	2006	2007	2006
Assets						
Current and Other						
Assets	\$19,637,913	\$19,487,665	\$3,836,476	\$3,252,518	\$23,474,389	\$22,740,183
Capital Assets	26,976,068	26,934,993	2,904,362	3,051,598	29,880,430	29,986,591
Total Assets	46,613,981	46,422,658	6,740,838	6,304,116	53,354,819	52,726,774
Liabilities						
Long-Term Liabilities	3,454,153	3,962,769	6,580,584	6,594,959	10,034,737	10,557,728
Other Liabilities	5,350,434	5,750,201	234,471	131,798	5,584,905	5,881,999
Total Liabilities	8,804,587	9,712,970	6,815,055	6,726,757	15,619,642	16,439,727
Net Assets						
Invested in Capital						
Assets, Net of						
Related Debt	24,054,312	23,287,136	1,991,649	2,028,143	26,045,961	25,315,279
Restricted						
Other Purposes	10,410,880	9,670,381	0	0	10,410,880	9,670,381
Debt Service	380,544	442,868	0	0	380,544	442,868
Capital Projects	230,373	318,244	0	0	230,373	318,244
Unrestricted (Deficit)	2,733,285	2,991,059	(2,065,866)	(2,450,784)	667,419	540,275
Total Net Assets (Deficit)	\$37,809,394	\$36,709,688	(\$74,217)	(\$422,641)	\$37,735,177	\$36,287,047

Government-wide Financial Analysis

Total net assets increased \$1,448,130 as net assets of the County's governmental activities increased by \$1,099,706 with the majority of this (69.76 percent) increase in invested in capital assets net of related debt and the remainder in restricted and unrestricted net assets. Invested in capital assets, net of related debt increased by \$767,176, due mainly to the County making annual debt payments which reduces total debt outstanding at year-end. The remaining increase in governmental activities' net assets was due to the County continually monitoring the budget to ensure expenses do not exceed revenues. The debt payments made by the County during 2007 also was the main cause of liabilities decreasing by \$908,383.

For governmental activities, overall governmental activities assets increased \$191,323 with current assets increasing \$150,248 and capital assets increasing \$41,075. The main increase in current assets was due from other governments which stemmed from an increase in grants receivable from 2006 which is the result of when grant money is received.

**PREBLE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED**

The net assets of the County's business-type activities increased by \$348,424 during 2007 and \$686,486 during 2006. Although net assets increased during 2007, the increase was half of the increase during 2006. During 2006 the Landfill Fund received a large prepayment that was for 2007 services causing the 2006 increase to be larger than the 2007 increase. Current assets increased by \$583,958, due primarily to the increase in cash from revenues exceeding expenses.

Table 2 shows the changes in net assets for the years ended December 31, 2007 and 2006.

**Table 2
Changes in Net Assets**

	Governmental Activities		Business-Type Activities		Totals	
	2007	2006	2007	2006	2007	2006
Revenues						
Program Revenues:						
Charges for Services	\$3,909,637	\$3,675,176	\$2,859,643	\$3,343,877	\$6,769,280	\$7,019,053
Operating Grants, Contributions, and Interest	14,686,107	13,970,105	0	5,000	14,686,107	13,975,105
Capital Grants, Contributions, and Interest	1,065	260,075	0	0	1,065	260,075
Total Program Revenues	18,596,809	17,905,356	2,859,643	3,348,877	21,456,452	21,254,233
General Revenues:						
Property Taxes	3,987,225	3,946,840	0	0	3,987,225	3,946,840
Permissive Sales Tax	4,383,637	4,388,892	0	0	4,383,637	4,388,892
Grants and Entitlements	1,061,662	1,176,909	0	0	1,061,662	1,176,909
Unrestricted Investment Earnings	770,366	772,727	30,969	29,813	801,335	802,540
Gifts and Donations	0	1,000	0	0	0	1,000
Gain on Sale of Capital Assets	0	115,448	0	0	0	115,448
Other	438,358	702,365	0	0	438,358	702,365
Total General Revenues	10,641,248	11,104,181	30,969	29,813	10,672,217	11,133,994
Total Revenues	29,238,057	29,009,537	2,890,612	3,378,690	32,128,669	32,388,227
Program Expenses						
General Government						
Legislative and Executive	3,784,009	3,697,499	0	0	3,784,009	3,697,499
Judicial	1,974,106	2,021,664	0	0	1,974,106	2,021,664
Public Safety	5,014,603	4,249,767	0	0	5,014,603	4,249,767
Public Works	4,119,893	4,490,494	0	0	4,119,893	4,490,494
Health	2,919,999	2,241,353	0	0	2,919,999	2,241,353
Human Services	\$9,264,187	\$9,019,385	\$0	\$0	\$9,264,187	\$9,019,385

(continued)

**PREBLE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED**

Table 2
Changes in Net Assets
(continued)

	Governmental Activities		Business-Type Activities		Totals	
	2007	2006	2007	2006	2007	2006
Community and Economic Development	\$573,201	\$817,789	\$0	\$0	\$573,201	\$817,789
Intergovernmental	314,533	275,454	0	0	314,533	275,454
Interest and Fiscal Charges	173,820	174,629	0	0	173,820	174,629
Sewer	0	0	89,182	52,190	89,182	52,190
Landfill	0	0	2,453,006	2,602,014	2,453,006	2,602,014
Total Expenses	<u>28,138,351</u>	<u>26,988,034</u>	<u>2,542,188</u>	<u>2,654,204</u>	<u>30,680,539</u>	<u>29,642,238</u>
Change in Net Assets	1,099,706	2,021,503	348,424	724,486	1,448,130	2,745,989
Net Assets (Deficit) at Beginning of Year	<u>36,709,688</u>	<u>34,688,185</u>	<u>(422,641)</u>	<u>(1,147,127)</u>	<u>36,287,047</u>	<u>33,541,058</u>
Net Assets (Deficit) at End of Year	<u>\$37,809,394</u>	<u>\$36,709,688</u>	<u>(\$74,217)</u>	<u>(\$422,641)</u>	<u>\$37,735,177</u>	<u>\$36,287,047</u>

Governmental Activities

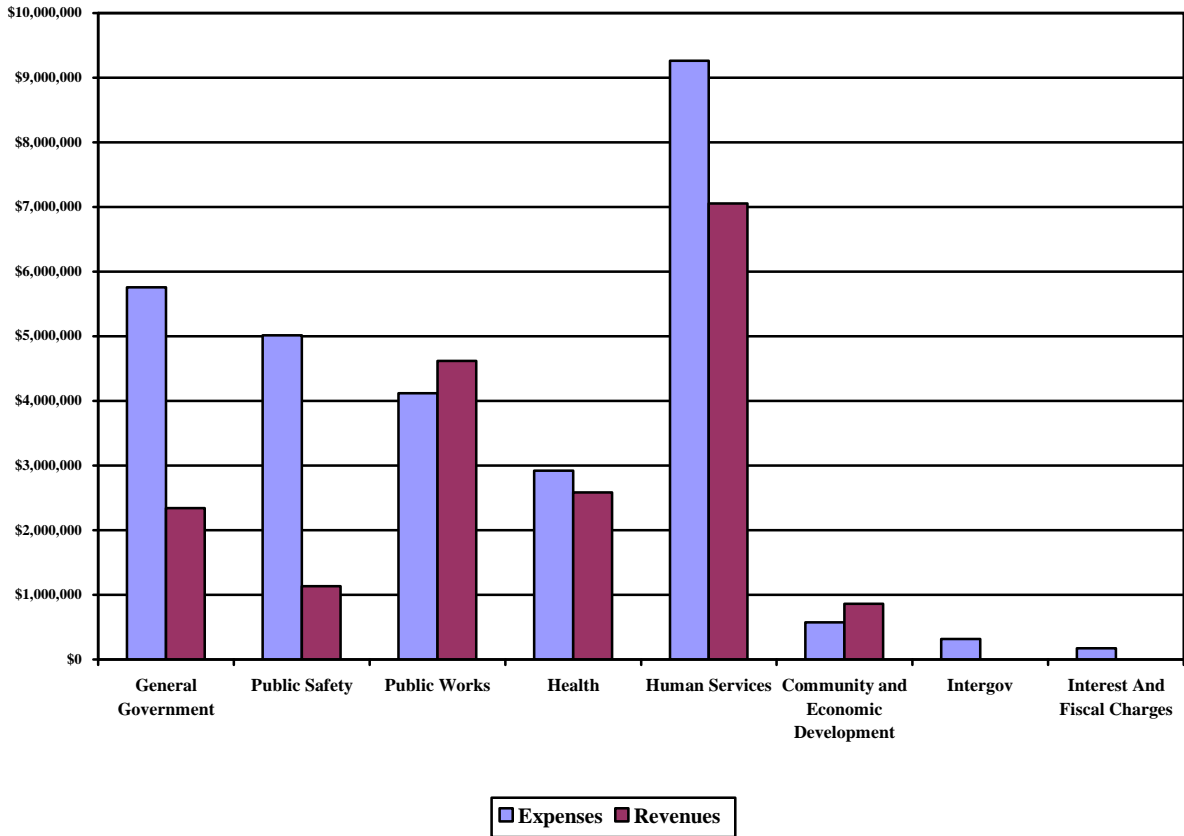
The County's governmental activities expenses exceeded program revenues in 2007 by \$9,541,542 and, with an infusion of \$10,641,248 of general revenues, resulted in a \$1,099,076 increase to net assets. Total net assets used in governmental activities have now increased to \$37,809,394. General government expenses of \$5,758,115 represent 20.46 percent of total governmental activity expenses.

Total revenues increased by less than one percent over 2006, a total increase of \$228,520. The main increase was in operating grants, contributions, and interest which was primarily due to additional community and economic development money being received as additional projects are planned.

Total expenses increased \$1,150,317 or 4.26 percent over 2006. The main increases were in public safety, health, and human services, primarily the result of personal service increases associated with pay increases and health care cost increases.

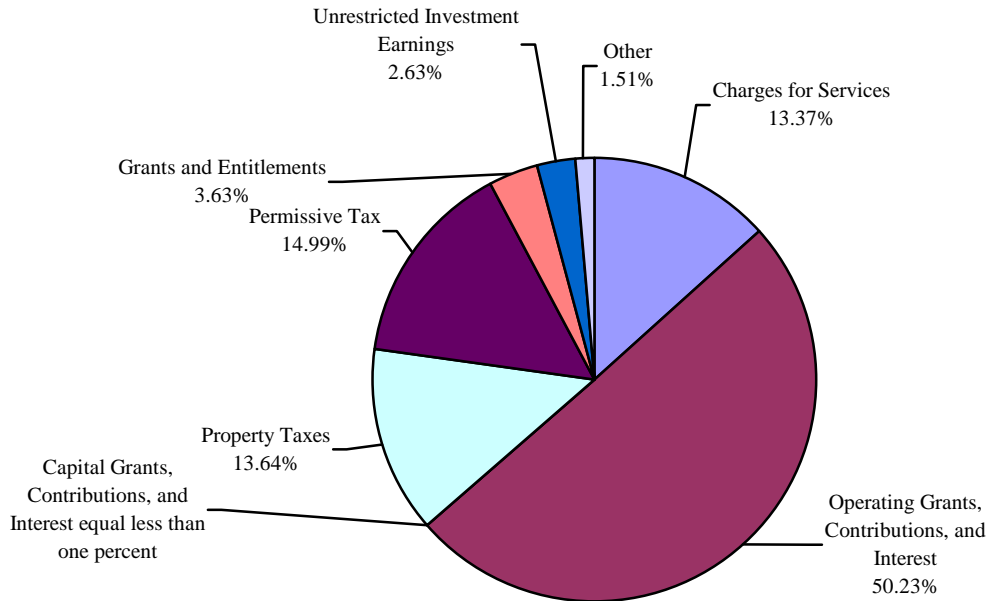
**PREBLE COUNTY, OHIO
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE YEAR ENDED DECEMBER 31, 2007
 UNAUDITED**

Table 3
 Expenses and Program Revenues - Governmental Activities - 2007



**PREBLE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED**

Table 4
Revenues by Source - Governmental Activities



Business-type Activities

The County's sewer and landfill system operations constitute the only business-type activities. Net assets of the business-type activities increased \$348,424 in 2007, an 82.44 percent increase over 2006. As mentioned previously, revenues decreased from 2006 and this was offset by a decrease in expenses as the County tightly monitors the Landfill budget causing net assets to increase. Net assets have been steadily increasing since 2004, when the County began charging the user charge on each residential dwelling and commercial and industrial property located within the County, and this increase continued in 2007.

FUND ANALYSIS

As mentioned above, various funds have been established to account for specific County activities or objectives. A summary of the most significant fiscal activity in the County's funds follows.

**PREBLE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED**

Governmental Funds: The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unreserved fund balance may serve as a useful measure of the County's net resources available for spending at the end of the year. At the end of 2007, the County's governmental funds reported combined ending fund balances of \$9,091,953, a decrease of \$246. Approximately 94.26 percent of this total amount, \$8,569,641, constitutes unreserved fund balance. The remainder of fund balance \$522,312 is reserved to indicate that it is not available for new spending because it has already been committed to either liquidate purchase orders of the prior period.

The General Fund is the chief operating fund of the County. At the end of the current year, unreserved fund balance of the General Fund was \$2,036,578, while the total fund balance decreased by \$166,262 to \$2,165,447. The decrease was primarily due to an increase in transfers out to supplement other funds as well as increases in expenditures mainly for personal services. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 20.86 percent of total General Fund expenditures, while total fund balance represents 22.18 percent of that same amount.

The Motor Vehicle and Gas Tax Fund increased by \$85,159, leaving a balance of \$555,710. The increase in fund balance was mainly due to a decrease in public works expenditures for County road and bridge repair and improvement programs compared to 2006.

The Human Services Fund decreased by \$163,853 leaving a deficit balance of \$92,492. The deficit fund balance is the result of accruals, mainly accounts payable and the Electronic Documentation Data Equipment note. Despite the negative fund balance, the Human Services Fund has a cash balance at December 31, 2007 of \$207,351.

The Community Mental Health Fund revenues exceeded expenditures, increasing the year-end fund balance by \$183,326 to \$1,402,481. The increase was primarily due to the County receiving additional funding during the year as well as holding expenditures under revenues.

The Mental Retardation Levy Fund expenditures exceeded revenues decreasing the year-end fund balance by \$247,497 to \$2,054,159. The main reason for the decrease was due to the timing of when receivables are received and recorded as revenue. Deferred revenue increased by \$371,427 from 2006 as the receivables increased by \$289,351. Therefore, \$82,076 of additional revenue was recorded in 2006 as opposed to 2007, where it was recorded as deferred revenue.

Proprietary Funds: The proprietary funds' financial statements provide the same information as seen in the government-wide financial statements only in more detail. A summary of financial activity occurring in the Landfill and Sewer Enterprise Funds follows.

**PREBLE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED**

Operating results for the County-owned landfill were favorable in 2007, largely due to support by user charges. After many public meetings were held and options taken into account, in general, it was determined that most County residents were in favor of using the landfill only for Preble County waste. The charge for all parcels with either residences or businesses has been increased to ensure financial stability. Each year the County will review and determine the charge to users. The County strives to control operating expenses for business-type activities in order to maintain stability in charges for services.

GENERAL FUND BUDGET ANALYSIS

The County's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of receipts, disbursements and encumbrances. The County's budget is adopted at the object level (personal services, materials and supplies, charges and services, capital purchases, and other). Before the budget is adopted the County Commissioners review detailed budget worksheets of each function within the General Fund and then adopt the budget on an object level basis.

The General Fund's original budgeted revenues were \$9,793,440. The final budgeted amount was \$9,843,421, a less than one percent increase. Actual revenues increased \$357,604 overall from final budgeted revenues. One of the primary reasons can be contributed to the County receiving more interest revenue from investments. Property taxes actually received were also higher than expected as was local government monies from the State.

During 2007, there were numerous revisions to the General Fund's budgeted expenditures. The net effect of the revisions was an increase in budgeted expenditures of \$183,107 from \$10,195,949 to \$10,379,056. Actual expenditures, however, still showed a decrease of \$271,561 from final appropriations as the County continued to strive to reduce costs.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Preble County's total investment in capital assets for governmental and business-type activities (net of accumulated depreciation) amounts to \$26,976,068 and \$2,904,362, a decrease from 2006.

**PREBLE COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED**

Table 5
Capital Assets

	Governmental Activities		Business-Type Activities		Totals	
	Restated		2007	2006	2007	Restated 2006
	2007	2006				
Land	\$2,039,414	\$2,039,414	\$452,313	\$452,313	\$2,491,727	\$2,491,727
Buildings, Structures, and Improvements	8,363,989	8,473,324	729,899	810,280	9,093,888	9,283,604
Furniture, Fixtures, and Equipment	3,150,529	3,160,702	1,159,416	1,220,470	4,309,945	4,381,172
Sewer Lines and Manholes	13,422,136	13,261,553	562,734	568,535	13,984,870	13,830,088
Totals	<u>\$26,976,068</u>	<u>\$26,934,993</u>	<u>\$2,904,362</u>	<u>\$3,051,598</u>	<u>\$29,880,430</u>	<u>\$29,986,591</u>

The restatement of Governmental Activities capital assets was the result of the requirement of the County to report prior years' infrastructure. Overall capital assets decreased \$106,161 due to current year depreciation expenses exceeding additions. See Note 10 of the notes to the basic financial statements for more detailed information.

Debt

At December 31, 2007, Preble County had \$6,907,338 in long-term debt outstanding.

Table 6
Outstanding Debt at Year-end

	Governmental Activities		Business-Type Activities	
	2007	2006	2007	Restated
				2006
Long-Term Notes	\$542,642	\$800,642	\$0	\$0
General Obligation Bonds	2,040,145	2,423,296	2,837,727	3,020,251
Loans Payable	0	0	912,713	966,105
Capital Lease	158,165	34,954	0	0
Totals	<u>\$2,740,952</u>	<u>\$3,258,892</u>	<u>\$3,750,440</u>	<u>\$3,986,356</u>

All general obligation note issues will be paid through the Debt Service Fund with property tax revenues and transfers from various funds. The County's overall legal debt margin was \$18,351,904 as of December 31, 2007. The more restrictive unvoted legal debt margin was \$7,904,762 as of the same date. See Note 16 of the notes to the basic financial statements for more detailed information.

CONTACTING THE COUNTY AUDITOR'S OFFICE

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Preble County Auditor, 100 East Main Street, Eaton, Ohio 45320.

Basic Financial Statements

PREBLE COUNTY, OHIO
STATEMENT OF NET ASSETS
DECEMBER 31, 2007

	Primary Government		Component Unit	
	Governmental Activities	Business-Type Activities	Total	L & M Products
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$8,418,013	\$1,967,584	\$10,385,597	\$0
Cash and Cash Equivalents in Segregated Accounts	209,289	0	209,289	92,121
Cash and Cash Equivalents with Fiscal Agents	666,604	0	666,604	0
Cash and Cash Equivalents with Trustee	0	1,308,422	1,308,422	0
Accrued Interest Receivable	94,085	0	94,085	0
Accounts Receivable	188,918	585,430	774,348	17,561
Permissive Sales Tax Receivable	692,396	0	692,396	0
Due from Other Governments	5,322,524	0	5,322,524	0
Internal Balances	87,384	(87,384)	0	0
Prepaid Items	11,978	0	11,978	1,451
Materials and Supplies Inventory	157,082	2,950	160,032	0
Property Taxes Receivable	3,611,939	0	3,611,939	0
Special Assessments Receivable	175,374	0	175,374	0
Restricted Cash - MRDD Endowment	0	0	0	6,566
Advance Deposits	0	0	0	186
Deferred Charges	2,327	59,474	61,801	0
Nondepreciable Capital Assets	2,039,414	452,313	2,491,727	0
Depreciable Capital Assets, Net	24,936,654	2,452,049	27,388,703	99,307
Total Assets	46,613,981	6,740,838	53,354,819	217,192
Liabilities:				
Accounts Payable	571,425	148,315	719,740	3,234
Accrued Salaries Payable	368,020	13,379	381,399	6,292
Payroll Taxes and Withholdings	0	0	0	2,563
Contracts Payable	70,124	34,736	104,860	0
Due to Other Governments	647,539	29,709	677,248	0
Accrued Interest Payable	28,264	8,332	36,596	0
MRDD Endowment	0	0	0	6,566
Deferred Revenue	3,249,116	0	3,249,116	0
Notes Payable	415,946	0	415,946	0
Long-Term Liabilities:				
Due Within One Year	1,018,872	374,245	1,393,117	0
Due in More Than One Year	2,435,281	6,206,339	8,641,620	0
Total Liabilities	8,804,587	6,815,055	15,619,642	18,655
Net Assets:				
Invested in Capital Assets, Net of Related Debt	24,054,312	1,991,649	26,045,961	99,307
Restricted for:				
Public Safety	1,130,826	0	1,130,826	0
Public Works	2,148,161	0	2,148,161	0
Health	2,145,207	0	2,145,207	0
Human Services	3,083,582	0	3,083,582	0
Community and Economic Development	1,033,839	0	1,033,839	0
General Government	869,265	0	869,265	0
Debt Service	380,544	0	380,544	0
Capital Projects	230,373	0	230,373	0
Unrestricted (Deficit)	2,733,285	(2,065,866)	667,419	99,230
Total Net Assets (Deficit)	\$37,809,394	(\$74,217)	\$37,735,177	\$198,537

See accompanying notes to the basic financial statements

PREBLE COUNTY, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007

	Program Revenues			
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest
Governmental Activities:				
General Government:				
Legislative and Executive	\$3,784,009	\$1,491,465	\$10,113	\$0
Judicial	1,974,106	839,877	0	0
Public Safety	5,014,603	604,768	528,211	65
Public Works	4,119,893	392,656	4,227,113	1,000
Health	2,919,999	104,121	2,482,249	0
Human Services	9,264,187	476,750	6,575,519	0
Community and Economic Development	573,201	0	862,902	0
Intergovernmental	314,533	0	0	0
Interest and Fiscal Charges	173,820	0	0	0
Total Governmental Activities	<u>28,138,351</u>	<u>3,909,637</u>	<u>14,686,107</u>	<u>1,065</u>
Business-Type Activities:				
Sewer	89,182	141,168	0	0
Landfill	2,453,006	2,718,475	0	0
Total Business-Type Activities	<u>2,542,188</u>	<u>2,859,643</u>	<u>0</u>	<u>0</u>
Total Primary Government	<u>\$30,680,539</u>	<u>\$6,769,280</u>	<u>\$14,686,107</u>	<u>\$1,065</u>
Component Unit:				
L & M Products	<u>\$1,683,042</u>	<u>\$143,185</u>	<u>\$1,521,664</u>	<u>\$0</u>

General Revenues:

Property Taxes Levied for:

- General Purposes
- Community Mental Health
- Children Services
- Mental Retardation
- Retirement of Debt

Permissive Sales Tax Levied for General Purposes

Grants and Entitlements not Restricted to Specific Programs

Unrestricted Investment Earnings

Other

Total General Revenues

Change in Net Assets

Net Assets (Deficit) at Beginning of Year - Restated (See Note 3)

Net Assets (Deficit) at End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets

Governmental Activities	Primary Government		Component Unit L & M Products
	Business-Type Activities	Total	
(\$2,282,431)	\$0	(\$2,282,431)	\$0
(1,134,229)	0	(1,134,229)	0
(3,881,559)	0	(3,881,559)	0
500,876	0	500,876	0
(333,629)	0	(333,629)	0
(2,211,918)	0	(2,211,918)	0
289,701	0	289,701	0
(314,533)	0	(314,533)	0
(173,820)	0	(173,820)	0
<u>(9,541,542)</u>	<u>0</u>	<u>(9,541,542)</u>	<u>0</u>
0	51,986	51,986	0
<u>0</u>	<u>265,469</u>	<u>265,469</u>	<u>0</u>
0	317,455	317,455	0
<u>(9,541,542)</u>	<u>317,455</u>	<u>(9,224,087)</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>(18,193)</u>
2,053,656	0	2,053,656	0
265,960	0	265,960	0
366,697	0	366,697	0
1,054,737	0	1,054,737	0
246,175	0	246,175	0
4,383,637	0	4,383,637	0
1,061,662	0	1,061,662	0
770,366	30,969	801,335	0
438,358	0	438,358	0
<u>10,641,248</u>	<u>30,969</u>	<u>10,672,217</u>	<u>0</u>
1,099,706	348,424	1,448,130	(18,193)
<u>36,709,688</u>	<u>(422,641)</u>	<u>36,287,047</u>	<u>216,730</u>
<u>\$37,809,394</u>	<u>(\$74,217)</u>	<u>\$37,735,177</u>	<u>\$198,537</u>

PREBLE COUNTY, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2007

	General	Motor Vehicle and Gas Tax	Human Services
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$1,610,102	\$155,057	\$207,347
Cash and Cash Equivalents in Segregated Accounts	6,094	0	0
Cash and Cash Equivalents with Fiscal Agents	0	0	0
Receivables:			
Permissive Sales Tax	692,396	0	0
Property Taxes	1,707,022	0	0
Accounts	137,373	15,390	4,833
Special Assessments	0	0	0
Accrued Interest	94,085	0	0
Interfund	155,699	24,840	0
Due From Other Governments	437,264	1,900,595	27,066
Materials and Supplies Inventory	0	146,752	7,129
Prepaid Items	2,936	0	6,504
Total Assets	<u>\$4,842,971</u>	<u>\$2,242,634</u>	<u>\$252,879</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	\$129,858	\$17,960	\$159,277
Contracts Payable	0	42,327	0
Accrued Salaries Payable	164,980	45,159	56,538
Due to Other Governments	309,669	74,796	85,199
Interfund Payable	25,050	3,744	0
Deferred Revenue	2,047,967	1,195,612	0
Notes Payable	0	300,000	43,000
Accrued Interest Payable	0	7,326	1,357
Total Liabilities	<u>2,677,524</u>	<u>1,686,924</u>	<u>345,371</u>
Fund Balances:			
Reserved for Encumbrances	128,869	70,965	34,062
Unreserved			
Undesignated (Deficit), Reported in:			
General Fund	2,036,578	0	0
Special Revenue Funds	0	484,745	(126,554)
Debt Service Fund	0	0	0
Capital Projects Funds	0	0	0
Total Fund Balances (Deficit)	<u>2,165,447</u>	<u>555,710</u>	<u>(92,492)</u>
Total Liabilities and Fund Balances	<u>\$4,842,971</u>	<u>\$2,242,634</u>	<u>\$252,879</u>

See accompanying notes to the basic financial statements

Community Mental Health	Mental Retardation Levy	Other Governmental Funds	Total Governmental Funds
\$1,344,266	\$1,394,773	\$3,072,998	\$7,784,543
0	0	203,195	209,289
0	666,604	0	666,604
0	0	0	692,396
255,613	1,020,192	629,112	3,611,939
2,583	544	28,195	188,918
0	0	175,374	175,374
0	0	0	94,085
210	0	36,400	217,149
1,121,154	767,997	1,068,448	5,322,524
0	0	3,201	157,082
0	0	2,538	11,978
<u>\$2,723,826</u>	<u>\$3,850,110</u>	<u>\$5,219,461</u>	<u>\$19,131,881</u>

\$82,296	\$5,404	\$176,630	\$571,425
15,797	0	12,000	70,124
12,519	47,225	41,599	368,020
43,154	72,761	61,960	647,539
0	0	100,971	129,765
1,167,579	1,670,561	1,745,268	7,826,987
0	0	72,946	415,946
0	0	1,439	10,122
<u>1,321,345</u>	<u>1,795,951</u>	<u>2,212,813</u>	<u>10,039,928</u>

149,167	3,504	135,745	522,312
0	0	0	2,036,578
1,253,314	2,050,655	2,438,968	6,101,128
0	0	365,488	365,488
0	0	66,447	66,447
<u>1,402,481</u>	<u>2,054,159</u>	<u>3,006,648</u>	<u>9,091,953</u>
<u>\$2,723,826</u>	<u>\$3,850,110</u>	<u>\$5,219,461</u>	<u>\$19,131,881</u>

PREBLE COUNTY, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2007

Total Governmental Fund Balances \$9,091,953

**Amounts reported for governmental activities in the
Statement of Net Assets are different because:**

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	2,039,414	
Buildings, Structures, and Improvements	11,545,594	
Furniture, Fixtures, and Equipment	8,595,061	
Infrastructure	18,263,432	
Accumulated Depreciation	<u>(13,467,433)</u>	
Total Capital Assets		26,976,068

An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Assets.

633,470

Bond issuance costs, reported as an expenditure in governmental funds, are allocated as an expense over the life of the debt on a full accrual basis.

2,327

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:

Property and Other Taxes	365,784	
Charges for Services	7,846	
Fines and Forfeitures	24,324	
Intergovernmental	3,972,096	
Special Assessments	175,374	
Accrued Interest	<u>32,447</u>	
Total		4,577,871

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

Accrued Interest on Bonds	(18,142)	
Unamortized Loss	(2,090)	
Premium on Debt Issued	(240)	
General Obligation Bonds	(2,037,815)	
Notes Payable	(542,642)	
Capital Lease	(158,165)	
Compensated Absences	<u>(713,201)</u>	
Total		<u>(3,472,295)</u>

Net Assets of Governmental Activities

\$37,809,394

See accompanying notes to the basic financial statements

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PREBLE COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007

	General	Motor Vehicle and Gas Tax	Human Services
Revenues:			
Property Taxes	\$1,917,031	\$0	\$0
Permissive Sales Tax	4,383,637	0	0
Charges for Services	1,531,597	156,196	163,698
Licenses and Permits	2,658	0	0
Fines and Forfeitures	145,752	43,359	0
Intergovernmental	1,164,605	4,008,671	2,792,348
Special Assessments	0	0	0
Interest	822,766	29,071	0
Other	357,671	0	0
Total Revenues	<u>10,325,717</u>	<u>4,237,297</u>	<u>2,956,046</u>
Expenditures:			
Current:			
General Government:			
Legislative and Executive	3,132,375	0	0
Judicial	1,670,135	0	0
Public Safety	4,255,090	0	0
Public Works	27,710	3,809,478	0
Health	47,130	0	0
Human Services	317,610	0	3,747,373
Community and Economic Development	0	0	0
Capital Outlay	0	0	0
Intergovernmental	314,533	0	0
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	42,660	9,118
Current Refunding	0	300,000	43,000
Total Expenditures	<u>9,764,583</u>	<u>4,152,138</u>	<u>3,799,491</u>
Excess of Revenues Over (Under) Expenditures	<u>561,134</u>	<u>85,159</u>	<u>(843,445)</u>
Other Financing Sources (Uses):			
Proceeds from Capital Lease	0	0	0
Current Refunding	0	(300,000)	(122,000)
Notes Issued	0	300,000	122,000
Transfers - In	0	0	823,592
Transfers - Out	(727,396)	0	(144,000)
Total Other Financing Sources (Uses)	<u>(727,396)</u>	<u>0</u>	<u>679,592</u>
Net Change in Fund Balances	(166,262)	85,159	(163,853)
Fund Balances at Beginning of Year	<u>2,331,709</u>	<u>470,551</u>	<u>71,361</u>
Fund Balances (Deficit) at End of Year	<u>\$2,165,447</u>	<u>\$555,710</u>	<u>(\$92,492)</u>

See accompanying notes to the basic financial statements

Community Mental Health	Mental Retardation Levy	Other Governmental Funds	Total Governmental Funds
\$253,759	\$1,022,257	\$671,586	\$3,864,633
0	0	0	4,383,637
29,523	7,616	1,418,773	3,307,403
0	0	76,633	79,291
0	0	188,958	378,069
2,886,814	1,241,354	3,154,437	15,248,229
0	0	167,714	167,714
0	0	2,456	854,293
23,607	2,960	54,120	438,358
<u>3,193,703</u>	<u>2,274,187</u>	<u>5,734,677</u>	<u>28,721,627</u>
0	0	590,688	3,723,063
0	0	294,685	1,964,820
0	0	710,168	4,965,258
0	0	188,547	4,025,735
2,772,386	0	104,390	2,923,906
240,144	2,643,444	2,427,627	9,376,198
0	0	573,201	573,201
0	0	126,884	126,884
0	0	0	314,533
0	51,025	440,000	491,025
0	1,451	69,569	122,798
0	0	15,000	358,000
<u>3,012,530</u>	<u>2,695,920</u>	<u>5,540,759</u>	<u>28,965,421</u>
<u>181,173</u>	<u>(421,733)</u>	<u>193,918</u>	<u>(243,794)</u>
0	174,236	0	174,236
0	0	(20,642)	(442,642)
0	0	120,642	542,642
2,153	0	716,630	1,542,375
0	0	(701,667)	(1,573,063)
<u>2,153</u>	<u>174,236</u>	<u>114,963</u>	<u>243,548</u>
183,326	(247,497)	308,881	(246)
<u>1,219,155</u>	<u>2,301,656</u>	<u>2,697,767</u>	<u>9,092,199</u>
<u>\$1,402,481</u>	<u>\$2,054,159</u>	<u>\$3,006,648</u>	<u>\$9,091,953</u>

PREBLE COUNTY, OHIO
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2007

Net Change in Fund Balances - Total Governmental Funds (\$246)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital Outlay	1,556,155	
Depreciation	<u>(1,114,562)</u>	
Excess of Capital Outlay over Depreciation Expense		441,593

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each sale.

Loss on Disposal of Capital Assets		(400,518)
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Some capital additions were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the Statement of Net Assets, the lease obligation is reported as a liability.

(174,236)

Repayment of long-term obligations is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. In the current year, these amounts consist of:

General Obligation Bond Principal Payments	440,000	
Notes Payable	800,642	
Capital Lease Principal Payments	<u>51,025</u>	
		1,291,667

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds, when it is due and thus requires the use of current financial resources. In the Statement of Activities, the additional amount of interest on the Statement of Activities is the result of the following:

Accretion of Capital Appreciation Bonds	(57,107)	
Decrease in Accrued Interest Payable	6,086	
Amortization of Bond Issuance Costs (Deferred Charges)	(259)	
Amortization of Gain	232	
Amortization of Bond Premium	<u>26</u>	
		(51,022)

The internal service fund used by management to charge the cost of insurance to individual funds is reported in the entity-wide Statement of Activities.

28,004

Some revenues that will not be collected for several months after the County's year-end are not considered "available" revenues and are deferred in the governmental funds. Deferred revenues changed by these amounts this year:

Property Taxes	122,592	
Charges for Services	309	
Fines and Forfeitures	2,189	
Intergovernmental Grants	469,078	
Special Assessments	(25,338)	
Interest	<u>(52,400)</u>	
		516,430

The issuance of long-term debt provides current financial resources to governmental funds, but in the Statement of Net Assets, the debt is reported as a liability.

Notes Issued		(542,642)
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Some items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Increase in Compensated Absences		<u>(9,324)</u>
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Change in Net Assets of Governmental Activities \$1,099,706

See accompanying notes to the basic financial statements

PREBLE COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$1,788,010	\$1,788,010	\$1,919,513	\$131,503
Permissive Sales Tax	4,395,000	4,395,000	4,369,425	(25,575)
Charges for Services	1,611,880	1,619,380	1,520,033	(99,347)
Licenses and Permits	3,550	3,550	2,708	(842)
Fines and Forfeitures	71,000	71,000	73,233	2,233
Intergovernmental	1,106,000	1,106,000	1,212,333	106,333
Interest	456,000	456,000	812,937	356,937
Other	362,000	404,481	290,843	(113,638)
Total Revenues	<u>9,793,440</u>	<u>9,843,421</u>	<u>10,201,025</u>	<u>357,604</u>
Expenditures:				
Current:				
General Government:				
Legislative and Executive	3,304,346	3,385,611	3,278,217	107,394
Judicial	1,805,574	1,740,481	1,701,354	39,127
Public Safety	4,283,495	4,444,938	4,392,607	52,331
Public Works	49,680	53,170	53,170	0
Health	110,543	110,543	49,364	61,179
Human Services	329,338	331,340	322,818	8,522
Intergovernmental	312,973	312,973	309,965	3,008
Total Expenditures	<u>10,195,949</u>	<u>10,379,056</u>	<u>10,107,495</u>	<u>271,561</u>
Excess of Revenues Over (Under) Expenditures	<u>(402,509)</u>	<u>(535,635)</u>	<u>93,530</u>	<u>629,165</u>
Other Financing Sources (Uses):				
Advances - In	100,000	100,000	100,000	0
Advances - Out	0	0	(68,315)	(68,315)
Transfers - Out	(542,288)	(737,015)	(727,396)	9,619
Total Other Financing Sources (Uses)	<u>(442,288)</u>	<u>(637,015)</u>	<u>(695,711)</u>	<u>(58,696)</u>
Net Change in Fund Balance	(844,797)	(1,172,650)	(602,181)	570,469
Fund Balance at Beginning of Year	1,251,193	1,251,193	1,251,193	0
Prior Year Encumbrances Appropriated	446,251	446,251	446,251	0
Fund Balance at End of Year	<u><u>\$852,647</u></u>	<u><u>\$524,794</u></u>	<u><u>\$1,095,263</u></u>	<u><u>\$570,469</u></u>

See accompanying notes to the basic financial statements

PREBLE COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
MOTOR VEHICLE AND GAS TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services	\$220,000	\$220,000	\$128,685	(\$91,315)
Fines and Forfeitures	40,000	40,000	43,359	3,359
Intergovernmental	4,150,000	4,150,000	3,853,997	(296,003)
Interest	40,000	40,000	29,953	(10,047)
Other	500	500	0	(500)
Total Revenues	4,450,500	4,450,500	4,055,994	(394,506)
Expenditures:				
Current:				
Public Works	4,306,438	4,304,235	3,910,461	393,774
Debt Service:				
Principal Retirement	1,000,000	1,000,000	1,000,000	0
Interest and Fiscal Charges	42,500	44,700	43,997	703
Total Expenditures	5,348,938	5,348,935	4,954,458	394,477
Excess of Revenues Under Expenditures	(898,438)	(898,435)	(898,464)	(29)
Other Financing Sources:				
Notes Issued	600,000	600,000	600,000	0
Net Change in Fund Balance	(298,438)	(298,435)	(298,464)	(29)
Fund Balance at Beginning of Year	191,951	191,951	191,951	0
Prior Year Encumbrances Appropriated	106,513	106,513	106,513	0
Fund Balance at End of Year	\$26	\$29	\$0	(\$29)

See accompanying notes to the basic financial statements

PREBLE COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
HUMAN SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services	\$434,236	\$434,236	\$159,944	(\$274,292)
Intergovernmental	3,146,084	3,257,571	2,765,282	(492,289)
Total Revenues	<u>3,580,320</u>	<u>3,691,807</u>	<u>2,925,226</u>	<u>(766,581)</u>
Expenditures:				
Current:				
Human Services	4,071,514	4,176,243	3,817,915	358,328
Debt Service:				
Principal Retirement	225,000	225,000	225,000	0
Interest and Fiscal Charges	9,563	9,563	9,563	0
Total Expenditures	<u>4,306,077</u>	<u>4,410,806</u>	<u>4,052,478</u>	<u>358,328</u>
Excess of Revenues Under Expenditures	<u>(725,757)</u>	<u>(718,999)</u>	<u>(1,127,252)</u>	<u>(408,253)</u>
Other Financing Sources (Uses):				
Notes Issued	164,500	164,500	165,000	500
Transfers - In	650,895	650,891	823,592	172,701
Transfers - Out	(195,600)	(144,000)	(144,000)	0
Total Other Financing Sources (Uses)	<u>619,795</u>	<u>671,391</u>	<u>844,592</u>	<u>173,201</u>
Net Change in Fund Balance	(105,962)	(47,608)	(282,660)	(235,052)
Fund Balance at Beginning of Year	140,530	140,530	140,530	0
Prior Year Encumbrances Appropriated	174,219	174,219	174,219	0
Fund Balance at End of Year	<u>\$208,787</u>	<u>\$267,141</u>	<u>\$32,089</u>	<u>(\$235,052)</u>

See accompanying notes to the basic financial statements

PREBLE COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
COMMUNITY MENTAL HEALTH FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$261,000	\$261,000	\$254,335	(\$6,665)
Charges for Services	0	0	29,102	29,102
Intergovernmental	2,678,601	2,678,601	3,041,287	362,686
Other	19,944	40,505	21,776	(18,729)
Total Revenues	<u>2,959,545</u>	<u>2,980,106</u>	<u>3,346,500</u>	<u>366,394</u>
Expenditures:				
Current:				
Health	2,979,719	3,332,334	2,908,196	424,138
Human Services	281,069	281,068	246,229	34,839
Total Expenditures	<u>3,260,788</u>	<u>3,613,402</u>	<u>3,154,425</u>	<u>458,977</u>
Excess of Revenues Over (Under) Expenditures	(301,243)	(633,296)	192,075	825,371
Other Financing Sources:				
Transfers - In	0	0	2,153	2,153
Net Change in Fund Balance	(301,243)	(633,296)	194,228	827,524
Fund Balance at Beginning of Year	573,301	573,301	573,301	0
Prior Year Encumbrances Appropriated	301,243	301,243	301,243	0
Fund Balance at End of Year	<u><u>\$573,301</u></u>	<u><u>\$241,248</u></u>	<u><u>\$1,068,772</u></u>	<u><u>\$827,524</u></u>

See accompanying notes to the basic financial statements

PREBLE COUNTY, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
MENTAL RETARDATION LEVY FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property Taxes	\$1,021,851	\$1,021,851	\$1,023,790	\$1,939
Charges for Services	10,000	10,000	9,141	(859)
Intergovernmental	1,080,200	1,080,200	1,025,352	(54,848)
Other	<u>1,679</u>	<u>1,679</u>	<u>3,166</u>	<u>1,487</u>
Total Revenues	2,113,730	2,113,730	2,061,449	(52,281)
Expenditures:				
Current:				
Human Services	<u>2,679,013</u>	<u>2,679,013</u>	<u>2,300,855</u>	<u>378,158</u>
Net Change in Fund Balance	(565,283)	(565,283)	(239,406)	325,877
Fund Balance at Beginning of Year	1,535,940	1,535,940	1,535,940	0
Prior Year Encumbrances Appropriated	<u>62,197</u>	<u>62,197</u>	<u>62,197</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,032,854</u></u>	<u><u>\$1,032,854</u></u>	<u><u>\$1,358,731</u></u>	<u><u>\$325,877</u></u>

See accompanying notes to the basic financial statements

PREBLE COUNTY
STATEMENT OF FUND NET ASSETS
PROPRIETARY FUNDS
December 31, 2007

	Enterprise Funds			Internal Service Fund
	Sewer	Landfill	Total	Employees Health Insurance
Assets:				
Current Assets				
Equity in Pooled Cash and Cash Equivalents	\$134,862	\$1,832,722	\$1,967,584	\$633,470
Accounts Receivable	60,380	525,050	585,430	0
Interfund Receivable	0	839	839	0
Materials and Supplies Inventory	0	2,950	2,950	0
Total Current Assets	195,242	2,361,561	2,556,803	633,470
Non-current Assets				
Restricted Assets:				
Cash and Cash Equivalents with Trustee	0	1,308,422	1,308,422	0
Deferred Charges	0	59,474	59,474	0
Nondepreciable Capital Assets	0	452,313	452,313	0
Depreciable Capital Assets, Net	1,362,854	1,089,195	2,452,049	0
Total Non-current Assets	1,362,854	2,909,404	4,272,258	0
Total Assets	1,558,096	5,270,965	6,829,061	633,470
Liabilities:				
Current Liabilities				
Accounts Payable	5,128	143,187	148,315	0
Contracts Payable	0	34,736	34,736	0
Accrued Salaries Payable	81	13,298	13,379	0
Compensated Absences Payable	0	25,489	25,489	0
Due to Other Governments	521	29,188	29,709	0
Interfund Payable	839	87,384	88,223	0
Accrued Interest Payable	0	8,332	8,332	0
OPWC Loans Payable	13,258	0	13,258	0
OWDA Loans Payable	40,498	0	40,498	0
General Obligation Bonds Payable	0	295,000	295,000	0
Total Current Liabilities	60,325	636,614	696,939	0
Long-Term Liabilities:				
OPWC Loans Payable	170,496	0	170,496	0
OWDA Loans Payable	688,461	0	688,461	0
General Obligation Bonds Payable	0	2,542,727	2,542,727	0
Compensated Absences Payable	0	3,872	3,872	0
Landfill Closure and Postclosure Costs	0	2,800,783	2,800,783	0
Total Long-Term Liabilities	858,957	5,347,382	6,206,339	0
Total Liabilities	919,282	5,983,996	6,903,278	0
Net Assets:				
Invested in Capital Assets, Net of Related Debt	450,141	1,541,508	1,991,649	0
Unrestricted (Deficit)	188,673	(2,254,539)	(2,065,866)	633,470
Total Net Assets (Deficit)	\$638,814	(\$713,031)	(\$74,217)	\$633,470

See accompanying notes to the basic financial statements

PREBLE COUNTY, OHIO
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007

	Enterprise Funds			Internal Service Fund
	Sewer	Landfill	Total	Employees Health Insurance
Operating Revenues:				
Charges for Services	\$141,168	\$2,719,314	\$2,860,482	\$0
Operating Expenses:				
Personal Services	3,486	467,950	471,436	0
Materials and Supplies	3,563	184,299	187,862	0
Charges and Services	61,190	1,280,565	1,341,755	2,684
Depreciation	15,963	154,173	170,136	0
Closure and Postclosure Care Costs	0	234,459	234,459	0
Miscellaneous	5,819	0	5,819	0
Total Operating Expenses	90,021	2,321,446	2,411,467	2,684
Operating Income (Loss)	51,147	397,868	449,015	(2,684)
Non-Operating Revenues (Expenses):				
Interest Revenue	0	30,969	30,969	0
Interest and Fiscal Charges	0	(131,560)	(131,560)	0
Total Non-Operating Revenues (Expenses)	0	(100,591)	(100,591)	0
Income (Loss) Before Transfers	51,147	297,277	348,424	(2,684)
Transfers - In	0	0	0	30,688
Change in Net Assets	51,147	297,277	348,424	28,004
Net Assets (Deficit) at Beginning of Year - Restated (See Note 3)	587,667	(1,010,308)	(422,641)	605,466
Net Assets (Deficit) at End of Year	<u>\$638,814</u>	<u>(\$713,031)</u>	<u>(\$74,217)</u>	<u>\$633,470</u>

See accompanying notes to the basic financial statements

PREBLE COUNTY, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007

	Enterprise Funds			Internal Service Fund
	Sewer	Landfill	Total	Employees Health Insurance
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities:				
Cash Received From Customers	\$116,393	\$2,745,524	\$2,861,917	\$0
Cash Payments for Employee Services and Benefits	(3,476)	(484,632)	(488,108)	0
Cash Payments to Suppliers	(63,213)	(1,305,028)	(1,368,241)	(2,684)
Cash Payments for Other Operating Expenses	(992)	0	(992)	0
Net Cash Provided by (Used for) Operating Activities	48,712	955,864	1,004,576	(2,684)
Cash Flows from Noncapital Financing Activities:				
Advances - In	14,564	0	14,564	0
Advances - Out	0	(100,000)	(100,000)	0
Transfers - In	0	0	0	30,688
Net Cash Provided by (Used for) Noncapital Financing Activities	14,564	(100,000)	(85,436)	30,688
Cash Flows Used for Capital and Related Financing Activities:				
Acquisition of Capital Assets	0	(22,900)	(22,900)	0
Loans Payable Principal Payments	(53,392)	0	(53,392)	0
General Obligation Bond Principal Payments	0	(200,000)	(200,000)	0
General Obligation Bond Interest Payments	0	(107,650)	(107,650)	0
Notes Principal Payments	0	(57,350)	(57,350)	0
Notes Interest Payments	0	(2,357)	(2,357)	0
Net Cash Provided by (Used for) Capital and Related Financing Activities	(53,392)	(390,257)	(443,649)	0
Cash Flows from Investing Activities:				
Interest	0	30,969	30,969	0
Net Increase in Cash and Cash Equivalents	9,884	496,576	506,460	28,004
Cash and Cash Equivalents at Beginning of Year	124,978	2,644,568	2,769,546	605,466
Cash and Cash Equivalents at End of Year	\$134,862	\$3,141,144	\$3,276,006	\$633,470

(Continued)

PREBLE COUNTY, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)

	Enterprise Funds			Internal Service Fund
	Sewer	Landfill	Total	Employees Health Insurance
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Operating Income (Loss)	\$51,147	\$397,868	\$449,015	(\$2,684)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Depreciation	15,963	154,173	170,136	0
Landfill Closure and Postclosure Costs	0	234,459	234,459	0
Changes in Assets and Liabilities:				
Decrease (Increase) in Accounts Receivable	(24,775)	27,049	2,274	0
Increase in Materials and Supplies Inventory	0	(944)	(944)	0
Increase in Interfund Receivable	0	(839)	(839)	0
Increase in Accounts Payable	5,128	112,170	117,298	0
Increase in Contracts Payable	0	34,524	34,524	0
Increase in Accrued Salaries Payable	2	909	911	0
Increase in Due to Other Governments	408	11,313	11,721	0
Increase in Interfund Payable	839	0	839	0
Decrease in Compensated Absences Payable	0	(14,818)	(14,818)	0
Net Cash Provided by (Used for) Operating Activities	\$48,712	\$955,864	\$1,004,576	(\$2,684)

See accompanying notes to the basic financial statements

PREBLE COUNTY, OHIO
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2007

	Private Purpose Trust	
	Scholarship and Trust	Agency
Assets:		
Equity in Pooled Cash and Cash Equivalents	\$40,329	\$1,950,439
Cash and Cash Equivalents in Segregated Accounts	0	1,072,290
Receivables:		
Property Taxes	0	28,365,625
Accounts	0	106,015
Special Assessments	0	1,059,732
Due from Other Governments	0	1,843,456
 Total Assets	 40,329	 \$34,397,557
Liabilities:		
Accrued Salaries Payable	0	\$42,089
Notes Payable	0	17,207
Accrued Interest Payable	0	544
Compensated Absences Payable	0	7,933
Due to Other Governments	0	31,001,454
Undistributed Monies	0	1,525,007
Deposits Held and Due to Others	0	1,803,323
 Total Liabilities	 0	 \$34,397,557
Net Assets:		
Held in Trust for Scholarships	\$40,329	

See accompanying notes to the basic financial statements

PREBLE COUNTY, OHIO
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PRIVATE PURPOSE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	Scholarship and Trust
Additions:	
Interest	\$528
Deletions:	
	0
Change in Net Assets	528
Net Assets at Beginning of Year	39,801
Net Assets at End of Year	\$40,329

See accompanying notes to the basic financial statements

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 1 - REPORTING ENTITY

Preble County, Ohio (the "County"), was formed by an Act of the Ohio General Assembly in 1808. 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, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Recorder, Sheriff, a Common Pleas Court-Domestic Relations Court Judge and a Juvenile Court-Probate Court Judge. Although the elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures as well as serve as the budgeting and taxing authority, contracting body and the chief administrators of public services for the County, including each of these departments.

Reporting Entity

A reporting entity is composed of the primary government, component units and other organizations that are included to ensure that 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 the County, this includes the Preble County Board of Mental Retardation and Developmental Disabilities, the Preble County Community Development, the Children Services Board, and the departments and activities that are directly operated by the elected County officials. The County also operates and maintains a wastewater treatment system and landfill.

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

Discretely Presented Component Unit

The component unit column in the entity-wide financial statements identifies the financial data of the County's discretely presented component unit, L & M Products. It is reported separately to emphasize that it is legally separate from the County.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 1 - REPORTING ENTITY (Continued)

L & M Products - L & M Products (the “Company”) is a legally separate, nongovernmental, not-for-profit corporation, served by a board whose members are elected at large from nominations submitted by a nominating committee appointed by the President. The Company, under contractual agreement with the Preble County Board of Mental Retardation and Developmental Disabilities (MRDD), provides sheltered employment for mentally retarded or handicapped individuals in the County. The Preble County Board of MRDD provides the Company with personnel necessary for the operation of the habilitation services provided to the clients, land and buildings for the operation of the center, maintenance and repair of the buildings and professional staff to supervise and train clients of the Company. Based on the significant services and resources provided by the County to the Company and the Company's sole purpose of providing assistance to the mentally retarded and handicapped adults of the County, the Company is reflected as a component unit of the County. This is because the nature and significance of the relationship is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Company operates on a fiscal year ending December 31. Separately issued financial statements can be obtained from L & M Products at 201 East Lexington Road, Eaton, Ohio 45320 (See Note 28).

As the custodian of public funds, the County Treasurer invests all public monies held on deposit in the County treasury. In the case of the separate agencies, boards and commissions listed below, the County serves as fiscal agent but is not financially accountable for the activity. Accordingly, the following districts and agencies are presented as agency funds within the County's financial statements:

- Preble County General Health District
- Preble County Soil and Water Conservation District
- Preble County Disaster Services
- Preble County Emergency Planning Committee - Right to Know
- Preble County Council on Aging

The County participates in two organizations which are defined as related organizations, one organization which is defined as a joint venture, one organization which is defined as jointly governed, one organization that is defined as a risk sharing pool, and one organization which is defined as a group purchasing pool. These organizations are presented in Notes 19, 20, 21, 22 and 23 of the basic financial statements. These organizations are:

Related Organizations:

- Preble County Library Board
- Preble Metropolitan Housing Authority

Joint Venture:

- Preble County Emergency Management Agency

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 1 - REPORTING ENTITY (Continued)

Jointly Governed Organization:
West Central Ohio Network

Risk Sharing Pool:
County Risk Sharing Authority, Inc.

Group Purchasing Pool:
County Commissioner's Association of Ohio Service Corporation

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The County does not apply FASB Statements and Interpretations issued after November 30, 1989, to its business-type activities and to its enterprise funds. The more significant of the County's accounting policies are described below. Information regarding the Company is presented in Note 28.

Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The Statement of Net Assets and the Statement of Activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Statement of Net Assets presents the financial condition of the governmental and business-type activities of the County at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and for the business-type activities of the County. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues 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 segment 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. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

Fund Accounting

The County uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain County functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds utilized by the County: governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the County typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the 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 - This 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.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Motor Vehicle and Gas Tax Fund - This fund is used to account for revenues derived from motor vehicle licenses, gasoline taxes and interest. Expenditures in this fund are restricted by State law to County road and bridge repairs and improvement programs.

Human Services Fund - This fund is used to account for various federal and State grants as well as mandated transfers from the General Fund used to provide public assistance to general relief recipients and to pay providers of medical assistance and certain public social services.

Community Mental Health Fund - This fund is used to account for money received from a County-wide property tax levy and federal and State grants that are expended primarily to pay the cost of contracts with local mental health agencies that provide services to the public.

Mental Retardation Levy Fund - This fund is used to account for money received from a County-wide property tax levy and State grants and reimbursements used to provide services and care for the mentally retarded and handicapped.

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

Proprietary Funds

Proprietary funds focus on the determination of operating income, changes in net assets, financial position, and cash flows. The County has two enterprise funds and one internal service fund.

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

Sewer Fund - This fund is used to account for revenue received from user charges for sewer services provided to residents of the County.

Landfill Fund - This fund is used to account for fees collected by the waste disposal department for the dumping of waste. The costs of providing the services are financed primarily through these fees and user charges.

Internal Service Fund - The Internal Service Fund is used to account for the financing of goods and services provided by one department to other departments within the County.

Employees Health Insurance - This fund was used to account for the County employees' self-insurance program for medical, dental, and vision coverage. During 2004 the County terminated its self-insurance plan. The activity in this fund is limited to settling prior claims.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the County under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the County's own programs. The County's only trust fund is a private purpose trust fund which accounts for various college scholarship programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The County has eighteen agency funds which are primarily established to account for the collection and distribution to other governments of various taxes, receipts and fees and to account for funds of various agencies for which the County is fiscal agent.

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities except those of Fiduciary Funds, associated with the operation of the County are included on the Statement of Net Assets. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net assets.

Fund Financial Statements

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

Like the government-wide statements, the proprietary funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of 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 provides information about how the County finances and meets the cash flow needs of its proprietary activities.

The Private Purpose Trust Fund is reported using the economic resources measurement focus.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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; the proprietary funds and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. “Measurable” means that the amount of the transaction can be determined and “available” means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within sixty days of year-end.

Non-exchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, sales tax, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied (See Note 7). Revenue from permissive sales tax is recognized in the period when the exchange transaction on which the tax is imposed occurs (See Note 8). 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 non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: permissive sales tax, charges for services, interest, federal and State subsidies, grants, and State-levied locally shared taxes.

Deferred Revenue

Deferred revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of December 31, 2007, but were levied to finance 2008 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met have also been recorded as deferred revenue.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Expenses/Expenditures

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

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

Cash and Cash Equivalents

To improve cash management, cash received by the County, except cash held in segregated accounts or with a fiscal agent, is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the County's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

Cash and cash equivalents that are held separately within departments of the County and not held by the County Treasurer are recorded on the financial statements as "Cash and Cash Equivalents in Segregated Accounts".

Cash and cash equivalents that are held by the West Central Ohio Network for assistance of persons with mental retardation or developmental disabilities are recorded as "Cash and Cash Equivalents with Fiscal Agents" on the financial statements.

Cash and cash equivalents that are held in a trustee capacity for financial assurance of the landfill closure and postclosure care liabilities are recorded on the financial statements as "Cash and Cash Equivalents with Trustee."

During fiscal year 2007, the County invested in Federal National Mortgage Association Notes, Federal Home Loan Bank Notes, Federal Home Loan Bank Bonds, Federal Farm Credit Bank Notes, Federal Farm Credit Bank Bonds, Federal Home Loan Mortgage Corporation Notes, and the State Treasury Asset Reserve of Ohio (STAROhio). Investments are reported at fair value which is based on quoted market prices.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio 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 STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on December 31, 2007.

Following Ohio statutes, the County has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during 2007 amounted to \$822,766, which includes \$737,973 assigned from other County funds.

Investments with an original maturity of three months or less at the time they are purchased and investments of the cash management pool are reported as cash equivalents on the financial statements.

Interfund Receivables/Payables

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "Interfund Receivable" and "Interfund Payable." Interfund balances are eliminated on the government-wide Statement of Net Assets, except for any net residual amounts due between governmental and business-type activities, which are presented as "Internal Balances."

Materials and Supplies Inventory

Inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in first-out basis. The cost of inventory items is recorded as expenditures/expenses when used.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2007, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

Restricted Assets

Restricted assets in the enterprise funds represent cash and cash equivalents which have been set aside to satisfy the Ohio Environmental Protection Agency's guidelines related to landfill closure and postclosure costs.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

General capital assets are capital assets that are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Assets but are not reported in the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column of the government-wide Statement of Net Assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost, which is determined by indexing the current replacement costs back to the year of acquisition) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market values on the date donated. The County maintains a capitalization threshold of five 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 expensed.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings, Structures, and Improvements	20-100 years
Furniture, Fixtures, and Equipment	5-40 years
Infrastructure	10-50 years

The County's infrastructure system consists of guardrails, ditches, roads, bridges, sewer lines and manholes. The County's infrastructure consists only of assets acquired after June 30, 1980.

Compensated Absences

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

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 termination policy. The County records a liability for accumulated unused sick leave for all employees after 15 years of current service with the County.

Accrued Liabilities and Long-Term Obligations

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

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

Bond Premiums/Issuance Costs/Compound Interest on Capital Appreciation Bonds

On the government-wide financial statements (and in the enterprise funds), bond premiums are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Capital appreciation bonds are accreted each year for the compounded interest accrued during the year. Bond premiums and the compound interest on capital appreciation bonds are presented as additions to the face amount of bonds payable. Issuance costs are amortized on a straight-line basis over the term of the bonds and are reported as deferred charges.

On the governmental fund financial statements, issuance costs and bond premiums and discounts are recognized in the period in which the debt is issued.

Gain/Loss on Advance Refunding

On the government-wide financial statements (and in the enterprise funds), an advance refunding resulting in the defeasance of debt generates an accounting gain or loss calculated by comparing the reacquisition price and the net carrying amount of the old debt. This accounting gain/loss is amortized as interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as an increase/reduction of the face amount of the new debt.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The County applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

The government-wide Statement of Net Assets reports \$11,492,913 of restricted net assets, none of which is restricted by enabling legislation.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for sewer services, waste disposal, and employees' medical, dental, and vision claims. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of these funds. Revenues and expenses that do not meet these definitions are reported as non-operating.

Internal Activity

Transfers within governmental activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

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

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 expendable resources and therefore are not available for appropriation or expenditure. As a result, encumbrances are recorded as a reservation of fund balance.

Estimates

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

Budgetary Process

All funds, other than agency funds, are legally required to be budgeted and appropriated. The Issue II Capital Projects Fund was not budgeted during 2007 because the County did not anticipate any revenues or expenditures and none occurred. 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 budgetary control is at the object level (personal services, materials and supplies, charges and services, capital purchases, and other) within each department and fund. Budgetary modifications may only be made by resolution of the County Commissioners.

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 final 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, including all supplemental appropriations.

PREBLE COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 3 - CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF PRIOR YEAR NET ASSETS

Changes in Accounting Principles

For 2007, the County has implemented *Governmental Accounting Standards Board (GASB) Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions"*, *GASB Statement No. 48, "Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues"*, and *GASB Statement No. 50, "Pension Disclosures"*.

GASB Statement No. 45 improves the relevance and usefulness of financial reporting by requiring systematic, accrual-basis measurement and recognition of OPEB costs over a period that approximates employees' years of service and providing information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan. An OPEB liability at transition was determined in accordance with this Statement for the OPERS post-employment healthcare plan in the amount of \$254,984 which is the same as the previously reported liability.

GASB Statement No. 48 addresses how to account for the exchange of an interest in expected cash flows from collecting specific receivables or specific future revenues for immediate cash payments. The statement established criteria used to determine whether the transaction should be recorded as revenue or as a liability (a sale or a collateralized borrowing). The implementation of this statement did not result in any change to the financial statements.

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

Restatement of Prior Year Net Assets

The following restatement of net assets at December 31, 2006 was required due to the phasing in of infrastructure asset values in compliance with *GASB Statement No. 34* and to record previously unrecorded debt:

	Governmental Activities	Business-Type Activities	Sewer Fund
Net Assets, December 31, 2006	\$24,868,273	(\$384,641)	\$625,667
Capital Assets	11,841,415	0	0
Debt Activity	0	(38,000)	(38,000)
Net Assets, December 31, 2006 as Restated	<u>\$36,709,688</u>	<u>(\$422,641)</u>	<u>\$587,667</u>

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 4 - BUDGET TO GAAP RECONCILIATION

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 Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budget Basis), for the General, Motor Vehicle and Gas Tax, Human Services, Community Mental Health, and Mental Retardation Levy 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. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
4. Proceeds from and principal payments on short-term note obligations are reported on the operating statement (budget basis) rather than as a balance sheet transaction (GAAP basis).
5. Unrecorded cash represents amounts received but not included as revenue on the budget basis operating systems (For example, Interest received but not recorded until 2008, etc.). These amounts are included as revenue on the GAAP basis operating statements.
6. Cash that is held by agency funds on behalf of County funds on a budget basis are allocated and reported on the balance sheet (GAAP basis) in the appropriate County funds.
7. The change of fair value of investments is not included on the budget basis operating statement. This amount is included on the GAAP basis operating statement.
8. Advances-In and Advances-Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 4 - BUDGET TO GAAP RECONCILIATION (Continued)

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

Net Change in Fund Balance

	General	Motor Vehicle and Gas Tax	Human Services	Community Mental Health	Mental Retardation Levy
GAAP Basis	(\$166,262)	\$85,159	(\$163,853)	\$183,326	(\$247,497)
Revenue Accruals	(86,085)	(181,085)	(30,820)	151,904	(389,220)
Expenditure Accruals	(17,325)	29,275	104,271	122,737	402,199
Encumbrances	(325,587)	(131,595)	(175,258)	(264,632)	(7,134)
Advances	31,685	0	0	0	0
Note Proceeds	0	300,000	43,000	0	0
Note Principal Payments	0	(1,000,000)	(225,000)	0	0
Current Refunding	0	600,000	165,000	0	0
Unrecorded Cash - 2007	(99,265)	(785)	0	0	0
Unrecorded Cash - 2006	43,793	1,667	0	0	0
Agency Fund Cash					
Allocation - 2007	(58,992)	(22,677)	0	(10,862)	(28,908)
Agency Fund Cash					
Allocation - 2006	61,431	21,577	0	11,755	31,154
Decrease in Fair Value					
of Cash Equivalents - 2007	(30,995)	0	0	0	0
Increase in Fair Value					
of Cash Equivalents - 2006	45,421	0	0	0	0
Budget Basis	<u>(\$602,181)</u>	<u>(\$298,464)</u>	<u>(\$282,660)</u>	<u>\$194,228</u>	<u>(\$239,406)</u>

NOTE 5 – ACCOUNTABILITY AND COMPLIANCE

Accountability

The Human Services Fund, Ditch and Guardrail Construction Fund and Landfill Enterprise Fund had fund balance/net assets deficits at December 31, 2007 of \$92,492, \$42,811 and \$713,031, respectively.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 5 – ACCOUNTABILITY AND COMPLIANCE (Continued)

The General Fund is liable for the deficits in the Human Services Fund and the Ditch and Guardrail Construction Fund and will provide transfers when cash is required, not when accruals occur. The deficit in the Ditch and Guardrail Construction Fund is due to liabilities for notes payable being reported as a fund liability.

The County anticipates increased revenues and a corresponding decrease in the net assets deficit in future years for the Landfill Fund. In 2001, the County approved a user charge on each residential dwelling and commercial and industrial properties to finance landfill operations. Collections began in 2002, with the exception of improved parcels within the municipalities of Eldorado, Lewisburg, and West Alexandria. At that time, these municipalities preferred to directly bill their residents and have their waste disposed of at the landfill, generating additional revenue. Revenues from this user charge are expected to be \$865,000 annually. Beginning in 2004, all residential dwelling and commercial and industrial properties were charged this fee, which generated \$1,500,468. Also, the EPA granted approval to the County in 2001 to expand the landfill, which generates additional revenue. The deficit in the Landfill Fund has decreased \$3,249,448 from \$3,962,479 at December 31, 2001 to \$713,031 at December 31, 2007.

Compliance

The Ditch and Guardrail Construction Fund had final appropriations of \$150,047 and final estimated revenues, available fund balance, and prior year encumbrances of \$128,887 for an excess of \$21,160. The County will monitor budgetary control more closely to ensure that expenditures do not exceed appropriations.

The following funds had appropriations that exceeded actual resources: Motor Vehicle and Gas Tax (\$500,992), Public Assistance (\$450,946), Preble County Sewer District #2 (\$131,364), Landfill (\$34,011), CDBG CHIP (\$436,631), CDBG (\$109,991), Preble County Sewer District #3 (\$53,911), Centerline/Edgeline/Striping (\$155,000), CR21 Bridge Replacement (\$200,000), and Covered Bridge Rehab Fund (\$2,014,300). The County will monitor budgetary control more closely to ensure that expenditures do not exceed actual resources.

NOTE 6 - DEPOSITS AND INVESTMENTS

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

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

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

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;
2. Bonds, notes, debentures, or any other obligation or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio 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) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAROhio);
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;

PREBLE COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

- 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 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 one 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.

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. Investments may only be made through specified dealers and institutions.

Investments

As of December 31, 2007, the County had the following investments:

	Fair Value	Investment Maturities (in Years)		
		Less than 1	1-2	2-3
STAROhio	\$5,907,232	\$5,907,232	\$0	\$0
Federal National Mortgage Association Notes	499,751	0	0	499,751
Federal Home Loan Bank Notes	3,503,637	500,088	2,503,058	500,491
Federal Home Loan Bank Bonds	500,964	0	500,964	0
Federal Farm Credit Bank Notes	503,051	0	0	503,051
Federal Farm Credit Bank Bonds	499,954	0	499,954	0
Federal Home Loan Mortgage Corporation Notes	994,829	994,829	0	0
Total Investments	\$12,409,418	\$7,402,149	\$3,503,976	\$1,503,293

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

Interest Rate Risk – The County has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the County, and that an investment must be purchased with the expectation that it will be held to maturity.

Credit Risk – The Federal National Mortgage Association Notes, Federal Home Loan Bank Notes, Federal Home Loan Bank Bonds, Federal Farm Credit Bank Notes, Federal Farm Credit Bank Bonds, and Federal Home Loan Mortgage Corporation Notes carry a rating of Aaa by Moody's. STAROhio carries a rating of AAAM by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The County's investment policy limits investments to those authorized by State statute.

Concentration of Credit Risk – The County places no limit on the amount it may invest in any one issuer. The County's investments in Federal Home Loan Bank Notes and Federal Home Loan Mortgage Corporation Notes represent 28.23 percent and 8.02 percent, respectively, of the County's total investments.

NOTE 7 - PROPERTY TAXES

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

2007 real property taxes are levied after October 1, 2007, on the assessed value as of January 1, 2007, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2007 real property taxes are collected in and intended to finance 2008.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2007 public utility property taxes became a lien December 31, 2006, are levied after October 1, 2007, and are collected in 2008 with real property taxes.

Tangible personal property taxes received in 2007 were levied after October 1, 2006, on the value as of December 31, 2006. In prior years, tangible personal property assessments were 25 percent of true value for capital assets and 23 percent of true value for inventory. The tangible personal property tax is being phased out – the assessment percentage for all property including inventory for 2007 is 12.5 percent. This will be reduced to 6.25 percent for 2008 and zero for 2009.

PREBLE COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 7 - PROPERTY TAXES (Continued)

Real property taxes are payable annually or semi-annually. If paid annually, the payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, 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 each subdivision its portion of the taxes collected. Accrued property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2007, and for which there is an enforceable legal claim. In the funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2007 operations, and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

The full tax rate for all County operations for the year ended December 31, 2007, was \$8.13 per \$1,000 of assessed value. The tax rate increased due to an increase in inside millage. The assessed values of real and tangible personal property upon which 2007 property tax receipts were based are as follows:

Category	Assessed Value	Percent
Real Property		
Residential/Agricultural	\$611,643,900	77.02%
Commercial/Industrial/Public Utility	84,071,120	10.59
Public Utility Personal	36,929,870	4.65
General Business Personal	61,431,260	7.74
Totals	<u>\$794,076,150</u>	<u>100.00%</u>

PREBLE COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 8 - PERMISSIVE SALES AND USE TAX

The County Commissioners, by resolution, imposed a 1.5 percent continuing tax on all retail sales made in the County, and on the storage, use, or consumption in the County of tangible personal property, including automobiles. 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 Office of Budget Management 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 Tax Commissioner shall then on or before the twentieth day of the month in which certification is made, provide for payment to the County.

Proceeds of the tax are credited entirely to the General Fund.

NOTE 9 - RECEIVABLES

Receivables at December 31, 2007, consisted of taxes, charges for services, utility accounts, special assessments, interest on investments, interfund amounts and intergovernmental receivables arising from grants, entitlements and shared revenues. Utility accounts receivable at December 31, 2007, were \$585,430. All receivables are considered fully collectible. All will be collected within one year. The County had \$5,619 of delinquent special assessments at December 31, 2007.

A summary of intergovernmental receivables follows:

<u>Governmental Activities:</u>	<u>Amount</u>
Local Government	\$328,534
Homestead and Rollback	207,065
Gasoline Cents Per Gallon	399,462
Gasoline Excise Tax	923,118
Auto License	595,593
ODADAS State Grants	149,573
TASC Grant	143,679
Mental Health Grants	775,615
Community Development Block Grant	919,000
WIA Grant	27,066
Felony Subsidy Grant	117,132
MRDD Grants	712,378
Miscellaneous	24,307
Total Governmental Activities	<u><u>\$5,322,522</u></u>

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 10 - CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2007, was as follows:

	Restated Balance At 12/31/2006	Additions	Deletions	Balance At 12/31/2007
<u>Governmental Activities:</u>				
Capital Assets, Not Being Depreciated:				
Land	\$2,039,414	\$0	\$0	\$2,039,414
Depreciable Capital Assets:				
Buildings, Structures, and Improvements	11,545,594	0	0	11,545,594
Furniture, Fixtures, and Equipment	8,367,388	389,317	(161,644)	8,595,061
Infrastructure	17,585,367	1,166,838	(488,773)	18,263,432
Total Depreciable Capital Assets	<u>37,498,349</u>	<u>1,556,155</u>	<u>(650,417)</u>	<u>38,404,087</u>
Less Accumulated Depreciation:				
Buildings, Structures, and Improvements	(3,072,270)	(109,335)	0	(3,181,605)
Furniture, Fixtures, and Equipment	(5,206,686)	(381,414)	143,568	(5,444,532)
Infrastructure	(4,323,814)	(623,813)	106,331	(4,841,296)
Total Accumulated Depreciation	<u>(12,602,770)</u>	<u>(1,114,562) *</u>	<u>249,899</u>	<u>(13,467,433)</u>
Depreciable Capital Assets, Net	<u>24,895,579</u>	<u>441,593</u>	<u>(400,518)</u>	<u>24,936,654</u>
Governmental Activities Capital Assets, Net	<u>\$26,934,993</u>	<u>\$441,593</u>	<u>(\$400,518)</u>	<u>\$26,976,068</u>

* Depreciation expense was charged to governmental programs as follows:

General Government	
Legislative and Executive	\$110,385
Judicial	12,687
Public Safety	156,032
Public Works	742,724
Health	4,268
Human Services	88,466
Total Depreciation Expense	<u>\$1,114,562</u>

PREBLE COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 10 - CAPITAL ASSETS (Continued)

	<u>Balance at</u>		<u>Balance at</u>
	<u>12/31/06</u>	<u>Additions</u>	<u>12/31/07</u>
		<u>Deletions</u>	
<u>Business-Type Activities:</u>			
Capital Assets, Not Being Depreciated:			
Land	\$452,313	\$0	\$452,313
Depreciable Capital Assets:			
Buildings, Structures, and Improvements	1,536,814	0	1,536,814
Furniture, Fixtures, and Equipment	2,025,878	22,900	2,048,778
Sewer Lines and Manholes	580,137	0	580,137
Total Depreciable Capital Assets	<u>4,142,829</u>	<u>22,900</u>	<u>4,165,729</u>
Less Accumulated Depreciation:			
Buildings, Structures, and Improvements	(726,534)	(80,381)	(806,915)
Furniture, Fixtures, and Equipment	(805,408)	(83,954)	(889,362)
Sewer Lines and Manholes	(11,602)	(5,801)	(17,403)
Total Accumulated Depreciation	<u>(1,543,544)</u>	<u>(170,136)</u>	<u>(1,713,680)</u>
Depreciable Capital Assets, Net	<u>2,599,285</u>	<u>(147,236)</u>	<u>2,452,049</u>
Business-Type Activities Capital Assets, Net	<u>\$3,051,598</u>	<u>(\$147,236)</u>	<u>\$2,904,362</u>

NOTE 11- RISK MANAGEMENT

Insurance

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. By contracting with the County Risk Sharing Authority, Inc. (CORSA), a risk sharing pool (see Note 22), for liability, property, auto, and crime insurance, the County has addressed these various types of risk.

CORSA, a non-profit corporation sponsored by the County Commissioners' Association of Ohio, was created to provide affordable liability, property, casualty and crime insurance coverage for its members. CORSA was established May 12, 1987, and has grown to sixty-one members.

Insurance coverage provided includes the following:

General Liability (each occurrence)	\$1,000,000
Law Enforcement Liability (each occurrence)	1,000,000
Automobile Liability (each occurrence)	1,000,000
Errors and Omissions Liability (each occurrence)	1,000,000
Excess Liability	5,000,000
Property	61,010,959

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 11 - RISK MANAGEMENT (Continued)

Equipment	\$100,000,000
Crime	1,000,000
Uninsured/Underinsured Motorists	250,000
Stop Gap Liability	1,000,000
Medical Professional Liability	6,000,000
Bridges	4,750,000

Settled claims have not exceeded this commercial coverage in any of the last three years. There have been no significant reductions in coverage from last year.

The County pays all elected officials' bonds by statute.

Workers' Compensation

For 2007, the County participated in the County Commissioners' Association of Ohio Workers' Compensation Group Rating Plan, provided by the County Commissioners' Association of Ohio Service Corporation (CCAOSC), a workers' compensation group purchasing pool (See Note 23). The intent of the CCAOSC is to achieve lower workers' compensation rates while establishing safe working conditions and environments for the participants. The workers' compensation experience of the participating counties is calculated as one experience and a common premium rate is applied to all counties in the CCAOSC. Each participant pays its workers' compensation premium to the State based on the rate for the CCAOSC rather than its individual rate.

In order to allocate the savings derived by the formation of the CCAOSC, and to maximize the number of participants in the CCAOSC, annually the CCAOSC's executive committee calculates the total savings which accrued to the CCAOSC through its formation. This savings is then compared to the overall savings percentage of the CCAOSC. The CCAOSC's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. Participation in the CCAOSC is limited to counties that can meet the CCAOSC's selection criteria. The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the CCAOSC. Each year, the County pays an enrollment fee to the CCAOSC to cover the costs of administering the CCAOSC.

The County may withdraw from the CCAOSC if written notice is provided 60 days prior to the prescribed applicant deadline of the Ohio Bureau of Workers' Compensation. The participant is not relieved of the obligation to pay any amounts owed to the CCAOSC prior to withdrawal. Any participant leaving the CCAOSC allows representatives of the CCAOSC to access loss experience for three years following the last year of participation.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 12 - DEFINED BENEFIT PENSION PLAN

Ohio Public Employees Retirement System

Plan Description – The County participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional 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 the retirement system 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. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the traditional 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 stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800)-222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2007, members in state and local classifications contributed 9.5 percent of covered payroll, public safety members contributed 9.75 percent, and law enforcement members contributed 10.1 percent.

The County's contribution rate for 2007 was 13.85 percent, except for those plan members in law enforcement or public safety, for whom the County's contribution was 17.17 percent of covered payroll. For the period January 1 through June 30, a portion of the County's contribution equal to 5 percent of covered payroll was allocated to fund the post-employment health care plan; for the period July 1 through December 31, 2007 this amount was increased to 6 percent. Employer contribution rates are actuarially determined. State statute sets a maximum contribution rate for the County of 14 percent, except for public safety and law enforcement, where the maximum employer contribution rate is 18.1 percent.

The County's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2007, 2006, and 2005 were \$865,363, \$1,029,770, and \$1,040,872, respectively; 67.30 percent has been contributed for 2007 and 100 percent for 2006 and 2005. No contributions were made to the member-directed plan for 2007.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 13 - POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

Plan Description – OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the traditional and combined pension plans. Members of the member-directed plan do not qualify for ancillary benefits, including post-employment health care. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

To qualify for post-employment health care coverage, age and service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not require, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800)-222-7377.

Funding Policy – The post-employment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401 (h). State statute requires that public employers fund post-employment health care through contributions to OPERS. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2007, local government employers contributed 13.85 percent of covered payroll (17.17 percent for public safety and law enforcement). Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding post-employment health care benefits. The amount of the employer contributions which was allocated to fund post-employment health care was 5.00 percent of covered payroll from January 1 through June 30, 2007, and 6.00 percent from July 1 to December 31, 2007.

The retirement board is also authorized to establish rules for the payment of a portion of the health care benefits by the retiree or the retiree's surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 13 - POSTEMPLOYMENT BENEFITS (Continued)

The County's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2007, 2006, and 2005 were \$661,424, \$559,658, and \$435,968, respectively; 67.30 percent has been contributed for 2007 and 100 percent for 2006 and 2005.

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

NOTE 14 - OTHER EMPLOYEE BENEFITS

Compensated Absences

County employees earn vacation and sick leave at varying rates depending on length of service and department policy. All accumulated, unused vacation time is paid upon separation if the employee has at least one year of service with the County. Unused vacation time may be accumulated, with the approval of the appointing authority, to a maximum of three one-year accruals. Accumulated, unused compensatory time is paid upon separation depending on the department policy. Accumulated, unused sick leave is paid at varying rates depending on length of service to employees who retire.

Deferred Compensation Plan

County employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan is created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency. Plan assets belong to the individual employees, and the County has no responsibility for the plan assets.

Insurance

Medical, dental, and vision insurance coverage for employees is provided by Anthem Blue Cross Blue Shield and life insurance is provided by Lincoln Financial.

PREBLE COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 15 - CAPITAL LEASES – LESSEE DISCLOSURE

During 2007 and in prior years, the County entered into lease agreements for the purchase of buses. These leases meet the criteria of a capital lease as defined by *Statement of Financial Accounting Standards No. 13, "Accounting for Leases"*, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis.

Capital assets acquired by lease have been capitalized in the Statement of Net Assets for governmental activities in the amount of \$247,736, which is equal to the present value of the future minimum lease payments at the time of acquisition. A corresponding liability was recorded on the Statement of Net Assets for governmental activities. Principal payments in 2007 totaled \$51,025.

The assets acquired through capital leases are as follows:

<u>Asset</u>	<u>Governmental</u>
Buses	\$247,736
Less: Accumulated Depreciation	(22,050)
Total	<u><u>\$225,686</u></u>

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2007.

<u>Year Ending December 31,</u>	<u>Total Payments</u>
2008	\$61,154
2009	38,154
2010	38,154
2011	38,154
Total	<u>175,616</u>
Less: Amount Representing Interest	(17,451)
Present Value of Minimum Lease Payments	<u><u>\$158,165</u></u>

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 16 - LONG-TERM OBLIGATIONS

The schedule of changes in long-term obligations of the governmental activities of the County during 2007 follows:

Types / Issues	Balance at 12/31/2006	Issued	Retired	Balance at 12/31/2007	Due Within One Year
<u>Notes Payable:</u>					
4.24% Drainage Backhoe Anticipation Note \$10,642	\$20,642	\$10,642	\$20,642	\$10,642	\$0
3.89% Court Computer Software Anticipation Note \$100,000	0	100,000	0	100,000	0
3.99% Albert Ditch Construction Anticipation Note \$15,000	15,000	10,000	15,000	10,000	0
3.99% Flood Damage Repair Anticipation Note \$800,000	600,000	300,000	600,000	300,000	0
4.24% Electronic Documentation Data Equipment Anticipation Note \$122,000	165,000	122,000	165,000	122,000	0
Total Notes Payable	800,642	542,642	800,642	542,642	0
<u>General Obligations Bonds:</u>					
2002 County Jail Refunding Bonds - Voted					
2.00 to 3.00% - Current Interest					
Bonds \$2,565,000	930,000	0	300,000	630,000	310,000
11.69 to 12.08% Original Issue on					
Capital Appreciation Bonds \$240,000	240,000	0	0	240,000	0
Accretion on Capital Appreciation Bonds	175,708	57,107	0	232,815	0
2002 2.00 to 3.50% Various Purpose					
Bonds - Unvoted \$1,440,000	950,000	0	130,000	820,000	130,000
2005 County Fairgrounds Refunding Bonds -					
Unvoted 3.00 to 3.60% - Current Interest					
Bonds \$125,000	125,000	0	10,000	115,000	10,000
Unamortized Loss	2,322	0	232	2,090	0
Premium on Debt Issue	266	0	26	240	0
Total General Obligation Bonds Payable	2,423,296	57,107	440,258	2,040,145	450,000
<u>Other Long-Term Obligations:</u>					
Compensated Absences Payable	703,877	93,363	84,039	713,201	515,099
Capital Leases Payable	34,954	174,236	51,025	158,165	53,773
Total Other Long-Term Obligations	738,831	267,599	135,064	871,366	568,872
Total - General Long-Term Obligations	\$3,962,769	\$867,348	\$1,375,964	\$3,454,153	\$1,018,872

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 16 - LONG-TERM OBLIGATIONS (Continued)

The 2007 Drainage Backhoe Anticipation Note was reissued on April 2, 2007, in the amount of \$20,642 for the purchase of drainage backhoe equipment. The note was issued at a 4.24 percent interest rate and reached maturity on April 2, 2008. This note was refinanced prior to the issuance of the 2007 statements for \$10,642 (see Note 27). This portion of the note was a long-term liability. The note will be paid through the Other Public Works Fund.

The 2007 Court Computer Software Anticipation Note was issued on June 27 2007, in the amount of \$110,000 for the purchase of computer software equipment for the clerk of courts. The note was issued at a 3.89 percent interest rate and reached maturity on June 27, 2007. This note was refinanced prior to the issuance of the 2007 statements for \$100,000 (see Note 27). This portion of the note is reported as a long-term liability. The note will be paid through the Other Judicial Fund.

The 2007 Albert Ditch Construction Anticipation Note was reissued on May 21, 2007, in the amount of \$15,000 for the construction of Albert Ditch. The note was issued at a 3.99 percent interest rate and reached maturity on May 21, 2008. This note was refinanced prior to the issuance of the 2007 statements for \$10,000 (see Note 27). This portion of the note is reported as a long-term liability. The note will be paid through the Other Public Works Fund.

The 2007 Flood Damage Repair Anticipation Note was reissued on May 21, 2007, in the amount of \$600,000 for the repair from flood damage and various purposes. The note was issued at a 3.99 percent interest rate and reached maturity on May 21, 2008. This note was refinanced prior to the issuance of the 2007 statements for \$300,000 (see Note 27). This portion of the note is reported as a long-term liability. The note will be paid through the Motor Vehicle License and Gas Tax Fund.

The 2007 Electronic Documentation Data Equipment Anticipation Note was issued on April 2, 2007, in the amount of \$165,000 for the purchase of electronic documentation data equipment. The note was issued at a 4.24 percent interest rate and reached maturity on April 2, 2008. This note was refinanced prior to the issuance of the 2007 statements for \$122,000 (see Note 27). This portion of the note is reported as a long-term liability. The note will be paid through the Human Services Fund.

All of the notes are backed by the full faith and credit of the County and are general obligations of the County.

The 2000 County Jail Refunding General Obligation Bonds will be paid from property taxes. The 2005 County Fairgrounds Refunding and 2002 Various Purpose General Obligation Bonds will be paid from general revenues, including transfers from the General Fund, and monies received from the Preble County Agricultural Society. The maturity amount of the capital appreciation bonds is \$650,000.

The 2005 County Fairgrounds Refunding General Obligation Bonds were issued June 1, 2005, for the purpose of advance refunding the \$125,000 outstanding County Fairgrounds Bonds.

PREBLE COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 16 - LONG-TERM OBLIGATIONS (Continued)

Compensated absences will be paid from the General Fund, and the Motor Vehicle License and Gas Tax, Human Services, Community Mental Health, Mental Retardation Levy, Other Legislative and Executive, Other Public Works, Other Health and Other Human Services Funds. The capital lease obligations will be paid from the Mental Retardation Levy Fund.

Changes in the long-term obligations reported for business-type activities during 2007 were as follows:

Types/Issues	Balance at 12/31/2006	Increases	Decreases	Balance at 12/31/2007	Due Within One Year
<u>Loans Payable:</u>					
0.00% - OWDA Loan \$820,238	\$769,093	\$0	\$40,134	\$728,959	\$40,498
0.00% - OPWC Loan \$38,000	38,000	0	1,900	36,100	1,900
0.00% - OPWC Loan \$227,160	159,012	0	11,358	147,654	11,358
Total Loans Payable	<u>966,105</u>	<u>0</u>	<u>53,392</u>	<u>912,713</u>	<u>53,756</u>
<u>General Obligation Bonds Payable:</u>					
3.00 to 3.60% - Landfill Improvement					
Refunding Bonds \$3,445,000	3,195,000	0	200,000	2,995,000	295,000
Unamortized Gain	(181,064)	0	(18,107)	(162,957)	0
Premium on Debt Issue	6,315	0	631	5,684	0
Total General Obligation Bonds Payable	<u>3,020,251</u>	<u>0</u>	<u>182,524</u>	<u>2,837,727</u>	<u>295,000</u>
<u>Other Long-Term Obligations:</u>					
Compensated Absences Payable	44,179	2,923	17,741	29,361	25,489
Landfill Closure and Postclosure	2,566,324	234,459	0	2,800,783	0
Total Other Long-Term Obligations	<u>2,610,503</u>	<u>237,382</u>	<u>17,741</u>	<u>2,830,144</u>	<u>25,489</u>
Total - Business-Type Activities	<u>\$6,596,859</u>	<u>\$237,382</u>	<u>\$253,657</u>	<u>\$6,580,584</u>	<u>\$374,245</u>

The County has pledged future sewer customer revenues, net of specified operating expenses, to repay \$820,238 in sewer system OWDA loans issued in 2004 with an interest rate of zero percent. Proceeds from these loans provided financing for the construction of the West Elkton sewer system and to refund the County's three outstanding OWDA Loans at December 31, 2003. The loans are payable solely from sewer customer net revenues and are payable through January 1, 2026. Annual principal and interest payments on the loans are expected to require less than 60 percent of net revenues. The total principal remaining to be paid on the loans is \$728,959. Principal paid for the current year and total customer net revenues were \$40,134 and \$67,110, respectively.

The County has an OPWC Loan outstanding at December 31, 2007 in the amount of \$36,100. The OPWC Loan bears an interest rate of zero percent and is payable in semi-annual installments through 2026 and is a general obligation of the County. The OPWC was originally received by the Village of West Elkton during 1998 and was assumed by the County in 2000. Current operations of the Sewer Fund are expected to provide sufficient cash flows to fund debt service requirements.

PREBLE COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 16 - LONG-TERM OBLIGATIONS (Continued)

The County has an OPWC Loan outstanding at December 31, 2007 in the amount of \$147,654. The OPWC Loan bears an interest rate of zero percent and is payable in semi-annual installments through 2021 and is a general obligation of the County. The OPWC Loan was originally received by the Village of West Elkton during 1994 and 1995 in the amount of \$299,755, and was assumed by the County in 2000, when the village could not repay the loan. Current operations of the Sewer Fund are expected to provide sufficient cash flows to fund debt service requirements.

The 2005 Landfill Improvement Refunding General Obligation Bonds were issued June 1, 2005, for the purpose of advance refunding the 1996 Landfill Improvement Bonds in the amount of \$3,195,000. The amortized bond premium for 2007 was \$631 and the unamortized amount is \$5,684. The bonds will be repaid from the Landfill Fund. The original 1996 Landfill Improvement Bonds were issued to support operations and to bring the landfill up to compliance with the EPA.

The Ohio Revised Code provides that the net general obligation debt of the County, exclusive of certain exempt debt, issued without a vote of the electors should not exceed one percent of the total assessed valuation of the County. The Code further provides that the total voted and unvoted net debt of the County less the same exempt debt should not exceed a sum equal to three percent of the first \$100,000,000 of the assessed valuation, plus one and one-half percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus two and one-half percent of such valuation in excess of \$300,000,000. The effects of the debt limitations at December 31, 2007, are an overall legal debt margin of \$18,351,904 and an unvoted legal debt margin of \$7,940,762.

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

Year	Governmental Activities			
	General Obligation Serial Bonds		General Obligation Capital Appreciation Bonds	
	Principal	Interest	Principal	Interest
2008	\$450,000	\$53,469	\$0	\$0
2009	460,000	40,850	0	0
2010	45,000	27,051	0	0
2011	50,000	25,581	125,000	200,000
2012	55,000	23,894	115,000	210,000
2013-2017	285,000	85,374	0	0
2018-2021	220,000	25,143	0	0
Totals	<u>\$1,565,000</u>	<u>\$281,362</u>	<u>\$240,000</u>	<u>\$410,000</u>

PREBLE COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 16 - LONG-TERM OBLIGATIONS (Continued)

Year	Business-Type Activities		
	Loans Payable	General Obligation Bonds	
	Principal	Principal	Interest
2008	\$53,756	\$295,000	\$101,650
2009	53,756	300,000	92,800
2010	53,756	310,000	83,800
2011	53,756	320,000	74,035
2012	53,756	330,000	63,635
2013-2017	268,780	1,440,000	134,307
2018-2022	246,064	0	0
2023-2026	129,089	0	0
Totals	\$912,713	\$2,995,000	\$550,227

NOTE 17 - SHORT-TERM OBLIGATIONS

Changes in the short-term obligations during 2007 were as follows:

Fund Type/Fund/Issue	Interest Rate	Balance at 12/31/2006	Increases	Decreases	Balance at 12/31/2007
<u>Governmental:</u>					
Motor Vehicle License and Gas Tax					
Flood Damage	3.99%	\$400,000	\$300,000	\$400,000	\$300,000
Other Judicial					
Court Computer Software	3.89%	0	10,000	0	10,000
Other Public Works					
Albert Ditch Construction	3.99%	4,500	5,000	4,500	5,000
Other Public Works					
Drainage Backhoe	4.24%	10,000	10,000	10,000	10,000
Other Public Safety					
Console Equipment	4.25%	38,230	0	38,230	0
Ditch and Guardrail Construction					
Brock Ditch	3.87%	54,795	47,946	54,795	47,946
Human Services					
Electronic Documentation Data Equipment	4.24%	60,000	43,000	60,000	43,000
Total Governmental Funds		\$567,525	\$415,946	\$567,525	\$415,946
<u>Business-Type Activities:</u>					
Landfill Compactor Note	4.11%	\$57,350	\$0	\$57,350	\$0

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 17 - SHORT-TERM OBLIGATIONS (Continued)

All of the notes are backed by the full faith and credit of the County and will mature within one year. The Flood Damage Note will be paid through the Motor Vehicle License and Gas Tax Fund. The Court Computer Software Note will be paid from the Other Judicial Fund. The Albert Ditch Construction Note and Drainage Backhoe Note will be paid from the Other Public Works Nonmajor Fund. The Console Equipment Note was paid through the Other Public Safety Nonmajor Fund. The Brock Ditch Note will be paid from the Ditch and Guardrail Construction Nonmajor Fund. The Electronic Documentation Data Equipment Note will be paid from the Human Services Fund. The Landfill Compactor Note was paid through the Landfill Fund. The notes are issued in anticipation of long-term bond financing, and the County intends to refinance the notes until such bonds are issued. The liability for the notes is presented in the funds that received the note proceeds.

NOTE 18 - INTERFUND ASSETS/LIABILITIES

Interfund balances at December 31, 2007, consisted of the following amounts and result from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All are expected to be paid within one year.

	Interfund Receivable					Total
	General Fund	Motor Vehicle and Gas Tax Fund	Community Mental Health Fund	Other Governmental Funds	Landfill Enterprise Fund	
Interfund Payable						
General Fund	\$0	\$24,840	\$210	\$0	\$0	\$25,050
Motor Vehicle and Gas Tax Fund	0	0	0	3,744	0	3,744
Other Governmental Funds	68,315	0	0	32,656	0	100,971
Sewer Enterprise Fund	0	0	0	0	839	839
Landfill Enterprise Fund	87,384	0	0	0	0	87,384
Total	<u>\$155,699</u>	<u>\$24,840</u>	<u>\$210</u>	<u>\$36,400</u>	<u>\$839</u>	<u>\$217,988</u>

Interfund transfers for the year ended December 31, 2007, consisted of the following:

	Transfers To				Total
	Employees Health Insurance Fund	Human Services Fund	Community Mental Health Funds	Other Governmental Funds	
Transfers From					
General Fund	\$30,688	\$121,925	\$2,153	\$572,630	\$727,396
Human Services Fund	0	0	0	144,000	144,000
Other Governmental Funds	0	701,667	0	0	701,667
Total	<u>\$30,688</u>	<u>\$823,592</u>	<u>\$2,153</u>	<u>\$716,630</u>	<u>\$1,573,063</u>

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 18 - INTERFUND ASSETS/LIABILITIES (Continued)

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed. The transfers from Other Governmental Funds to the Human Services Fund was used to support the human services activities. The Transfers from the Human Services Fund to Other Governmental Funds was for debt payments. The transfers from the General Fund to the Employees Health Insurance Fund was to move that fund's interest that was originally recorded in the General Fund.

NOTE 19 - RELATED ORGANIZATIONS

Preble County Library Board

The Preble County Library Board is a related organization of the County. The County Officials (the Commissioners, the Probate Court and the Common Pleas Court) are responsible for appointing the trustees of the Library Board; however, the County Officials cannot influence the Library's operation nor does the Library represent a potential financial benefit or burden to the County. Although the County does serve as the taxing authority and may issue tax related debt on behalf of the Library Board, its role is limited to a ministerial function. Once the Library Board determines to present a levy to the voters, including the determination of the rate and duration, the County must place the levy on the ballot. The Library may issue debt and determines its own budget. During 2007, the County did not make any significant financial contributions to the operation of the Library. Financial information for the Library may be obtained by writing to the Treasurer of the Preble County Library Board, 450 S. Barron Street, Eaton, Ohio 45320.

Preble Metropolitan Housing Authority

The Preble Metropolitan Housing Authority (PMHA) is a related organization to the County. The general purpose of the PMHA is to provide decent, safe, and sanitary housing for qualified persons within the County. The ability to influence operations depends on the County's representation on the Board. The PMHA Board is composed of five representatives: one member appointed by the County Common Pleas Court Judge; one member appointed by the County Commissioners; one member appointed by the County Probate Court Judge; and two members appointed by the Mayor of Eaton. During 2007, the County did not make any significant financial contributions to the operation of the PMHA. Financial information may be obtained by writing to Rita Daily, Director of the Preble Metropolitan Housing Authority, 2080 US Route 127 North, Eaton, Ohio 45320.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 20 - JOINT VENTURE

Preble County Emergency Management Agency

The Preble County Emergency Management Agency (EMA) is a joint venture between the County, the City of Eaton, and townships and villages within the County. The degree of control exercised by any participating government is limited to its representation on the Board.

The Board is composed of the following seven members: one County Commissioner representing the Board of County Commissioners; five chief executives representing the municipal corporations and townships entering into the agreement; and one non-elected representative. The County contributed \$20,849 for the operation of the EMA during 2007.

The EMA is a joint venture because its continued existence depends on contributed funding by the County. The EMA is not accumulating significant financial resources and is not experiencing fiscal stress that may cause an additional financial benefit to or burden on members in the future. Complete financial statements can be obtained from Charles Biggs, Director of the EMA located at 6818 US 127 North, Eaton, Ohio 45320.

NOTE 21 - JOINTLY GOVERNED ORGANIZATION

West Central Ohio Network

The West Central Ohio Network (WestCON) is a jointly governed organization among Auglaize, Darke, Logan, Mercer, Miami, Preble, Shelby, and Union Counties. WestCON was formed to administer supported living services for persons with mental retardation or developmental disabilities in these counties. The executive committee consists of eight members that are the Superintendents of each local county board of mental retardation and developmental disabilities which is a WestCON member. During 2007, the County did not make any significant financial contributions to WestCON.

NOTE 22 - RISK SHARING POOL

County Risk Sharing Authority, Inc.

The County Risk Sharing Authority, Inc. (CORSA) is a risk sharing pool among sixty one counties in Ohio. CORSA was formed as an Ohio non-profit corporation for the purpose of 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. The coverage includes comprehensive general liability, automobile liability, certain property insurance and public officials' errors and omissions liability insurance.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 22 - RISK SHARING POOL (Continued)

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 budgetary and financing of CORSA is limited to its voting authority and any representative it may have on the board of trustees. CORSA has issued certificates of participation in order to provide adequate cash reserves. The certificates are secured by the member counties' obligations to make coverage payments to CORSA. The participating counties have no responsibility for the payments of the certificates. The County does not have an equity interest in CORSA.

NOTE 23 - GROUP PURCHASING POOL

County Commissioners' Association of Ohio Service Corporation

The County is participating in the County Commissioners' Association of Ohio Workers' Compensation Group Rating Plan as established under Section 4123.29 of the Ohio Revised Code. The County Commissioners' Association of Ohio Service Corporation (CCAOSC) was established through the County Commissioners' Association of Ohio (CCAO) as a group purchasing pool. A group executive committee is responsible for calculating annual rate contributions and rebates; approving the selection of a third party administrator; reviewing and approving proposed third party fees, fees for risk management services, and general management fees; determining ongoing responsibility of each participant; and performing any other acts and functions which may be delegated to it by the participating employers.

The group executive committee consists of seven members. Two members are the president and the treasurer of the CCAOSC; the remaining five members are representatives of the participants. These five members are elected for the ensuing year by the participants at a meeting held in the month of December each year. No participant can have more than one member on the group executive committee in any year and each elected member shall be a County Commissioner.

NOTE 24 - CLOSURE AND POSTCLOSURE COSTS

State and federal laws and regulations require that the County place a final cover on its landfill when it stops accepting waste. These laws and regulations also require the County to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these costs as an operating expense in each period based on landfill capacity used as of each year-end.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 24 - CLOSURE AND POSTCLOSURE COSTS (Continued)

The \$2,800,783 reported as a landfill closure and postclosure care liability at December 31, 2007, represents the cumulative amount reported to date based on the use of 32.64 percent of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$5,781,240 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2007. The County expects to close the landfill in the year 2044.

Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The County is required by State and Federal laws and regulations to provide financial assurance for the closure and postclosure care liabilities.

NOTE 25 - CONTINGENT LIABILITIES

Litigation

The County is involved in a number of claims and lawsuits which may be classified as routine litigation in which minimal non-material damages are being sought. In addition, the County is a defendant in numerous other claims and lawsuits ranging from tort liability to civil rights litigation in which the County believes the amounts claimed are overstated and not fair estimates of the ultimate settlements, if any, of these claims. Amounts paid by the County in 2007 for litigation that was settled were not material.

Federal and State Grants

The County participates in a number of Federal and State assisted grant programs. The major programs are: Community Development Block Grant; Ohio Department of Human Services; and Ohio Commission of Aging. These programs are subject to financial and compliance audits by grantors or representatives. At December 31, 2007, the audits of certain programs had not been completed. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The County believes that disallowed claims, if any, will not have a material adverse effect on the County's financial position.

NOTE 26 - RELATED PARTY TRANSACTIONS

L & M Products has entered into a contractual agreement with the Preble County Board of Mental Retardation/Developmental Disabilities (MRDD), whereby the MRDD provides sheltered employment for mentally retarded or handicapped individuals in the County. The MRDD provides the Company with personnel necessary for the operation of the habilitation services to the client, land and buildings for the operation of the center, maintenance and repair of the buildings and professional staff to supervise and train clients of L & M Products.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 27 - SUBSEQUENT EVENT

During March, April, May, and June 2008, the County reissued short-term notes in the amounts of \$10,642 for drainage backhoe equipment, \$100,000 for computer equipment, \$10,000 for albert ditch equipment, \$300,000 for flood damage repairs and various purposes, \$122,000 for electronic documentation data, and issued new notes in the amounts of \$116,000 for an HVAC system and \$270,000 for a landfill compactor. The notes have interest rates of 5, 6, 6, 6, 5, 5 and 6 percent, respectively.

The 2002 County Jail Refunding and the 2002 Various Purpose General Obligation Bonds are insured by MBIA Insurance Corporation. Recently, the MBIA Insurance Corporation's ratings have been downgraded from Aaa to A2 by Moody's and from AAA to AA by Standard and Poor's. The 2005 County Fairground Refunding and the 2005 Landfill Improvement Refunding General Obligation Bonds are insured by Ambac Assurance Corporation. The Ambac Assurance Corporation ratings have been downgraded from Aaa to Aa3 by Moody's and from AAA to AA by Standard and Poor's. The downgrade in rating of the MBIA Insurance Corporation and Ambac Assurance Corporation has also caused the ratings of the General Obligation Bonds to be downgraded to the same ratings as the insurance corporations.

NOTE 28 - DISCRETELY PRESENTED COMPONENT UNIT

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION - L & M Products (the "Company") is incorporated as a non-governmental not-for-profit organization under the laws of the State of Ohio.

NATURE OF OPERATIONS - The Company provides employment, training, and rehabilitation opportunities in support of the Preble County, Ohio, Board of Mental Retardation and Developmental Disabilities (MRDD Board) programs. The Company enters into month-to-month contracts for assembly of component parts for local businesses and operates a concession stand at Hueston Woods State Park. Excess net revenues generated by these operations are used to fund rehabilitative programs, including nursing services and a senior/retirement program.

BASIS OF ACCOUNTING - The financial statements of the Company have been prepared on the accrual basis.

BASIS OF PRESENTATION - Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) 117, Financial Statements of Not-for-Profit Organizations. Under SFAS 117, the Company is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

PREBLE COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 28 - DISCRETELY PRESENTED COMPONENT UNIT (Continued)

USE OF ESTIMATES - The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

ACCOUNTS RECEIVABLE - Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual receivables from production contracts and other services. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the applicable accounts receivable.

PROPERTY AND EQUIPMENT - Assets with a cost exceeding \$1,000 and a useful life exceeding one year, are recorded at cost; donated assets with a fair market value exceeding \$1,000 and a useful life exceeding one year are recorded at fair market value at the time of donation. Depreciation is computed principally using the straight-line methods over the estimated useful lives of the assets. Routine maintenance, repairs, and renewals are charged to income as incurred. Renewals and betterments that substantially increase the life of an asset are capitalized. At retirement or sale, the cost of assets, less the related accumulated depreciation, is removed from the accounts and resulting gains or losses are included in income.

CONTRIBUTIONS - Contributions, if any, are considered to be available for unrestricted use unless specifically restricted by the donor. Donated services, materials, and facilities are reflected as contributions in the accompanying statements at their estimated values at the date of receipt. An equivalent expense is also recognized.

ADVERTISING - Advertising costs are expensed as incurred.

FUNCTIONAL ALLOCATION OF EXPENSES – The costs of providing the various programs have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs benefited based upon usage by each program.

INCOME TAXES - The Company is exempt from federal income tax under Section 501 (c)(3) of the Internal Revenue Code, and does not currently conduct any activities which management believes would result in the imposition of the unrelated business income tax. The Company's information returns for the years 2004 through 2007 are subject to examination by the Internal Revenue Service.

CASH AND CASH EQUIVALENTS - For purposes of reporting cash flows, the Company considers all checking accounts, savings accounts, and certificates of deposit to be cash equivalents.

PREBLE COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 28 - DISCRETELY PRESENTED COMPONENT UNIT (Continued)

CONCENTRATIONS OF CREDIT RISK

Financial instruments which subject the Company to concentrations of credit risk include cash accounts in financial institutions which may, from time to time, exceed federal insurance limits.

Three customers represent 52 percent and two customers represent 43 percent of total assembly contract billings for 2007 and 2006, respectively. Two customers account for 59 percent and 33 percent of accounts receivable at December 31, 2007 and 2006, respectively.

PROPERTY AND EQUIPMENT

Property and equipment consists of:

<u>2007</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
Leasehold Improvements	\$77,804	\$38,870	\$38,934
Vehicles	18,300	4,829	13,471
Machinery and Equipment	184,716	137,814	46,902
Total	<u>\$280,820</u>	<u>\$181,513</u>	<u>\$99,307</u>

These assets are subject to general restrictions imposed by law or by the terms of various grants regarding use and disposal of such assets.

DONATED SERVICES AND FACILITIES

The MRDD Board pays the salaries and benefits of the Company's non-client staff, and provides the facilities and transportation for the operations of the Company. The fair value of these items is reported as a contribution and a corresponding expense is recognized. These values are computed as follows.

	<u>2007</u>
<u>Donated Services</u>	
Salaries and benefits expense incurred by MRDD Board	<u>\$1,145,957</u>
 <u>Donated Facilities</u>	
Costs paid by MRDD Board	\$355,779
Less: capital costs	(85,246)
Estimated equivalent rental value of facilities owned by MRDD Board	80,314
Value of facilities donated by MRDD Board	<u>\$350,847</u>

PREBLE COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2007

NOTE 28 - DISCRETELY PRESENTED COMPONENT UNIT (Continued)

RELATED PARTY TRANSACTIONS

At December 31, 2007, one member of the Company's Board of Directors was related to a customer of the Company. Per board policy, up to three board members can be related to employees of the Company. At December 31, 2007, two board members were related to employees.

CUSTODIAL FUNDS

The Company is the funds custodian for an endowment fund established by the MRDD Board. As such, it collects contributions and the proceeds from fundraisers conducted by the MRDD Board, and disburses these funds pursuant to the terms of the endowment as requested by the MRDD Board. Activity for 2007 consists of:

	2007
Contributions	\$1,276
Interest Income	29
Withdrawals	(568)
Increase in account	737
Custodial Balance, January 1	2,213
Custodial Balance, December 31	\$2,950

The Company is also the funds custodian for an event fund established by the Preble County Special Olympics. As such, it collects contributions and other funds raised for the event, and disburses these funds pursuant to the instructions of the committee conducting the event. Activity for 2007 consists of:

	2007
Contributions	\$4,653
Withdrawals	(4,939)
Decrease in account	(286)
Custodial Balance, January 1	559
Custodial Balance, December 31	\$273

COMBINING FINANCIAL STATEMENTS
AND
INDIVIDUAL FUND SCHEDULES

PREBLE COUNTY, OHIO
NONMAJOR FUND DESCRIPTIONS

Special Revenue Funds

To account for the proceeds of specific revenue sources (other than for the private purpose trust or for major capital projects) that are legally restricted to expenditures for specific purposes.

Children Services

To account for various Federal and State grants, a county-wide tax levy, and Social Security payments. Major expenditures are for daily operations of foster homes, emergency shelters, medical costs, counseling and contracted services with other agencies.

Other Legislative and Executive

To account for all other legislative and executive activities not presented on an individual basis.

Other Judicial

To account for all other judicial activities not presented on an individual basis.

Other Public Safety

To account for all other public safety activities not presented on an individual basis.

Other Public Works

To account for all other public works activities not presented on an individual basis.

Other Health

To account for all other health activities not presented on an individual basis.

Other Human Services

To account for all other human services activities not presented on an individual basis.

Other Community and Economic Development

To account for all other community and economic development activities not presented on an individual basis.

Debt Service Fund

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

General Obligation Bond Retirement

To account for principal and interest payments of general obligation bonds.

(continued)

PREBLE COUNTY, OHIO
NONMAJOR FUND DESCRIPTIONS
(Continued)

Capital Projects Funds

To account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

Issue II

To account for capital grants received from the Ohio Public Works Commission for an improvement project for multiple bridge and culvert replacements. Budgetary information has not been presented for this fund because the County did not anticipate any revenues or expenditures in 2007 and none occurred. The budgetary fund balance was \$2,800 at December 31, 2007.

Permanent Improvement

To account for monies received from the sale of County property that are used for construction and improvements to County buildings.

Building Construction

To account for financing and construction of various buildings in the County.

Ditch and Guardrail Construction

To account for the construction and improvements of various ditches and guardrails in the County.

Road and Bridge Construction

To account for the construction and improvements of various roads and bridges in the County.

PREBLE COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2007

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$2,455,226	\$362,236	\$255,536	\$3,072,998
Cash and Cash Equivalents in Segregated Accounts	203,195	0	0	203,195
Receivables:				
Property Taxes	414,155	214,957	0	629,112
Accounts	24,784	3,411	0	28,195
Special Assessments	125,746	0	49,628	175,374
Interfund	36,400	0	0	36,400
Due From Other Governments	1,054,856	13,592	0	1,068,448
Materials and Supplies Inventory	3,201	0	0	3,201
Prepaid Items	2,538	0	0	2,538
Total Assets	\$4,320,101	\$594,196	\$305,164	\$5,219,461
Liabilities and Fund Balances				
Liabilities:				
Accounts Payable	\$176,630	\$0	\$0	\$176,630
Contracts Payable	0	0	12,000	12,000
Accrued Salaries Payable	41,599	0	0	41,599
Due to Other Governments	61,960	0	0	61,960
Interfund Payable	38,986	0	61,985	100,971
Deferred Revenue	1,466,932	228,708	49,628	1,745,268
Notes Payable	25,000	0	47,946	72,946
Accrued Interest Payable	633	0	806	1,439
Total Liabilities	1,811,740	228,708	172,365	2,212,813
Fund Balances:				
Reserved for Encumbrances	69,393	0	66,352	135,745
Unreserved				
Undesignated, Reported in:				
Special Revenue Funds	2,438,968	0	0	2,438,968
Debt Service Fund	0	365,488	0	365,488
Capital Projects Funds	0	0	66,447	66,447
Total Fund Balances	2,508,361	365,488	132,799	3,006,648
Total Liabilities and Fund Balances	\$4,320,101	\$594,196	\$305,164	\$5,219,461

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2007

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property Taxes	\$431,982	\$239,604	\$0	\$671,586
Charges for Services	1,418,773	0	0	1,418,773
Licenses and Permits	76,633	0	0	76,633
Fines and Forfeitures	188,958	0	0	188,958
Intergovernmental	3,125,864	27,573	1,000	3,154,437
Special Assessments	132,113	0	35,601	167,714
Interest	2,391	0	65	2,456
Other	15,413	17,643	21,064	54,120
Total Revenues	5,392,127	284,820	57,730	5,734,677
Expenditures:				
Current:				
General Government:				
Legislative and Executive	590,688	0	0	590,688
Judicial	294,685	0	0	294,685
Public Safety	710,168	0	0	710,168
Public Works	188,547	0	0	188,547
Health	104,390	0	0	104,390
Human Services	2,427,627	0	0	2,427,627
Community and Economic Development	573,201	0	0	573,201
Capital Outlay	0	0	126,884	126,884
Debt Service:				
Principal Retirement	0	440,000	0	440,000
Interest and Fiscal Charges	2,865	64,520	2,184	69,569
Current Refunding	15,000	0	0	15,000
Total Expenditures	4,907,171	504,520	129,068	5,540,759
Excess of Revenues Over (Under) Expenditures	484,956	(219,700)	(71,338)	193,918
Other Financing Sources (Uses):				
Current Refunding	(20,642)	0	0	(20,642)
Notes Issued	120,642	0	0	120,642
Transfers - In	572,630	144,000	0	716,630
Transfers - Out	(701,667)	0	0	(701,667)
Total Other Financing Sources (Uses)	(29,037)	144,000	0	114,963
Net Change in Fund Balances	455,919	(75,700)	(71,338)	308,881
Fund Balances at Beginning of Year	2,052,442	441,188	204,137	2,697,767
Fund Balances at End of Year	\$2,508,361	\$365,488	\$132,799	\$3,006,648

PREBLE COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2007

	Children Services	Other Legislative and Executive	Other Judicial
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$236,695	\$677,329	\$273,700
Cash and Cash Equivalents in Segregated Accounts	0	0	0
Receivables:			
Property Taxes	414,155	0	0
Accounts	500	390	9,488
Special Assessments	0	0	0
Interfund	0	0	0
Due From Other Governments	18,724	0	0
Materials and Supplies Inventory	0	0	0
Prepaid Items	0	1,400	423
Total Assets	<u>\$670,074</u>	<u>\$679,119</u>	<u>\$283,611</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	\$128,494	\$18,877	\$5,280
Accrued Salaries Payable	0	9,815	5,098
Due to Other Governments	0	14,346	7,710
Interfund Payable	13,986	0	25,000
Deferred Revenue	431,256	0	0
Notes Payable	0	0	10,000
Accrued Interest Payable	0	0	199
Total Liabilities	<u>573,736</u>	<u>43,038</u>	<u>53,287</u>
Fund Balances:			
Reserved for Encumbrances	4,515	5,357	12,601
Unreserved			
Undesignated	<u>91,823</u>	<u>630,724</u>	<u>217,723</u>
Total Fund Balances	<u>96,338</u>	<u>636,081</u>	<u>230,324</u>
Total Liabilities and Fund Balances	<u>\$670,074</u>	<u>\$679,119</u>	<u>\$283,611</u>

Other Public Safety	Other Public Works	Other Health	Other Human Services	Other Community and Economic Development	Total Nonmajor Special Revenue Funds
\$800,470	\$95,635	\$20,579	\$230,781	\$120,037	\$2,455,226
203,195	0	0	0	0	203,195
0	0	0	0	0	414,155
10,538	2,556	238	1,074	0	24,784
0	125,746	0	0	0	125,746
13,986	22,414	0	0	0	36,400
117,132	0	0	0	919,000	1,054,856
0	1,100	0	2,101	0	3,201
0	0	323	392	0	2,538
<u>\$1,145,321</u>	<u>\$247,451</u>	<u>\$21,140</u>	<u>\$234,348</u>	<u>\$1,039,037</u>	<u>\$4,320,101</u>
\$7,078	\$0	\$7,879	\$5,266	\$3,756	\$176,630
3,062	4,168	2,084	16,795	577	41,599
4,355	6,297	2,906	25,481	865	61,960
0	0	0	0	0	38,986
49,788	125,746	0	0	860,142	1,466,932
0	15,000	0	0	0	25,000
0	434	0	0	0	633
<u>64,283</u>	<u>151,645</u>	<u>12,869</u>	<u>47,542</u>	<u>865,340</u>	<u>1,811,740</u>
24,985	242	1,648	15,218	4,827	69,393
<u>1,056,053</u>	<u>95,564</u>	<u>6,623</u>	<u>171,588</u>	<u>168,870</u>	<u>2,438,968</u>
<u>1,081,038</u>	<u>95,806</u>	<u>8,271</u>	<u>186,806</u>	<u>173,697</u>	<u>2,508,361</u>
<u>\$1,145,321</u>	<u>\$247,451</u>	<u>\$21,140</u>	<u>\$234,348</u>	<u>\$1,039,037</u>	<u>\$4,320,101</u>

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2007

	Children Services	Other Legislative and Executive	Other Judicial
Revenues:			
Property Taxes	\$347,924	\$84,058	\$0
Charges for Services	118,815	554,241	278,160
Licenses and Permits	0	0	0
Fines and Forfeitures	0	0	0
Intergovernmental	1,104,974	0	0
Special Assessments	0	0	0
Interest	0	0	0
Other	698	234	144
Total Revenues	1,572,411	638,533	278,304
Expenditures:			
Current:			
General Government:			
Legislative and Executive	0	590,688	0
Judicial	0	0	294,685
Public Safety	0	0	0
Public Works	0	0	0
Health	0	0	0
Human Services	1,623,670	0	0
Community and Economic Development	0	0	0
Debt Service:			
Interest and Fiscal Charges	0	0	199
Current Refunding	0	0	0
Total Expenditures	1,623,670	590,688	294,884
Excess of Revenues Over (Under) Expenditures	(51,259)	47,845	(16,580)
Other Financing Sources (Uses):			
Current Refunding	0	0	0
Notes Issued	0	0	100,000
Transfers - In	343,223	80,000	0
Transfers - Out	(427,470)	0	0
Total Other Financing Sources (Uses)	(84,247)	80,000	100,000
Net Change in Fund Balances	(135,506)	127,845	83,420
Fund Balances at Beginning of Year	231,844	508,236	146,904
Fund Balances at End of Year	\$96,338	\$636,081	\$230,324

Other Public Safety	Other Public Works	Other Health	Other Human Services	Other Community and Economic Development	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$431,982
225,179	50,725	5,032	186,621	0	1,418,773
13,314	0	63,319	0	0	76,633
182,711	0	6,247	0	0	188,958
571,667	0	0	828,265	620,958	3,125,864
0	132,113	0	0	0	132,113
2,391	0	0	0	0	2,391
16	0	255	1,224	12,842	15,413
<u>995,278</u>	<u>182,838</u>	<u>74,853</u>	<u>1,016,110</u>	<u>633,800</u>	<u>5,392,127</u>
0	0	0	0	0	590,688
0	0	0	0	0	294,685
710,168	0	0	0	0	710,168
0	188,547	0	0	0	188,547
0	0	104,390	0	0	104,390
0	0	0	803,957	0	2,427,627
0	0	0	0	573,201	573,201
477	2,189	0	0	0	2,865
0	15,000	0	0	0	15,000
<u>710,645</u>	<u>205,736</u>	<u>104,390</u>	<u>803,957</u>	<u>573,201</u>	<u>4,907,171</u>
<u>284,633</u>	<u>(22,898)</u>	<u>(29,537)</u>	<u>212,153</u>	<u>60,599</u>	<u>484,956</u>
0	(20,642)	0	0	0	(20,642)
0	20,642	0	0	0	120,642
0	100,000	28,103	21,304	0	572,630
0	0	0	(274,197)	0	(701,667)
<u>0</u>	<u>100,000</u>	<u>28,103</u>	<u>(252,893)</u>	<u>0</u>	<u>(29,037)</u>
284,633	77,102	(1,434)	(40,740)	60,599	455,919
796,405	18,704	9,705	227,546	113,098	2,052,442
<u>\$1,081,038</u>	<u>\$95,806</u>	<u>\$8,271</u>	<u>\$186,806</u>	<u>\$173,697</u>	<u>\$2,508,361</u>

PREBLE COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2007

	<u>Issue II</u>	<u>Permanent Improvement</u>	<u>Building Construction</u>
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$2,800	\$182,860	\$1,662
Receivables:			
Special Assessments	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u><u>\$2,800</u></u>	<u><u>\$182,860</u></u>	<u><u>\$1,662</u></u>
 Liabilities and Fund Balances			
Liabilities:			
Contracts Payable	\$0	\$12,000	\$0
Interfund Payable	0	0	0
Deferred Revenue	0	0	0
Notes Payable	0	0	0
Accrued Interest Payable	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>12,000</u>	<u>0</u>
 Fund Balances:			
Reserved for Encumbrances	0	10,493	0
Unreserved:			
Undesignated (Deficit)	<u>2,800</u>	<u>160,367</u>	<u>1,662</u>
Total Fund Balances (Deficit)	<u>2,800</u>	<u>170,860</u>	<u>1,662</u>
Total Liabilities and Fund Balances	<u><u>\$2,800</u></u>	<u><u>\$182,860</u></u>	<u><u>\$1,662</u></u>

<u>Ditch and Guardrail Construction</u>	<u>Road and Bridge Construction</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$67,926	\$288	\$255,536
<u>49,628</u>	<u>0</u>	<u>49,628</u>
<u><u>\$117,554</u></u>	<u><u>\$288</u></u>	<u><u>\$305,164</u></u>
\$0	\$0	\$12,000
61,985	0	61,985
49,628	0	49,628
47,946	0	47,946
<u>806</u>	<u>0</u>	<u>806</u>
<u>160,365</u>	<u>0</u>	<u>172,365</u>
55,571	288	66,352
<u>(98,382)</u>	<u>0</u>	<u>66,447</u>
<u>(42,811)</u>	<u>288</u>	<u>132,799</u>
<u><u>\$117,554</u></u>	<u><u>\$288</u></u>	<u><u>\$305,164</u></u>

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Issue II</u>	<u>Permanent Improvement</u>	<u>Building Construction</u>
Revenues:			
Intergovernmental	\$0	\$0	\$0
Special Assessments	0	0	0
Interest	0	0	65
Other	0	14,364	6,700
	<u>0</u>	<u>14,364</u>	<u>6,765</u>
Total Revenues	<u>0</u>	<u>14,364</u>	<u>6,765</u>
Expenditures:			
Capital Outlay	0	59,801	12,622
Debt Service:			
Interest and Fiscal Charges	0	0	0
	<u>0</u>	<u>59,801</u>	<u>12,622</u>
Total Expenditures	<u>0</u>	<u>59,801</u>	<u>12,622</u>
Net Change in Fund Balances	0	(45,437)	(5,857)
Fund Balances (Deficit) at Beginning of Year	<u>2,800</u>	<u>216,297</u>	<u>7,519</u>
Fund Balances (Deficit) at End of Year	<u><u>\$2,800</u></u>	<u><u>\$170,860</u></u>	<u><u>\$1,662</u></u>

Ditch and Guardrail Construction	Road and Bridge Construction	Total Nonmajor Capital Projects Funds
\$0	\$1,000	\$1,000
35,601	0	35,601
0	0	65
<u>0</u>	<u>0</u>	<u>21,064</u>
<u>35,601</u>	<u>1,000</u>	<u>57,730</u>
53,749	712	126,884
<u>2,184</u>	<u>0</u>	<u>2,184</u>
<u>55,933</u>	<u>712</u>	<u>129,068</u>
(20,332)	288	(71,338)
<u>(22,479)</u>	<u>0</u>	<u>204,137</u>
<u>(\$42,811)</u>	<u>\$288</u>	<u>\$132,799</u>

PREBLE COUNTY, OHIO
AGENCY FUND DESCRIPTIONS

To account for assets held by the County as an agent for individuals, private organizations, and/or other governmental units.

Health

To account for the funds and subfunds of the Board of Health for which the County Auditor is the ex officio fiscal agent as required under Section 1515.23 of the Ohio Revised Code. The following funds are combined into the Health Fund:

- C&FHS Medicaid
- Preble County Child and Family Health Grant
- Preventive Health and Health Services
- Swimming Pool
- Immunization Action Plan
- Rural Health Outreach Demonstration Program
- Food Service
- Solid Waste
- Trailer Park
- Water Systems
- Women, Infants, and Children
- Welcome Home Newborn
- Public Health Infrastructure
- Regular Children Passenger

Payroll Distribution

To account for payroll taxes and other related payroll deductions accumulated from all funds for distribution to other governmental units and private organizations.

Soil and Water Conservation

To account for the funds and subfunds of the Soil and Water Conservation District, established under Chapter 1515, Revised Code, for which the County Auditor is fiscal agent.

Forfeited Land Sales

To account for receipts from a foreclosure sale. The money belongs to the individuals. The money is distributed to cover various real estate taxes.

Disaster Services

Provides emergency management coordination for the County, bringing together volunteers and contractors from the private sector with emergency responders and other government officials. The County is serving as fiscal agent for this program.

(Continued)

PREBLE COUNTY, OHIO
AGENCY FUND DESCRIPTIONS
(Continued)

Emergency Planning Committee - Right to Know

To account for revenue received through SARA Title III legislation regarding the public's right to know about local chemicals. It also provides hazardous materials training and equipment for emergency responders. The County is serving as fiscal agent for this organization.

Family and Children's First Council

To account for the activities for the family and children's first council.

Housing Trust

To account for additional service fees charged by the County Recorder payable to the State of Ohio.

Law Library

To account for a percent of all fines collected by the County distributed to the Law Library, as outlined by State statute. Annually, any unused monies are refunded to the various participating governments.

Undivided General Tax

To account for monies apportioned to local governments in the County (including Preble County itself). The following funds are included in this fund:

- Homestead and Rollback
- Undivided General Personal Tax
- Undivided General Personal Property Tax (Delinquent)
- Trailer Tax
- Cigarette Tax
- Estate Tax
- Out of County Estate Tax
- Auto Vehicle License Tax
- Treasurer of State
- Township Gas Tax
- Fines
- Out of County Ditches

Fines

To account for receipts from Municipal Court fines and costs that are distributed to other funds, i.e., Law Library, General Fund, Dog and Kennel and Motor Vehicle and Gas Tax. The Railroad Crossing Fund is included in this fund.

(Continued)

PREBLE COUNTY, OHIO
AGENCY FUND DESCRIPTIONS
(Continued)

Local Government

To account for the collection of shared revenues within the State of Ohio that represent a portion of State income taxes, State sales taxes, and corporate franchise taxes. These monies are returned to the County and subsequently apportioned to various local governments on a monthly basis. These monies are allocated by the budget commission according to the alternate method.

Council on Aging

To account for receipts and distribution of tax revenue.

Sheriff Agency

To account for the activities of the inmate work release account and foreclosure account.

Alimony and Child Support

To account for the collection and distribution of alimony and child support payments.

County Court Agency

To account for Clerk of Courts fees, Probate Court fees, Juvenile Court fees, and County Municipal Court fees to be distributed to other governments.

Health and Life Insurance

To account for employee deductions and employer contributions accumulated from all funds for health and life insurance.

Undivided General Real Estate Escrow

To account for the receipt of the advance payment of real estate taxes from taxpayers that must be held in escrow by the County Treasurer.

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF CHANGES IN
 ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2007

	Beginning Balance 1/1/2007	Additions	Reductions	Ending Balance 12/31/2007
HEALTH				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$414,753	\$1,690,199	\$1,810,781	\$294,171
Receivables:				
Property Taxes	297,002	299,070	297,002	299,070
Special Assessments	1,057	8,001	1,057	8,001
Due from Other Governments	13,149	13,650	13,149	13,650
Total Assets	<u>\$725,961</u>	<u>\$2,010,920</u>	<u>\$2,121,989</u>	<u>\$614,892</u>
Liabilities:				
Accrued Salaries Payable	\$31,014	\$31,623	\$31,014	\$31,623
Due to Other Governments	43,769	47,964	43,769	47,964
Deposits Held and Due to Others	651,178	405,530	521,403	535,305
Total Liabilities	<u>\$725,961</u>	<u>\$485,117</u>	<u>\$596,186</u>	<u>\$614,892</u>
PAYROLL DISTRIBUTION				
Assets:				
Equity in Pooled Cash and Cash Equivalents	<u>\$72,231</u>	<u>\$0</u>	<u>\$36,464</u>	<u>\$35,767</u>
Liabilities:				
Undistributed Monies	<u>\$72,231</u>	<u>\$0</u>	<u>\$36,464</u>	<u>\$35,767</u>
SOIL AND WATER CONSERVATION				
Assets:				
Equity in Pooled Cash and Cash Equivalents	<u>\$25,740</u>	<u>\$322,903</u>	<u>\$302,892</u>	<u>\$45,751</u>
Liabilities:				
Accrued Salaries Payable	\$11,761	\$6,756	\$11,761	\$6,756
Due to Other Governments	10,253	10,090	10,253	10,090
Undistributed Monies	3,726	42,025	16,846	28,905
Total Liabilities	<u>\$25,740</u>	<u>\$58,871</u>	<u>\$38,860</u>	<u>\$45,751</u>
FORFEITED LAND SALES				
Assets:				
Equity in Pooled Cash and Cash Equivalents	<u>\$29,042</u>	<u>\$0</u>	<u>\$0</u>	<u>\$29,042</u>
Liabilities:				
Deposits Held and Due to Others	<u>\$29,042</u>	<u>\$0</u>	<u>\$0</u>	<u>\$29,042</u>

(Continued)

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF CHANGES IN
 ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2007
 (Continued)

	Beginning Balance 1/1/2007	Additions	Reductions	Ending Balance 12/31/2007
DISASTER SERVICES				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$37,426	\$136,935	\$114,259	\$60,102
Liabilities:				
Accrued Salaries Payable	\$1,990	\$2,024	\$1,990	\$2,024
Notes Payable	0	17,207	0	17,207
Accrued Interest Payable	0	544	0	544
Compensated Absences Payable	0	7,933	0	7,933
Due to Other Governments	2,853	3,069	2,853	3,069
Undistributed Monies	32,583	4,843	8,101	29,325
Total Liabilities	\$37,426	\$35,620	\$12,944	\$60,102
EMERGENCY PLANNING COMMITTEE-RIGHT TO KNOW				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$61,122	\$17,365	\$11,143	\$67,344
Liabilities:				
Undistributed Monies	\$61,122	\$17,365	\$11,143	\$67,344
FAMILY AND CHILDREN'S FIRST COUNCIL				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$57,159	\$242,683	\$273,263	\$26,579
Liabilities:				
Accrued Salaries Payable	\$1,581	\$1,608	\$1,581	\$1,608
Due to Other Governments	2,252	2,409	2,252	2,409
Deposits Held and Due to Others	53,326	3,833	34,597	22,562
Total Liabilities	\$57,159	\$7,850	\$38,430	\$26,579
HOUSING TRUST				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$52,696	\$203,418	\$212,805	\$43,309
Liabilities:				
Deposits Held and Due to Others	\$52,696	\$532	\$9,919	\$43,309
LAW LIBRARY				
Assets:				
Cash and Cash Equivalents in Segregated Accounts	\$0	\$60,047	\$60,047	\$0
Liabilities:				
	\$0	\$0	\$0	\$0

(Continued)

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF CHANGES IN
 ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2007
 (Continued)

	Beginning Balance 1/1/2007	Additions	Reductions	Ending Balance 12/31/2007
UNDIVIDED GENERAL TAX				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$1,437,951	\$90,981,406	\$91,203,007	\$1,216,350
Receivables:				
Property Taxes	41,856,010	28,066,555	41,856,010	28,066,555
Accounts	17,808	21,910	17,808	21,910
Special Assessments	909,380	1,051,731	909,380	1,051,731
Due from Other Governments	1,616,962	1,427,136	1,616,962	1,427,136
Total Assets	<u>\$45,838,111</u>	<u>\$121,548,738</u>	<u>\$135,603,167</u>	<u>\$31,783,682</u>
Liabilities:				
Accrued Salaries Payable	\$78	\$78	\$78	\$78
Due to Other Governments	44,400,272	30,567,450	44,400,272	30,567,450
Undistributed Monies	1,437,761	170,963	392,570	1,216,154
Total Liabilities	<u>\$45,838,111</u>	<u>\$30,738,491</u>	<u>\$44,792,920</u>	<u>\$31,783,682</u>
FINES				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$1,115	\$173,026	\$172,776	\$1,365
Receivables:				
Accounts	10,762	11,132	10,762	11,132
Total Assets	<u>\$11,877</u>	<u>\$184,158</u>	<u>\$183,538</u>	<u>\$12,497</u>
Liabilities:				
Undistributed Monies	\$1,115	\$250	\$0	\$1,365
Deposits Held and Due to Others	10,762	11,132	10,762	11,132
Total Liabilities	<u>\$11,877</u>	<u>\$11,382</u>	<u>\$10,762</u>	<u>\$12,497</u>
LOCAL GOVERNMENT				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$0	\$1,771,627	\$1,771,627	\$0
Due From Other Governments	512,090	370,472	512,090	370,472
Total Assets	<u>\$512,090</u>	<u>\$2,142,099</u>	<u>\$2,283,717</u>	<u>\$370,472</u>
Liabilities:				
Due to Other Governments	<u>\$512,090</u>	<u>\$370,472</u>	<u>\$512,090</u>	<u>\$370,472</u>
COUNCIL ON AGING				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$17,575	\$724,540	\$725,406	\$16,709
Due from Other Governments	31,014	32,198	31,014	32,198
Total Assets	<u>\$48,589</u>	<u>\$756,738</u>	<u>\$756,420</u>	<u>\$48,907</u>
Liabilities:				
Undistributed Monies	\$31,014	\$32,197	\$31,014	\$32,197
Deposits Held and Due to Others	17,575	16,710	17,575	16,710
Total Liabilities	<u>\$48,589</u>	<u>\$48,907</u>	<u>\$48,589</u>	<u>\$48,907</u>

(Continued)

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF CHANGES IN
 ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2007
 (Continued)

	Beginning Balance 1/1/2007	Additions	Reductions	Ending Balance 12/31/2007
SHERIFF AGENCY				
Assets:				
Cash and Cash Equivalents in Segregated Accounts	\$92,443	\$2,973,592	\$2,655,097	\$410,938
Liabilities:				
Deposits Held and Due to Others	\$92,443	\$2,973,592	\$2,655,097	\$410,938
ALIMONY AND CHILD SUPPORT				
Assets:				
Cash and Cash Equivalents in Segregated Accounts	\$1,573	\$412,415	\$412,438	\$1,550
Liabilities:				
Deposits Held and Due to Others	\$1,573	\$412,415	\$412,438	\$1,550
COUNTY COURT AGENCY				
Assets:				
Cash and Cash Equivalents in Segregated Accounts	\$656,628	\$6,280,663	\$6,277,489	\$659,802
Receivables:				
Accounts	0	72,973	0	72,973
Total Assets	\$656,628	\$6,353,636	\$6,277,489	\$732,775
Liabilities:				
Deposits Held and Due to Others	\$656,628	\$6,353,636	\$6,277,489	\$732,775
HEALTH AND LIFE INSURANCE				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$71,491	\$2,314,452	\$2,314,768	\$71,175
Liabilities:				
Undistributed Monies	\$71,491	\$2,314,452	\$2,314,768	\$71,175
UNDIVIDED GENERAL REAL ESTATE ESCROW				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$39,427	\$9,181	\$5,833	\$42,775
Liabilities:				
Undistributed Monies	\$39,427	\$9,181	\$5,833	\$42,775

(Continued)

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF CHANGES IN
 ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2007
 (Continued)

	Beginning Balance 1/1/2007	Additions	Reductions	Ending Balance 12/31/2007
TOTAL AGENCY FUNDS				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$2,317,728	\$98,587,735	\$98,955,024	\$1,950,439
Cash and Cash Equivalents in Segregated Accounts	750,644	9,726,717	9,405,071	1,072,290
Receivables:				
Property Taxes	42,153,012	28,365,625	42,153,012	28,365,625
Accounts	28,570	106,015	28,570	106,015
Special Assessments	910,437	1,059,732	910,437	1,059,732
Due From Other Governments	2,173,215	1,843,456	2,173,215	1,843,456
Total Assets	<u>\$48,333,606</u>	<u>\$139,689,280</u>	<u>\$153,625,329</u>	<u>\$34,397,557</u>
Liabilities:				
Accrued Salaries Payable	\$46,424	\$42,089	\$46,424	\$42,089
Notes Payable	0	17,207	0	17,207
Accred Interest Payable	0	544	0	544
Compensated Absences Payable	0	7,933	0	7,933
Due to Other Governments	44,971,489	31,001,454	44,971,489	31,001,454
Undistributed Monies	1,750,470	2,591,276	2,816,739	1,525,007
Deposits Held and Due to Others	1,565,223	10,177,380	9,939,280	1,803,323
Total Liabilities	<u>\$48,333,606</u>	<u>\$43,837,883</u>	<u>\$57,773,932</u>	<u>\$34,397,557</u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Property Taxes	\$1,788,010	\$1,919,513	\$131,503
Permissive Sales Tax	4,395,000	4,369,425	(25,575)
Charges for Services	1,619,380	1,520,033	(99,347)
Licenses and Permits	3,550	2,708	(842)
Fines and Forfeitures	71,000	73,233	2,233
Intergovernmental	1,106,000	1,212,333	106,333
Interest	456,000	812,937	356,937
Other	404,481	290,843	(113,638)
Total Revenues	9,843,421	10,201,025	357,604
Expenditures:			
Current:			
General Government			
Legislative and Executive			
County Commissioners			
Personal Services	311,105	303,937	7,168
Materials and Supplies	7,880	7,682	198
Charges and Services	296,181	296,181	0
Capital Purchases	35,974	29,582	6,392
Total County Commissioners	651,140	637,382	13,758
Microfilm			
Personal Services	85,687	85,634	53
Materials and Supplies	4,024	3,895	129
Charges and Services	6,070	5,026	1,044
Capital Purchases	3,859	3,749	110
Other	1,135	685	450
Total Microfilm	100,775	98,989	1,786
County Auditor			
Personal Services	195,064	194,303	761
Materials and Supplies	3,518	3,282	236
Charges and Services	2,520	2,454	66
Other	2,653	1,992	661
Total County Auditor	203,755	202,031	1,724
County Treasurer			
Personal Services	69,029	66,917	2,112
Materials and Supplies	9,577	8,818	759
Charges and Services	17,821	12,623	5,198
Total County Treasurer	\$96,427	\$88,358	\$8,069

(Continued)

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)

	Budget	Actual	Variance Positive (Negative)
Prosecutor			
Personal Services	\$495,905	\$493,310	\$2,595
Materials and Supplies	21,249	19,156	2,093
Charges and Services	56,148	45,476	10,672
Other	6,747	6,180	567
Total Prosecutor	580,049	564,122	15,927
Bureau of Inspection			
Charges and Services	110,000	105,890	4,110
Data Processing			
Personal Services	16,984	14,939	2,045
Materials and Supplies	7,455	7,255	200
Charges and Services	21,815	21,815	0
Other	3,042	2,677	365
Total Data Processing	49,296	46,686	2,610
Board of Elections			
Personal Services	117,481	116,957	524
Materials and Supplies	14,998	13,294	1,704
Charges and Services	103,172	81,070	22,102
Capital Purchases	8,328	8,328	0
Other	899	885	14
Total Board of Elections	244,878	220,534	24,344
Building Maintenance			
Personal Services	201,059	200,611	448
Materials and Supplies	20,471	20,092	379
Charges and Services	190,341	173,649	16,692
Total Building Maintenance	411,871	394,352	17,519
Recorder			
Personal Services	123,171	122,757	414
Materials and Supplies	4,024	3,342	682
Charges and Services	2,589	2,103	486
Total Recorder	129,784	128,202	1,582
Rural Zoning			
Personal Services	63,006	58,196	4,810
Materials and Supplies	3,500	3,014	486
Charges and Services	23,825	17,725	6,100
Capital Purchases	8,566	8,566	0
Other	530	297	233
Total Rural Zoning	\$99,427	\$87,798	\$11,629

(Continued)

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)

	Budget	Actual	Variance Positive (Negative)
Insurance			
Charges and Services	\$671,311	\$668,055	\$3,256
Building and Grounds			
Capital Purchases	23,898	22,818	1,080
Budget Commission			
Charges and Services	13,000	13,000	0
Total General Government Legislative and Executive	3,385,611	3,278,217	107,394
General Government			
Judicial			
Appeals Court			
Other	38,874	38,701	173
Common Pleas Court			
Personal Services	150,860	138,220	12,640
Materials and Supplies	4,752	4,535	217
Charges and Services	178,305	178,305	0
Capital Purchases	3,632	3,632	0
Total Common Pleas Court	337,549	324,692	12,857
Jury Commission			
Personal Services	600	600	0
Materials and Supplies	1,500	1,324	176
Total Jury Commission	2,100	1,924	176
Adult Probation			
Materials and Supplies	1,000	907	93
Common Pleas Referee			
Personal Services	70,854	67,155	3,699
Juvenile Court			
Personal Services	394,502	394,502	0
Materials and Supplies	19,979	19,979	0
Charges and Services	182,318	182,318	0
Capital Purchases	4,760	4,760	0
Other	13,099	13,099	0
Total Juvenile Court	\$614,658	\$614,658	\$0

(Continued)

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)

	Budget	Actual	Variance Positive (Negative)
Probate Court			
Personal Services	\$106,224	\$106,160	\$64
Materials and Supplies	10,878	10,878	0
Charges and Services	2,915	2,395	520
Other	2,097	2,092	5
Total Probate Court	122,114	121,525	589
Clerk of Courts			
Personal Services	181,602	179,888	1,714
Materials and Supplies	7,291	6,974	317
Charges and Services	41,443	40,763	680
Other	199	199	0
Total Clerk of Courts	230,535	227,824	2,711
Municipal Court			
Personal Services	124,264	121,899	2,365
Charges and Services	85,898	78,810	7,088
Other	14,084	11,578	2,506
Total Municipal Court	224,246	212,287	11,959
Law Library			
Personal Services	7,863	6,044	1,819
Miscellaneous			
Personal Services	58,210	58,210	0
Charges and Services	4,743	2,105	2,638
Other	27,735	25,322	2,413
Total Miscellaneous	90,688	85,637	5,051
Total General Government			
Judicial	1,740,481	1,701,354	39,127
Public Safety			
Coroner			
Personal Services	56,056	55,449	607
Materials and Supplies	2,000	1,366	634
Charges and Services	67,670	54,904	12,766
Other	3,670	2,387	1,283
Total Coroner	129,396	114,106	15,290
Sheriff Dispatch			
Personal Services	342,992	338,638	4,354
Materials and Supplies	2,145	2,131	14
Charges and Services	2,341	1,911	430
Total Sheriff Dispatch	\$347,478	\$342,680	\$4,798

(Continued)

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)

	Budget	Actual	Variance Positive (Negative)
Sheriff			
Personal Services	\$2,767,144	\$2,746,889	\$20,255
Materials and Supplies	135,327	134,773	554
Charges and Services	693,598	687,487	6,111
Capital Purchases	230,587	230,044	543
Other	5,258	5,258	0
Total Sheriff	3,831,914	3,804,451	27,463
Building Regulations			
Personal Services	121,093	120,682	411
Materials and Supplies	5,382	4,815	567
Charges and Services	2,500	1,942	558
Capital Purchases	620	482	138
Other	310	310	0
Total Building Regulations	129,905	128,231	1,674
Sheriff's Rotary Fund			
Personal Services	6,245	3,139	3,106
Total Public Safety	4,444,938	4,392,607	52,331
Public Works			
Highways			
Charges and Services	49,680	49,680	0
Budget Commission			
Charges and Services	3,490	3,490	0
Total Public Works	53,170	53,170	0
Health			
Tuberculosis			
Other	1,438	0	1,438
Vital Statistics			
Charges and Services	109,105	49,364	59,741
Total Health	110,543	49,364	61,179
Human Services			
Soldier's Relief			
Personal Services	25,992	25,290	702
Materials and Supplies	1,800	1,742	58
Charges and Services	119,847	116,717	3,130
Other	880	820	60
Total Soldier's Relief	\$148,519	\$144,569	\$3,950

(Continued)

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)

	Budget	Actual	Variance Positive (Negative)
Veteran's Services			
Personal Services	\$98,825	\$95,331	\$3,494
Material and Supplies	1,050	1,050	0
Charges and Services	60,104	60,088	16
Other	22,142	21,291	851
Total Veteran's Services	<u>182,121</u>	<u>177,760</u>	<u>4,361</u>
County Recreation			
Charges and Services	700	489	211
Total Human Services	<u>331,340</u>	<u>322,818</u>	<u>8,522</u>
Intergovernmental			
Agriculture			
Charges and Services	312,973	309,965	3,008
Total Expenditures	<u>10,379,056</u>	<u>10,107,495</u>	<u>271,561</u>
Excess of Revenues Over (Under) Expenditures	<u>(535,635)</u>	<u>93,530</u>	<u>629,165</u>
Other Financing Sources (Uses):			
Advances - In	100,000	100,000	0
Advances - Out	0	(68,315)	(68,315)
Transfers - Out	(737,015)	(727,396)	9,619
Total Other Financing Sources (Uses)	<u>(637,015)</u>	<u>(695,711)</u>	<u>(58,696)</u>
Net Change in Fund Balance	(1,172,650)	(602,181)	570,469
Fund Balance at Beginning of Year	1,251,193	1,251,193	0
Prior Year Encumbrances Appropriated	<u>446,251</u>	<u>446,251</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$524,794</u></u>	<u><u>\$1,095,263</u></u>	<u><u>\$570,469</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
MOTOR VEHICLE AND GAS TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Charges for Services	\$220,000	\$128,685	(\$91,315)
Fines and Forfeitures	40,000	43,359	3,359
Intergovernmental	4,150,000	3,853,997	(296,003)
Interest	40,000	29,953	(10,047)
Other	500	0	(500)
	<u>4,450,500</u>	<u>4,055,994</u>	<u>(394,506)</u>
Total Revenues			
Expenditures:			
Current:			
Public Works			
Engineer			
Personal Services	1,887,385	1,821,145	66,240
Materials and Supplies	672,821	623,219	49,602
Charges and Services	1,558,677	1,290,217	268,460
Capital Purchases	173,454	163,991	9,463
Other	11,898	11,889	9
	<u>4,304,235</u>	<u>3,910,461</u>	<u>393,774</u>
Total Public Works			
Debt Service:			
Principal Retirement	1,000,000	1,000,000	0
Interest and Fiscal Charges	44,700	43,997	703
	<u>1,044,700</u>	<u>1,043,997</u>	<u>703</u>
Total Debt Service			
Total Expenditures	<u>5,348,935</u>	<u>4,954,458</u>	<u>394,477</u>
Excess of Revenues Under Expenditures	(898,435)	(898,464)	(29)
Other Financing Sources:			
Notes Issued	600,000	600,000	0
Net Change in Fund Balance	(298,435)	(298,464)	(29)
Fund Balance at Beginning of Year	191,951	191,951	0
Prior Year Encumbrances Appropriated	106,513	106,513	0
Fund Balance at End of Year	<u>\$29</u>	<u>\$0</u>	<u>(\$29)</u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
HUMAN SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Charges for Services	\$434,236	\$159,944	(\$274,292)
Intergovernmental	3,257,571	2,765,282	(492,289)
Total Revenues	3,691,807	2,925,226	(766,581)
Expenditures:			
Current:			
Human Services			
Public Assistance			
Personal Services	2,262,858	2,243,653	19,205
Materials and Supplies	85,779	63,916	21,863
Charges and Services	1,734,876	1,417,621	317,255
Capital Purchases	12,310	12,310	0
Other	80,420	80,415	5
Total Human Services	4,176,243	3,817,915	358,328
Debt Service:			
Principal Retirement	225,000	225,000	0
Interest and Fiscal Charges	9,563	9,563	0
Total Debt Service	234,563	234,563	0
Total Expenditures	4,410,806	4,052,478	358,328
Excess of Revenues Under Expenditures	(718,999)	(1,127,252)	(408,253)
Other Financing Sources:			
Notes Issued	164,500	165,000	500
Transfers - In	650,891	823,592	172,701
Transfers - Out	(144,000)	(144,000)	0
Total Other Financing Sources	671,391	844,592	173,201
Net Change in Fund Balance	(47,608)	(282,660)	(235,052)
Fund Balance at Beginning of Year	140,530	140,530	0
Prior Year Encumbrances Appropriated	174,219	174,219	0
Fund Balance at End of Year	\$267,141	\$32,089	(\$235,052)

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
COMMUNITY MENTAL HEALTH FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Property Taxes	\$261,000	\$254,335	(\$6,665)
Charges for Services	0	29,102	29,102
Intergovernmental	2,678,601	3,041,287	362,686
Other	40,505	21,776	(18,729)
Total Revenues	<u>2,980,106</u>	<u>3,346,500</u>	<u>366,394</u>
Expenditures:			
Current:			
Health			
648 Board			
Personal Services	240,406	233,819	6,587
Materials and Supplies	9,796	7,873	1,923
Charges and Services	2,737,092	2,396,979	340,113
Capital Purchases	344,121	269,413	74,708
Other	919	112	807
Total Health	<u>3,332,334</u>	<u>2,908,196</u>	<u>424,138</u>
Human Services			
Treatment Alternatives to Street Crime			
Personal Services	208,183	183,899	24,284
Materials and Supplies	5,300	4,124	1,176
Charges and Services	44,514	37,805	6,709
Capital Purchases	3,700	2,902	798
Other	19,371	17,499	1,872
Total Human Services	<u>281,068</u>	<u>246,229</u>	<u>34,839</u>
Total Expenditures	<u>3,613,402</u>	<u>3,154,425</u>	<u>458,977</u>
Excess of Revenues Over (Under) Expenditures	(633,296)	192,075	825,371
Other Financing Sources:			
Transfers - In	0	2,153	2,153
Net Change in Fund Balance	(633,296)	194,228	827,524
Fund Balance at Beginning of Year	573,301	573,301	0
Prior Year Encumbrances Appropriated	<u>301,243</u>	<u>301,243</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$241,248</u></u>	<u><u>\$1,068,772</u></u>	<u><u>\$827,524</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
MENTAL RETARDATION LEVY FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Property Taxes	\$1,021,851	\$1,023,790	\$1,939
Charges for Services	10,000	9,141	(859)
Intergovernmental	1,080,200	1,025,352	(54,848)
Other	<u>1,679</u>	<u>3,166</u>	<u>1,487</u>
Total Revenues	<u>2,113,730</u>	<u>2,061,449</u>	<u>(52,281)</u>
Expenditures:			
Current:			
Human Services			
Mental Retardation Levy			
Personal Services	1,959,385	1,800,075	159,310
Materials and Supplies	52,781	48,638	4,143
Charges and Services	386,260	333,552	52,708
Capital Purchases	<u>280,587</u>	<u>118,590</u>	<u>161,997</u>
Total Human Services	<u>2,679,013</u>	<u>2,300,855</u>	<u>378,158</u>
Net Change in Fund Balance	(565,283)	(239,406)	325,877
Fund Balance at Beginning of Year	1,535,940	1,535,940	0
Prior Year Encumbrances Appropriated	<u>62,197</u>	<u>62,197</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,032,854</u></u>	<u><u>\$1,358,731</u></u>	<u><u>\$325,877</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND EQUITY - BUDGET AND ACTUAL
(BUDGET BASIS)
SEWER FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Charges for Services	\$279,122	\$116,452	(\$162,670)
Expenses:			
Personal Services	8,361	3,676	4,685
Materials and Supplies	10,992	6,037	4,955
Charges and Services	241,233	47,317	193,916
Capital Purchases	34,912	33,662	1,250
Other	7,030	5,919	1,111
Debt Service:			
Principal Retirement	54,012	53,392	620
Total Expenses	<u>356,540</u>	<u>150,003</u>	<u>206,537</u>
Excess of Revenues Over (Under) Expenses	(77,418)	(33,551)	43,867
Advances - In	<u>14,564</u>	<u>14,564</u>	<u>0</u>
Net Change in Fund Equity	(62,854)	(18,987)	43,867
Fund Equity at Beginning of Year	71,531	71,531	0
Prior Year Encumbrances Appropriated	<u>53,386</u>	<u>53,386</u>	<u>0</u>
Fund Equity at End of Year	<u><u>\$62,063</u></u>	<u><u>\$105,930</u></u>	<u><u>\$43,867</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND EQUITY - BUDGET AND ACTUAL
(BUDGET BASIS)
LANDFILL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Charges for Services	\$2,974,085	\$2,752,961	(\$221,124)
Expenses:			
Personal Services	542,623	484,771	57,852
Materials and Supplies	241,144	205,468	35,676
Charges and Services	1,632,806	1,519,992	112,814
Capital Purchases	54,000	24,206	29,794
Debt Service:			
Principal Retirement	257,350	257,350	0
Interest and Fiscal Charges	110,007	110,007	0
Total Expenses	2,837,930	2,601,794	236,136
Excess of Revenues Over Expenses	136,155	151,167	15,012
Interest	850	31,487	30,637
Advances - Out	(200,000)	(100,000)	100,000
Advances - In	100,000	0	(100,000)
Transfers - Out	(354,918)	0	354,918
Net Change in Fund Equity	(317,913)	82,654	400,567
Fund Equity at Beginning of Year	2,012,580	2,012,580	0
Prior Year Encumbrances Appropriated	621,552	621,552	0
Fund Equity at End of Year	\$2,316,219	\$2,716,786	\$400,567

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
CHILDREN SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Property Taxes	\$393,200	\$348,809	(\$44,391)
Charges for Services	140,234	118,315	(21,919)
Intergovernmental	983,366	1,174,012	190,646
Other	0	698	698
	<u>1,516,800</u>	<u>1,641,834</u>	<u>125,034</u>
Total Revenues			
Expenditures:			
Current:			
Human Services			
Children Services Special Levy			
Materials and Supplies	10,000	6,880	3,120
Charges and Services	1,707,003	1,669,318	37,685
	<u>1,717,003</u>	<u>1,676,198</u>	<u>40,805</u>
Total Expenditures			
Excess of Revenues Over (Under) Expenditures	<u>(200,203)</u>	<u>(34,364)</u>	<u>165,839</u>
Other Financing Sources (Uses):			
Transfers - In	343,049	343,223	174
Transfers - Out	(427,470)	(427,470)	0
	<u>(84,421)</u>	<u>(84,247)</u>	<u>174</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	(284,624)	(118,611)	166,013
Fund Balance at Beginning of Year	135,190	135,190	0
Prior Year Encumbrances Appropriated	<u>183,391</u>	<u>183,391</u>	<u>0</u>
Fund Balance at End of Year	<u>\$33,957</u>	<u>\$199,970</u>	<u>\$166,013</u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
OTHER LEGISLATIVE AND EXECUTIVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Property Taxes	\$57,000	\$84,058	\$27,058
Charges for Services	449,250	553,851	104,601
Other	234	234	0
Total Revenues	506,484	638,143	131,659
Expenditures:			
Current:			
General Government			
Legislative and Executive			
Real Estate Assessment			
Personal Services	201,117	196,383	4,734
Materials and Supplies	10,596	5,345	5,251
Charges and Services	321,496	202,704	118,792
Other	27,200	26,970	230
Total Real Estate Assessment	560,409	431,402	129,007
Ohio Election Commission			
Charges and Services	2,500	2,395	105
Geographical Information System			
Personal Services	91,202	45,121	46,081
Materials and Supplies	7,495	1,107	6,388
Charges and Services	16,622	13,753	2,869
Capital Purchases	35,335	12,126	23,209
Total Geographical Information System	150,654	72,107	78,547
Agricultural Security Areas			
Other	234	234	0
Delinquent Real Estate and Tax Collection			
Personal Services	34,232	33,994	238
Charges and Services	47,388	42,262	5,126
Other	7,615	7,601	14
Total Delinquent Real Estate and Tax Collection	89,235	83,857	5,378
Total Expenditures	803,032	589,995	213,037
Excess of Revenues Over (Under) Expenditures	(296,548)	48,148	344,696
Other Financing Sources:			
Transfers - In	0	80,000	80,000
Net Change in Fund Balance	(296,548)	128,148	424,696
Fund Balance at Beginning of Year	532,130	532,130	0
Prior Year Encumbrances Appropriated	8,068	8,068	0
Fund Balance at End of Year	\$243,650	\$668,346	\$424,696

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
OTHER JUDICIAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Charges for Services	\$334,359	\$284,933	(\$49,426)
Intergovernmental	1,000	0	(1,000)
Other	<u>0</u>	<u>144</u>	<u>144</u>
Total Revenues	<u>335,359</u>	<u>285,077</u>	<u>(50,282)</u>
Expenditures:			
Current:			
General Government			
Judicial			
Court Computerization			
Charges and Services	<u>257,619</u>	<u>111,811</u>	<u>145,808</u>
Court Computerization-Legal Research			
Other	<u>3,200</u>	<u>3,139</u>	<u>61</u>
Probate Court - Conduct of Business			
Capital Purchases	<u>600</u>	<u>148</u>	<u>452</u>
Certificate of Title Administration			
Personal Services	166,459	166,252	207
Materials and Supplies	6,940	5,780	1,160
Charges and Services	<u>22,723</u>	<u>22,101</u>	<u>622</u>
Total Certificate of Title Administration	<u>196,122</u>	<u>194,133</u>	<u>1,989</u>
CASA/GAL Program			
Personal Services	700	405	295
Other	<u>1,000</u>	<u>747</u>	<u>253</u>
Total CASA/GAL Program	<u>1,700</u>	<u>1,152</u>	<u>548</u>
Court Training			
Personal Services	<u>7,669</u>	<u>3,396</u>	<u>4,273</u>
Total Expenditures	<u>466,910</u>	<u>313,779</u>	<u>153,131</u>
Excess of Revenues Over (Under) Expenditures	<u>(131,551)</u>	<u>(28,702)</u>	<u>102,849</u>
Other Financing Sources:			
Notes Issued	110,000	110,000	0
Advances - In	<u>20,000</u>	<u>25,000</u>	<u>5,000</u>
Total Other Financing Sources	<u>130,000</u>	<u>135,000</u>	<u>5,000</u>
Net Change in Fund Balance	(1,551)	106,298	107,849
Fund Balance at Beginning of Year	144,762	144,762	0
Prior Year Encumbrances Appropriated	<u>3,880</u>	<u>3,880</u>	<u>0</u>
Fund Balance at End of Year	<u>\$147,091</u>	<u>\$254,940</u>	<u>\$107,849</u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
OTHER PUBLIC SAFETY FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Charges for Services	\$117,000	\$126,707	\$9,707
Licenses and Permits	10,000	13,314	3,314
Fines and Forfeitures	1,050	1,257	207
Intergovernmental	330,269	482,491	152,222
Interest	2,001	2,369	368
Other	0	16	16
Total Revenues	460,320	626,154	165,834
Expenditures:			
Current:			
Public Safety			
9-1-1 Emergency Services			
Personal Services	5,500	3,583	1,917
Charges and Services	35,359	33,919	1,440
Capital Purchases	18,680	8,632	10,048
Other	1,041	865	176
Total 9-1-1 Emergency Services	60,580	46,999	13,581
Felony Delinquent Care and Custody			
Personal Services	84,562	82,424	2,138
Material and Supplies	3,255	2,111	1,144
Charges and Services	386,796	346,912	39,884
Capital Purchases	7,100	5,612	1,488
Total Felony Delinquent Care and Custody	481,713	437,059	44,654
Jail Inmates Commissary			
Materials and Supplies	8,372	8,060	312
Charges and Services	34,728	33,417	1,311
Total Jail Inmates Commissary	43,100	41,477	1,623
Concealed Handgun			
Materials and Supplies	8,000	718	7,282
Charges and Services	19,560	6,864	12,696
Total Concealed Handgun	27,560	7,582	19,978
Enforcement and Education			
Charges and Services	1,703	998	705
Sheriff			
Capital Purchases	20,000	20,000	0
Total Public Safety	634,656	554,115	80,541
Debt Service:			
Principal Retirement	38,230	38,230	0
Interest and Fiscal Charges	1,770	1,625	145
Total Debt Service	40,000	39,855	145
Total Expenditures	674,656	593,970	80,686
Net Change in Fund Balance	(214,336)	32,184	246,520
Fund Balance at Beginning of Year	664,322	664,322	0
Prior Year Encumbrances Appropriated	72,093	72,093	0
Fund Balance at End of Year	\$522,079	\$768,599	\$246,520

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
OTHER PUBLIC WORKS FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Charges for Services	\$95,988	\$26,171	(\$69,817)
Special Assessments	112,719	132,113	19,394
Total Revenues	<u>208,707</u>	<u>158,284</u>	<u>(50,423)</u>
Expenditures:			
Current:			
Public Works			
Ditch Maintenance			
Personal Services	182,728	158,689	24,039
Materials and Supplies	18,737	12,458	6,279
Charges and Services	17,798	13,768	4,030
Capital Purchases	5,000	3,207	1,793
Other	1,000	884	116
Total Ditch Maintenance	<u>225,263</u>	<u>189,006</u>	<u>36,257</u>
Debt Service:			
Principal Retirement	50,142	50,142	0
Interest and Fiscal Charges	2,511	2,155	356
Total Debt Service	<u>52,653</u>	<u>52,297</u>	<u>356</u>
Total Expenditures	<u>277,916</u>	<u>241,303</u>	<u>36,613</u>
Excess of Revenues Under Expenditures	<u>(69,209)</u>	<u>(83,019)</u>	<u>(13,810)</u>
Other Financing Sources:			
Notes Issued	34,000	35,642	1,642
Transfers - In	0	100,000	100,000
Total Other Financing Sources	<u>34,000</u>	<u>135,642</u>	<u>101,642</u>
Net Change in Fund Balance	(35,209)	52,623	87,832
Fund Balance at Beginning of Year	38,483	38,483	0
Prior Year Encumbrances Appropriated	4,285	4,285	0
Fund Balance at End of Year	<u><u>\$7,559</u></u>	<u><u>\$95,391</u></u>	<u><u>\$87,832</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
OTHER HEALTH FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Charges for Services	\$3,604	\$4,794	\$1,190
Licenses and Permits	70,000	68,552	(1,448)
Fines and Forfeitures	12,000	6,247	(5,753)
Other	500	255	(245)
	<u>86,104</u>	<u>79,848</u>	<u>(6,256)</u>
Total Revenues			
Expenditures:			
Current:			
Health			
Dog and Kennel			
Personal Services	80,106	70,234	9,872
Materials and Supplies	8,234	7,547	687
Charges and Services	16,402	10,562	5,840
Capital Purchases	1,700	1,700	0
Other	7,787	7,371	416
	<u>114,229</u>	<u>97,414</u>	<u>16,815</u>
Total Dog and Kennel			
Marriage License			
Charges and Services	5,289	4,896	393
	<u>119,518</u>	<u>102,310</u>	<u>17,208</u>
Total Expenditures			
Excess of Revenues Over (Under) Expenditures	(33,414)	(22,462)	10,952
Other Financing Sources:			
Transfers - In	23,606	28,103	4,497
	<u>(9,808)</u>	<u>5,641</u>	<u>15,449</u>
Net Change in Fund Balance			
Fund Balance at Beginning of Year	5,832	5,832	0
Prior Year Encumbrances Appropriated	4,366	4,366	0
	<u>\$390</u>	<u>\$15,839</u>	<u>\$15,449</u>
Fund Balance at End of Year			

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
OTHER HUMAN SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Charges for Services	\$158,496	\$186,295	\$27,799
Intergovernmental	794,269	828,265	33,996
Other	5,000	1,224	(3,776)
Total Revenues	<u>957,765</u>	<u>1,015,784</u>	<u>58,019</u>
Expenditures:			
Current:			
Human Services			
Victim Witness			
Personal Services	92,255	89,601	2,654
Materials and Supplies	2,250	2,175	75
Charges and Services	23,601	18,416	5,185
Capital Purchases	1,630	520	1,110
Other	866	222	644
Total Victim Witness	<u>120,602</u>	<u>110,934</u>	<u>9,668</u>
Ohio Children's Trust			
Charges and Services	15,000	14,288	712
Child Support Enforcement			
Personal Services	545,047	524,529	20,518
Materials and Supplies	10,829	10,144	685
Charges and Services	226,862	151,221	75,641
Total Child Support Enforcement	<u>782,738</u>	<u>685,894</u>	<u>96,844</u>
Indigent Guardianship			
Charges and Services	10,000	5,075	4,925
Total Expenditures	<u>928,340</u>	<u>816,191</u>	<u>112,149</u>
Excess of Revenues Over Expenditures	<u>29,425</u>	<u>199,593</u>	<u>170,168</u>
Other Financing Sources (Uses):			
Transfers - In	21,304	21,304	0
Transfers - Out	(274,240)	(274,197)	43
Total Other Financing Sources (Uses)	<u>(252,936)</u>	<u>(252,893)</u>	<u>43</u>
Net Change in Fund Balance	(223,511)	(53,300)	170,211
Fund Balance at Beginning of Year	164,043	164,043	0
Prior Year Encumbrances Appropriated	95,041	95,041	0
Fund Balance at End of Year	<u>\$35,573</u>	<u>\$205,784</u>	<u>\$170,211</u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
OTHER COMMUNITY AND ECONOMIC DEVELOPMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$1,072,107	\$562,100	(\$510,007)
Other	4,628	12,842	8,214
	<u>1,076,735</u>	<u>574,942</u>	<u>(501,793)</u>
Total Revenues			
Expenditures:			
Current:			
Community and Economic Development CDBG			
Personal Services	3,783	3,613	170
Charges and Services	523,346	471,449	51,897
	<u>527,129</u>	<u>475,062</u>	<u>52,067</u>
Total CDBG			
Community Corrections Planning Board			
Personal Services	15,638	15,638	0
CDBG Chip Fund			
Charges and Services	576,331	134,705	441,626
	<u>1,119,098</u>	<u>625,405</u>	<u>493,693</u>
Total Expenditures			
Net Change in Fund Balance	(42,363)	(50,463)	(8,100)
Fund Balance at Beginning of Year	42,366	42,366	0
Prior Year Encumbrances Appropriated	119,948	119,948	0
	<u>119,948</u>	<u>119,948</u>	<u>0</u>
Fund Balance at End of Year	<u>\$119,951</u>	<u>\$111,851</u>	<u>(\$8,100)</u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
GENERAL OBLIGATION BOND RETIREMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Property Taxes	\$220,720	\$239,914	\$19,194
Intergovernmental	27,280	27,573	293
Other	<u>34,741</u>	<u>14,232</u>	<u>(20,509)</u>
Total Revenues	<u>282,741</u>	<u>281,719</u>	<u>(1,022)</u>
Expenditures:			
Debt Service:			
Principal Retirement	440,000	440,000	0
Interest and Fiscal Charges	<u>64,520</u>	<u>64,520</u>	<u>0</u>
Total Expenditures	<u>504,520</u>	<u>504,520</u>	<u>0</u>
Excess of Revenues Under Expenditures	(221,779)	(222,801)	(1,022)
Other Financing Sources:			
Transfers - In	<u>144,000</u>	<u>144,000</u>	<u>0</u>
Net Change in Fund Balance	(77,779)	(78,801)	(1,022)
Fund Balance at Beginning of Year	<u>435,188</u>	<u>435,188</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$357,409</u></u>	<u><u>\$356,387</u></u>	<u><u>(\$1,022)</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
PERMANENT IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Other	<u>\$0</u>	<u>\$14,364</u>	<u>\$14,364</u>
Expenditures:			
Capital Outlay			
Charges and Services	4,418	2,941	1,477
Capital Purchases	<u>72,632</u>	<u>67,353</u>	<u>5,279</u>
Total Expenditures	<u>77,050</u>	<u>70,294</u>	<u>6,756</u>
Excess of Revenues Over (Under) Expenditures	(77,050)	(55,930)	21,120
Other Financing Uses:			
Advances - Out	<u>0</u>	<u>(14,564)</u>	<u>(14,564)</u>
Net Change in Fund Balance	(77,050)	(70,494)	6,556
Fund Balance at Beginning of Year	194,941	194,941	0
Prior Year Encumbrances Appropriated	<u>35,921</u>	<u>35,921</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$153,812</u></u>	<u><u>\$160,368</u></u>	<u><u>\$6,556</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
BUILDING CONSTRUCTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Interest	\$0	\$7	\$7
Other	6,700	6,700	0
Total Revenues	6,700	6,707	7
Expenditures:			
Capital Outlay			
Capital Purchases	14,032	12,622	1,410
Net Change in Fund Balance	(7,332)	(5,915)	1,417
Fund Balance at Beginning of Year	6,773	6,773	0
Prior Year Encumbrances Appropriated	745	745	0
Fund Balance at End of Year	<u>\$186</u>	<u>\$1,603</u>	<u>\$1,417</u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
DITCH AND GUARDRAIL CONSTRUCTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Intergovernmental	\$4,291	\$4,291	\$0
Special Assessments	33,274	35,601	2,327
Total Revenues	<u>37,565</u>	<u>39,892</u>	<u>2,327</u>
Expenditures:			
Capital Outlay			
Charges and Services	9,150	9,079	71
Capital Purchases	84,190	81,571	2,619
Total Capital Outlay	<u>93,340</u>	<u>90,650</u>	<u>2,690</u>
Debt Service:			
Principal Retirement	54,795	54,795	0
Interest and Fiscal Charges	1,912	1,912	0
Total Debt Service	<u>56,707</u>	<u>56,707</u>	<u>0</u>
Total Expenditures	<u>150,047</u>	<u>147,357</u>	<u>2,690</u>
Excess of Revenues Over (Under) Expenditures	<u>(112,482)</u>	<u>(107,465)</u>	<u>5,017</u>
Other Financing Sources:			
Notes Issued	47,946	47,946	0
Advances - In	14,815	43,315	28,500
Total Other Financing Sources	<u>62,761</u>	<u>91,261</u>	<u>28,500</u>
Net Change in Fund Balance	(49,721)	(16,204)	33,517
Fund Balance at Beginning of Year	7,658	7,658	0
Prior Year Encumbrances Appropriated	20,903	20,903	0
Fund Balance at End of Year	<u>(\$21,160)</u>	<u>\$12,357</u>	<u>\$33,517</u>

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (BUDGET BASIS)
 ROAD AND BRIDGE CONSTRUCTION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Intergovernmental	<u>\$2,445,300</u>	<u>\$1,000</u>	<u>(\$2,444,300)</u>
Expenditures:			
Capital Outlay			
Charges and Services	60,000	0	60,000
Capital Purchases	<u>2,385,300</u>	<u>1,000</u>	<u>2,384,300</u>
Total Expenditures	<u>2,445,300</u>	<u>1,000</u>	<u>2,444,300</u>
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL
(BUDGET BASIS)
EMPLOYEES HEALTH INSURANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenses:			
Charges and Services	5,178	2,684	2,494
Claims	<u>140,990</u>	<u>0</u>	<u>140,990</u>
Excess of Revenues Over (Under) Expenses	(146,168)	(2,684)	143,484
Transfers - In	<u>25,000</u>	<u>30,688</u>	<u>5,688</u>
Net Change in Fund Equity	(121,168)	28,004	149,172
Fund Equity at Beginning of Year	464,298	464,298	0
Prior Year Encumbrances Appropriated	<u>141,168</u>	<u>141,168</u>	<u>0</u>
Fund Equity at End of Year	<u><u>\$484,298</u></u>	<u><u>\$633,470</u></u>	<u><u>\$149,172</u></u>

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STATISTICAL TABLES

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

<u>CONTENTS</u>	<u>PAGES</u>
Financial Trends	130-141
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	142
This schedule contains information to help the reader assess the County's most significant local revenue source, the sales tax.	
Debt Capacity	143-150
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	152-153
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	
Operating information	154-162
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.

PREBLE COUNTY, OHIO
NET ASSETS BY COMPONENT
LAST SIX YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2007</u>	<u>2006</u>	<u>2005</u>
Governmental Activities:			
Invested in Capital Assets, Net of Related Debt	\$24,054,312	\$23,287,136	\$9,765,286
Restricted for:			
Capital Projects	230,373	318,244	510,567
Debt Service	380,544	442,868	526,000
Other Purposes	10,410,880	9,670,381	9,249,264
Unrestricted	<u>2,733,285</u>	<u>2,991,059</u>	<u>2,795,653</u>
<i>Total Governmental Activities Net Assets</i>	<u>37,809,394</u>	<u>36,709,688</u>	<u>22,846,770</u>
Business-Type Activities:			
Invested in Capital Assets, Net of Related Debt	1,991,649	2,028,143	1,962,966
Unrestricted (Deficit)	<u>(2,065,866)</u>	<u>(2,450,784)</u>	<u>(3,072,093)</u>
<i>Total Business-Type Activities Net Assets (Deficit)</i>	<u>(74,217)</u>	<u>(422,641)</u>	<u>(1,109,127)</u>
Primary Government:			
Invested in Capital Assets, Net of Related Debt	26,045,961	25,315,279	11,728,252
Restricted	11,021,797	10,431,493	10,285,831
Unrestricted (Deficit)	<u>667,419</u>	<u>540,275</u>	<u>(276,440)</u>
<i>Total Primary Government Net Assets</i>	<u>\$37,735,177</u>	<u>\$36,287,047</u>	<u>\$21,737,643</u>

<u>2004</u>	<u>2003</u>	<u>2002</u>
\$8,086,383	\$5,718,611	\$6,180,583
727,140	1,531,646	1,741,828
639,928	759,123	868,666
8,900,214	6,932,000	6,769,810
<u>3,099,417</u>	<u>3,098,158</u>	<u>2,934,596</u>
<u>21,453,082</u>	<u>18,039,538</u>	<u>18,495,483</u>
1,874,232	690,478	800,248
<u>(4,078,263)</u>	<u>(4,624,154)</u>	<u>(4,992,548)</u>
<u>(2,204,031)</u>	<u>(3,933,676)</u>	<u>(4,192,300)</u>
9,960,615	6,409,089	6,980,831
10,267,282	9,222,769	9,380,304
<u>(978,846)</u>	<u>(1,525,996)</u>	<u>(2,057,952)</u>
<u>\$19,249,051</u>	<u>\$14,105,862</u>	<u>\$14,303,183</u>

PREBLE COUNTY, OHIO
 CHANGES IN NET ASSETS
 LAST FIVE YEARS
 (ACCRUAL BASIS OF ACCOUNTING)

	2007	2006	2005
Expenses			
Governmental Activities:			
General Government	\$5,758,115	\$5,719,163	\$5,586,317
Public Safety	5,014,603	4,249,767	4,633,405
Public Works	4,119,893	4,490,494	4,094,666
Health	2,919,999	2,241,353	2,645,059
Human Services	9,264,187	9,019,385	8,832,263
Community and Economic Development	573,201	817,789	617,043
Intergovernmental	314,533	275,454	262,724
Interest and Fiscal Charges	173,820	174,629	165,240
<i>Total Governmental Activities Expenses</i>	<u>28,138,351</u>	<u>26,988,034</u>	<u>26,836,717</u>
Business-Type Activities:			
Sewer	89,182	52,190	245,792
Landfill	2,453,006	2,602,014	2,475,294
<i>Total Business-Type Activities Expenses</i>	<u>2,542,188</u>	<u>2,654,204</u>	<u>2,721,086</u>
<i>Total Primary Government Expenses</i>	<u>30,680,539</u>	<u>29,642,238</u>	<u>29,557,803</u>
Program Revenues			
Governmental Activities:			
Charges for Services:			
General Government	2,331,342	2,128,613	2,090,035
Public Safety	604,768	433,629	494,477
Public Works	392,656	507,350	404,487
Health	104,121	82,342	175,044
Human Services	476,750	523,242	463,281
Total Charges for Services	<u>3,909,637</u>	<u>3,675,176</u>	<u>3,627,324</u>
Op 0			
General Government	10,113	412,776	18,238
Public Safety	528,211	376,624	390,472
Public Works	4,227,113	3,797,222	3,775,007
Health	2,482,249	2,292,029	2,333,929
Human Services	6,575,519	6,327,633	6,527,142
Community and Economic Development	862,902	763,821	1,016,851
Total Operating Grants, Contributions, and Interest	<u>14,686,107</u>	<u>13,970,105</u>	<u>14,061,639</u>
Capital Grants, Contributions, and Interest:			
Public Safety	65	7	236
Public Works	1,000	260,068	423,238
Health	0	0	0
Total Capital Grants, Contributions, and Interest	<u>1,065</u>	<u>260,075</u>	<u>423,474</u>
<i>Total Governmental Activities Program Revenues</i>	<u>18,596,809</u>	<u>17,905,356</u>	<u>18,112,437</u>
Business-Type Activities:			
Charges for Services:			
Sewer	141,168	121,431	50,111
Landfill	2,718,475	3,222,446	3,377,653
Total Charges for Services	<u>\$2,859,643</u>	<u>\$3,343,877</u>	<u>\$3,427,764</u>

<u>2004</u>	<u>2003</u>
\$5,448,014	\$5,420,030
3,950,235	4,221,470
3,901,296	4,712,095
2,354,935	2,630,328
8,371,298	8,043,728
134,390	515,767
270,562	277,162
161,379	146,030
24,592,109	25,966,610
38,225	56,433
2,198,865	2,626,601
2,237,090	2,683,034
26,829,199	28,649,644
2,208,863	2,495,313
623,972	522,488
285,373	339,319
217,374	179,951
473,357	849,376
3,808,939	4,386,447
11,585	32,925
369,734	256,372
4,321,976	3,570,625
1,900,814	2,043,429
6,769,089	5,383,859
487,270	216,153
13,860,468	11,503,363
162	4,061
512,835	324,930
0	284,175
512,997	613,166
18,182,404	16,502,976
21,052	19,997
3,147,712	2,789,948
\$3,168,764	\$2,809,945

(continued)

PREBLE COUNTY, OHIO
 CHANGES IN NET ASSETS
 LAST FIVE YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (CONTINUED)

	2007	2006	2005
Operating Grants and Contributions			
Sewer	\$0	\$0	\$298,704
Landfill	0	5,000	78,892
Total Operating Grants and Contributions	0	5,000	377,596
Capital Grants and Assessments			
Sewer	0	0	0
<i>Total Business-Type Activities Program Revenues</i>	2,859,643	3,348,877	3,805,360
<i>Total Primary Government Program Revenues</i>	21,456,452	21,254,233	21,917,797
Net (Expense)/Revenue			
Governmental Activities	(9,541,542)	(9,082,678)	(8,724,280)
Business-Type Activities	317,455	694,673	1,084,274
<i>Total Primary Government Net Expense</i>	(9,224,087)	(8,388,005)	(7,640,006)
General Revenues			
Governmental Activities			
Property Taxes Levied For:			
General Purposes	2,053,656	2,008,262	1,651,272
Community Mental Health	265,960	272,773	257,270
Children Services	366,697	380,402	355,980
Mental Retardation	1,054,737	1,043,780	1,013,280
Retirement of Debt	246,175	241,623	220,826
Permissive Sales Tax Levied for General Purposes	4,383,637	4,388,892	4,436,627
Grants and Entitlements not Restricted to			
Specific Programs	1,061,662	1,176,909	1,104,905
Unrestricted Investment Earnings	770,366	772,727	423,906
Gifts and Donations	0	1,000	0
Gain on Sale of Capital Assets	0	115,448	0
Other	438,358	702,365	653,902
<i>Total Governmental Activities General Revenues</i>	10,641,248	11,104,181	10,117,968
Business-Type Activities:			
Unrestricted Investment Earnings	30,969	29,813	10,630
Other	0	0	0
<i>Total Business-Type Activities General Revenues</i>	30,969	29,813	10,630
<i>Total Primary Government General Revenues</i>	10,672,217	11,133,994	10,128,598
Prior Year Restatement of Governmental Type Net Assets	0	15,245,003	0
Prior Year Restatement of Business Type Net Assets	0	(38,000)	0
Change in Net Assets			
Governmental Activities	1,099,706	17,266,506	1,393,688
Business-Type Activities	348,424	686,486	1,094,904
<i>Total Primary Government Changes in Net Assets</i>	\$1,448,130	\$17,952,992	\$2,488,592

<u>2004</u>	<u>2003</u>
\$0	\$0
45,000	36,000
<u>45,000</u>	<u>36,000</u>
600,000	0
<u>3,813,764</u>	<u>2,845,945</u>
21,996,168	19,348,921
(6,409,705)	(9,463,634)
<u>1,576,674</u>	<u>162,911</u>
<u>(4,833,031)</u>	<u>(9,300,723)</u>
1,717,534	1,615,805
279,087	254,982
388,207	350,646
1,082,040	1,019,001
233,888	217,879
4,150,454	4,002,410
1,292,091	1,292,547
206,911	160,541
0	0
0	0
<u>473,037</u>	<u>93,878</u>
<u>9,823,249</u>	<u>9,007,689</u>
2,689	2,537
<u>150,282</u>	<u>93,176</u>
<u>152,971</u>	<u>95,713</u>
<u>9,976,220</u>	<u>9,103,402</u>
0	0
<u>0</u>	<u>0</u>
3,413,544	(455,945)
<u>1,729,645</u>	<u>258,624</u>
<u>\$5,143,189</u>	<u>(\$197,321)</u>

PREBLE COUNTY, OHIO
PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST FIVE YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2007</u>	<u>2006</u>	<u>2005</u>
Program Revenues			
Governmental Activities:			
General Government	\$2,341,455	\$2,541,389	\$2,108,273
Public Safety	1,133,044	810,260	885,185
Public Works	4,620,769	4,564,640	4,602,732
Health	2,586,370	2,374,371	2,508,973
Human Services	7,052,269	6,850,875	6,990,423
Community and Economic Development	<u>862,902</u>	<u>763,821</u>	<u>1,016,851</u>
<i>Total Governmental Activities Program Revenues</i>	<u>18,596,809</u>	<u>17,905,356</u>	<u>18,112,437</u>
Business-Type Activities:			
Charges for Services:			
Sewer	141,168	121,431	50,111
Landfill	2,718,475	3,222,446	3,377,653
Operating Grants and Contributions:			
Sewer	0	0	298,704
Landfill	0	5,000	78,892
Capital Grants and Assessments:			
Sewer	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>2,859,643</u>	<u>3,348,877</u>	<u>3,805,360</u>
<i>Total Primary Government Program Revenues</i>	<u><u>\$21,456,452</u></u>	<u><u>\$21,254,233</u></u>	<u><u>\$21,917,797</u></u>

2004	2003
\$2,220,448	\$2,528,238
993,868	782,921
5,120,184	4,234,874
2,118,188	2,507,555
7,242,446	6,233,235
487,270	216,153
18,182,404	16,502,976
21,052	19,997
3,147,712	2,789,948
0	0
45,000	36,000
600,000	0
3,813,764	2,845,945
\$21,996,168	\$19,348,921

PREBLE COUNTY, OHIO
 FUND BALANCES - GOVERNMENTAL FUNDS
 LAST TEN YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Fund				
Reserved	\$128,869	\$183,157	\$129,866	\$192,824
Unreserved	<u>2,036,578</u>	<u>2,148,552</u>	<u>1,977,578</u>	<u>2,140,304</u>
<i>Total General Fund</i>	<u>2,165,447</u>	<u>2,331,709</u>	<u>2,107,444</u>	<u>2,333,128</u>
All Other Governmental Funds				
Reserved	393,443	1,057,925	550,441	1,161,245
Unreserved, Undesignated (Deficit), Reported in:				
Special Revenue Funds	6,101,128	5,114,809	5,264,621	3,372,830
Debt Service Funds	365,488	441,188	514,890	614,271
Capital Projects Funds	<u>66,447</u>	<u>146,568</u>	<u>264,881</u>	<u>546,185</u>
<i>Total All Other Governmental Funds</i>	<u>6,926,506</u>	<u>6,760,490</u>	<u>6,594,833</u>	<u>5,694,531</u>
<i>Total Governmental Funds</i>	<u><u>\$9,091,953</u></u>	<u><u>\$9,092,199</u></u>	<u><u>\$8,702,277</u></u>	<u><u>\$8,027,659</u></u>

<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
\$283,532	\$226,553	\$295,717	\$256,861	\$336,137	\$279,711
<u>2,519,811</u>	<u>2,493,689</u>	<u>2,867,818</u>	<u>2,829,864</u>	<u>2,018,500</u>	<u>3,257,870</u>
<u>2,803,343</u>	<u>2,720,242</u>	<u>3,163,535</u>	<u>3,086,725</u>	<u>2,354,637</u>	<u>3,537,581</u>
886,219	980,472	1,101,029	762,225	1,215,171	664,570
2,351,697	4,195,412	3,768,124	4,907,279	4,383,924	5,302,722
740,106	837,476	882,917	932,387	985,390	846,550
<u>1,587,733</u>	<u>1,575,022</u>	<u>1,719,301</u>	<u>1,223,358</u>	<u>1,068,462</u>	<u>(28,278)</u>
<u>5,565,755</u>	<u>7,588,382</u>	<u>7,471,371</u>	<u>7,825,249</u>	<u>7,652,947</u>	<u>6,785,564</u>
<u>\$8,369,098</u>	<u>\$10,308,624</u>	<u>\$10,634,906</u>	<u>\$10,911,974</u>	<u>\$10,007,584</u>	<u>\$10,323,145</u>

PREBLE COUNTY, OHIO
 CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
 LAST TEN YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2007	2006	2005	2004
Revenues				
Property Taxes	\$3,864,633	\$3,957,639	\$3,591,114	\$3,615,204
Permissive Sales Tax	4,383,637	4,388,892	4,436,627	4,150,454
Charges for Services	3,307,403	3,297,904	3,264,081	3,442,982
Licenses and Permits	79,291	63,456	78,163	90,336
Fines and Forfeitures	378,069	130,567	117,643	145,258
Intergovernmental	15,248,229	15,798,330	15,354,304	14,782,878
Special Assessments	167,714	155,197	129,540	119,441
Interest	854,293	755,928	435,844	219,554
Gifts and Donations	0	1,000	0	0
Other	438,358	702,365	653,902	473,037
<i>Total Revenues</i>	<u>28,721,627</u>	<u>29,251,278</u>	<u>28,061,218</u>	<u>27,039,144</u>
Expenditures				
Current:				
General Government	5,687,883	5,948,734	5,436,557	5,418,937
Public Safety	4,965,258	4,563,808	4,872,201	4,347,251
Public Works	4,025,735	4,655,674	4,210,397	4,214,217
Health	2,923,906	2,251,877	2,640,776	2,407,487
Human Services	9,376,198	9,077,808	8,975,708	8,639,321
Community and Economic Development	573,201	817,789	617,043	134,390
Other	0	0	0	0
Capital Outlay	126,884	712,786	694,100	1,398,311
Intergovernmental	314,533	275,454	262,724	270,562
Debt Service:				
Principal Retirement	491,025	442,358	436,866	494,322
Interest and Fiscal Charges	122,798	118,221	112,403	124,094
Current Refunding	358,000	252,730	3,104	0
<i>Total Expenditures</i>	<u>28,965,421</u>	<u>29,117,239</u>	<u>28,261,879</u>	<u>27,448,892</u>
	74,773,711			
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(243,794)</u>	<u>134,039</u>	<u>(200,661)</u>	<u>(409,748)</u>
Other Financing Sources (Uses)				
Proceeds From Sale of Capital Assets	0	120,000	0	0
Proceeds from Capital Lease	174,236	0	0	73,500
General Obligation Bonds Issued	0	0	0	0
Current Refunding	(442,642)	(635,642)	0	0
Notes Issued	542,642	800,642	888,372	0
Refunding Bonds Issued	0	0	125,000	0
Premium on Debt Issued	0	0	318	0
Payment to Refunded Bond Escrow Agent	0	0	(122,214)	0
Discount on Refunding Bonds	0	0	0	0
Premium on Refunding Bonds	0	0	0	0
Transfers - In	1,542,375	1,098,948	484,387	471,904
Transfers - Out	(1,573,063)	(1,128,065)	(500,584)	(477,095)
<i>Total Other Financing Sources (Uses)</i>	<u>243,548</u>	<u>255,883</u>	<u>875,279</u>	<u>68,309</u>
<i>Net Change in Fund Balances</i>	<u><u>(\$246)</u></u>	<u><u>\$389,922</u></u>	<u><u>\$674,618</u></u>	<u><u>(\$341,439)</u></u>
Debt Service as a Percentage of Noncapital Expenditures	3.55%	2.99%	2.05%	2.45%

2003	2002	2001	2000	1999	1998
\$3,508,374	\$3,237,536	\$2,908,386	\$4,302,220	\$4,496,751	\$4,380,316
4,002,410	3,788,125	3,932,793	3,965,677	3,723,541	3,435,141
3,732,003	3,880,134	3,310,274	3,466,909	2,821,500	2,962,098
65,716	61,194	63,313	67,120	65,859	62,080
210,371	133,891	208,089	200,416	149,220	208,416
13,110,189	15,265,855	13,234,029	10,428,967	11,046,409	9,085,263
126,703	85,247	131,503	139,479	214,445	201,277
227,428	362,564	765,092	925,118	646,994	786,443
0	0	0	8,547	7,803	0
363,087	445,379	382,135	184,145	265,247	259,667
25,346,281	27,259,925	24,935,614	23,688,598	23,437,769	21,380,701
5,523,104	4,789,818	5,179,037	4,280,712	5,221,841	4,909,065
4,182,682	4,511,957	4,597,401	4,583,154	4,364,072	3,668,337
4,651,339	3,569,577	3,630,173	3,356,047	3,622,233	3,293,890
2,690,693	2,852,425	1,865,454	1,468,818	2,100,113	2,146,321
8,187,333	8,857,951	8,092,728	7,034,462	6,265,276	6,039,855
515,767	280,558	226,321	219,312	572,144	309,864
0	267,941	400,789	179,089	246,961	216,772
656,020	2,589,829	936,874	896,843	701,495	11,236
277,162	329,480	251,489	292,235	266,110	261,634
520,000	355,000	260,000	246,108	237,609	232,967
114,629	278,787	226,212	230,481	241,065	254,957
0	0	0	0	0	0
27,318,729	28,683,323	25,666,478	22,787,261	23,838,919	21,344,898
(1,972,448)	(1,423,398)	(730,864)	901,337	(401,150)	35,803
0	100,252	490,670	34,000	92,000	120,000
0	0	0	0	0	0
0	759,111	0	0	0	0
0	0	0	0	0	0
65,000	120,000	0	0	0	0
0	3,245,889	0	0	0	0
0	0	0	0	0	0
0	(3,352,510)	0	0	0	0
0	(3,606)	0	0	0	0
0	240,428	0	0	0	0
211,447	339,969	661,250	1,128,052	1,479,661	817,616
(243,525)	(352,417)	(698,124)	(1,158,999)	(1,486,072)	(1,238,959)
32,922	1,097,116	453,796	3,053	85,589	(301,343)
(\$1,939,526)	(\$326,282)	(\$277,068)	\$904,390	(\$315,561)	(\$265,540)
2.42%	2.43%	1.97%	2.18%	2.07%	2.29%

PREBLE COUNTY, OHIO
SALES TAX COLLECTIONS BY INDUSTRY (CATEGORY)
DECEMBER 31, 2007 AND 2006 (1)

	<u>2007</u>		<u>2006</u>	
		Percentage of Collections		Percentage of Collections
Effective Rate as of December 31	1.50%		1.50%	
Effective Date of Current Tax Rate	May 1, 1994		May 1, 1994	
Collections by Industry:				
Utilities (excluding telecommunications)	\$18,202	0.42%	\$0	0.00%
Construction	7,027	0.16%	6,563	0.15%
Manufacturing	106,411	2.43%	200,012	4.56%
Wholesale Trade	65,577	1.50%	39,737	0.90%
Retail Trade:				
Motor Vehicle and Parts Dealers (2)	1,032,774	23.56%	996,545	22.71%
Furniture and Home Furnishings Stores	58,837	1.34%	62,189	1.42%
Electronic and Appliance Stores	112,726	2.57%	101,570	2.31%
Building Material and Garden Equipment and Supplies	346,935	7.92%	323,191	7.36%
Food and Beverage Stores	143,765	3.28%	145,467	3.31%
Health and Personal Care Stores	61,472	1.40%	61,760	1.41%
Gasoline Stations	175,604	4.01%	197,356	4.50%
Clothing and Clothing Accessories Stores	36,136	0.82%	32,014	0.73%
Sporting Goods, Hobby, Book, and Music Stores	10,672	0.24%	13,064	0.30%
General Merchandise Stores	566,099	12.91%	559,423	12.75%
Miscellaneous Store Retailers	310,105	7.07%	300,970	6.86%
Nonstore Retailers	193,040	4.40%	188,652	4.30%
Transportation and Warehousing	8,180	0.19%	0	0.00%
Information (including telecommunications)	371,411	8.47%	317,945	7.24%
Finance and Insurance	6,459	0.15%	11,811	0.27%
Real Estate, and Rental and Leasing of Property	52,461	1.20%	67,581	1.54%
Professional, Scientific and Technical Services	16,520	0.38%	14,122	0.32%
Administrative and Support Services, and Waste Management and Remediation Services	149,070	3.40%	184,633	4.21%
Education, Health Care and Social Assistance	1,879	0.04%	1,031	0.02%
Arts, Entertainment, and Recreation	12,992	0.30%	15,284	0.35%
Accommodation and Food Services	338,977	7.73%	344,835	7.86%
Other Services	123,579	2.82%	134,500	3.06%
Unclassified (3)	<u>56,727</u>	<u>1.29%</u>	<u>68,637</u>	<u>1.56%</u>
<i>Total Collections</i>	<u>\$4,383,637</u>	<u>100.00%</u>	<u>\$4,388,892</u>	<u>100.00%</u>

(1) Information prior to 2006 not available.

(2) Sales tax on sales of motor vehicle and watercraft, which is paid via the County Clerk of Courts, is included in this figure. Thus, tax collected from dealer sales as well as "casual" (consumer-to-consumer) sales are included.

(3) Industry data is not provided when there are either no businesses within the particular industry or the number of businesses within the industry fall below the reporting threshold. The collections are instead folded into the "Unclassified" category.

Source: Ohio Department of Taxation

PREBLE COUNTY, OHIO
 COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 DECEMBER 31, 2007

Jurisdiction	Long-Term Debt Outstanding	Percentage Applicable To Preble County (2)	Amount Applicable To Preble County
Direct:			
Preble County			
General Obligation Bonds	\$2,040,145	100.00%	\$2,040,145
Notes Payable	958,588	100.00%	958,588
Capital Leases	158,165	100.00%	158,165
<i>Total Direct</i>	<u>3,156,898</u>		<u>3,156,898</u>
Overlapping:			
Eaton Community School District (1)			
General Obligation Bonds	29,737,530	100%	29,737,530
Preble Shawnee Local School District (1)			
General Obligation Bonds	2,910,000	95.82%	2,788,362
Tri-County North Local School District (1)			
General Obligation Bonds	365,000	92.55%	337,808
Notes Payable	565,000	92.55%	522,908
Twin Valley Local School District (1)			
General Obligation Bonds	2,925,000	100.00%	2,925,000
National Trail Local School District (1)			
General Obligation Bonds	2,640,000	99.65%	2,630,760
Notes Payable	278,520	99.65%	277,545
<i>Total Overlapping</i>	<u>39,421,050</u>		<u>39,219,913</u>
	45,734,846		
<i>Total Direct and Overlapping Debt</i>	<u><u>\$42,577,948</u></u>		<u><u>\$42,376,811</u></u>

Source: Preble County Auditor

(1) The debt outstanding for the School Districts is at June 30, 2007.

(2) Percentages determined by dividing each overlapping subdivision's assessed valuation within the County by the subdivision's total assessed valuation.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

PREBLE COUNTY, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN YEARS

	2007	2006	2005	2004
Total Assessed Property Value	\$794,076,150	\$785,678,663	\$739,322,660	\$739,757,900
Debt Limit (1)	18,351,904	18,141,967	16,983,067	16,993,948
Total Debt Outstanding:				
General Obligation Bonds Payable	4,800,000	5,440,000	6,095,000	6,545,000
Notes Payable	958,588	1,425,517	1,311,329	1,604,460
OPWC Loans Payable from Enterprise Fund Revenues	183,754	197,012	170,370	181,728
OWDA Loans Payable from Enterprise Fund Revenues	728,959	769,093	809,955	239,881
<i>Total Gross Indebtedness</i>	<u>6,671,301</u>	<u>7,831,622</u>	<u>8,386,654</u>	<u>8,571,069</u>
Exemptions:				
General Obligation Bonds Payable	4,800,000	\$5,440,000	6,095,000	6,545,000
Notes Payable	958,588	1,425,517	1,311,329	1,604,460
OPWC Loans Payable from Enterprise Fund Revenues	183,754	197,012	170,370	181,728
OWDA Loans Payable from Enterprise Fund Revenues	728,959	769,093	809,955	239,881
<i>Total Exemptions</i>	<u>6,671,301</u>	<u>7,831,622</u>	<u>8,386,654</u>	<u>8,571,069</u>
<i>Total Net Debt Applicable to Debt Limit</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Legal Debt Margin</i>	<u>\$18,351,904</u>	<u>\$18,141,967</u>	<u>\$16,983,067</u>	<u>\$16,993,948</u>
Legal Debt Margin Within Debt Limit	100.00%	100.00%	100.00%	100.00%
Unvoted Debt Limit (2)	\$7,940,762	\$7,856,787	\$7,393,227	\$7,397,579
Total Debt Outstanding:				
General Obligation Bonds Payable	3,930,000	\$4,270,000	4,505,000	4,790,000
Notes Payable	958,588	1,425,517	1,311,329	1,604,460
OPWC Loans Payable from Enterprise Fund Revenues	183,754	197,012	170,370	181,728
OWDA Loans Payable from Enterprise Fund Revenues	728,959	769,093	809,955	239,881
<i>Total Gross Indebtedness</i>	<u>5,801,301</u>	<u>6,661,622</u>	<u>6,796,654</u>	<u>6,816,069</u>
Exemptions:				
General Obligation Bonds Payable	3,930,000	\$4,270,000	4,505,000	4,790,000
Notes Payable	958,588	1,425,517	1,311,329	1,604,460
OPWC Loans Payable from Enterprise Fund Revenues	183,754	197,012	170,370	181,728
OWDA Loans Payable from Enterprise Fund Revenues	728,959	769,093	809,955	239,881
Amount Available in the Debt Service Fund for General Obligations	<u>365,488</u>	<u>441,188</u>	<u>514,890</u>	<u>614,271</u>
<i>Total Exemptions</i>	<u>5,801,301</u>	<u>6,661,622</u>	<u>6,796,654</u>	<u>6,816,069</u>
<i>Total Net Debt Applicable to Debt Limit</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Unvoted Legal Debt Margin</i>	<u>\$7,940,762</u>	<u>\$7,856,787</u>	<u>\$7,393,227</u>	<u>\$7,397,579</u>
Unvoted Legal Debt Margin Within Debt Limit	100.00%	100.00%	100.00%	100.00%

(1) Ohio Bond Law sets a limit calculated as follows:
Three percent of the first \$100,000,000 of the tax valuation
One and one-half percent of the next \$200,000,000 of the tax valuation
Two and one-half percent of the amount of the tax valuation in excess of \$300,000,000

(2) Ohio Bond Law sets a limit of one percent of the tax valuation

Sources: Preble County Auditor

2003	2002	2001	2000	1999	1998
<u>\$729,136,590</u>	<u>\$724,684,980</u>	<u>\$667,028,410</u>	<u>\$657,343,980</u>	<u>\$645,654,590</u>	<u>\$547,514,040</u>
<u>16,728,415</u>	<u>16,617,125</u>	<u>15,175,710</u>	<u>14,933,600</u>	<u>14,641,365</u>	<u>12,187,851</u>
7,165,000	7,765,000	7,424,798	7,863,784	8,282,770	8,686,756
1,825,947	758,257	467,154	518,031	201,634	196,350
193,086	204,444	0	0	0	0
176,308	63,075	0	0	0	0
<u>9,360,341</u>	<u>8,790,776</u>	<u>7,891,952</u>	<u>8,381,815</u>	<u>8,484,404</u>	<u>8,883,106</u>
7,165,000	7,765,000	7,424,798	7,863,784	8,282,770	8,686,756
1,825,947	758,257	467,154	518,031	201,634	196,350
193,086	204,444	0	0	0	0
176,308	63,075	0	0	0	0
<u>9,360,341</u>	<u>8,790,776</u>	<u>7,891,952</u>	<u>8,381,815</u>	<u>8,484,404</u>	<u>8,883,106</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$16,728,415</u>	<u>\$16,617,125</u>	<u>\$15,175,710</u>	<u>\$14,933,600</u>	<u>\$14,641,365</u>	<u>\$12,187,851</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<u>\$7,291,366</u>	<u>\$7,246,850</u>	<u>\$6,670,284</u>	<u>\$6,573,440</u>	<u>\$6,456,546</u>	<u>\$5,475,140</u>
5,130,000	5,455,000	4,859,798	5,103,784	5,337,770	5,561,756
1,825,947	758,257	467,154	518,031	201,634	196,350
193,086	204,444	0	0	0	0
176,308	63,075	0	0	0	0
<u>7,325,341</u>	<u>6,480,776</u>	<u>5,326,952</u>	<u>5,621,815</u>	<u>5,539,404</u>	<u>5,758,106</u>
5,130,000	5,455,000	4,859,798	5,103,784	5,337,770	5,561,756
1,825,947	758,257	467,154	518,031	201,634	196,350
193,086	204,444	0	0	0	0
176,308	63,075	0	0	0	0
<u>740,106</u>	<u>837,476</u>	<u>882,917</u>	<u>818,193</u>	<u>932,387</u>	<u>817,785</u>
<u>7,325,341</u>	<u>6,480,776</u>	<u>5,326,952</u>	<u>5,621,815</u>	<u>5,539,404</u>	<u>5,758,106</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$7,291,366</u>	<u>\$7,246,850</u>	<u>\$6,670,284</u>	<u>\$6,573,440</u>	<u>\$6,456,546</u>	<u>\$5,475,140</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

PREBLE COUNTY, OHIO
RATIO OF OUTSTANDING DEBT TO
TOTAL PERSONAL INCOME AND DEBT PER CAPITA
LAST TEN YEARS

Year	Governmental Activities				Landfill Closure and Postclosure	General Obligation Bonds
	General Obligation Bonds	Long-Term Notes Payable	Short-Term Notes Payable	Capital Leases		
2007	\$2,040,145	\$542,642	\$415,946	\$158,165	\$2,800,783	\$2,837,727
2006	2,423,296	800,642	567,525	34,954	2,566,324	3,020,251
2005	2,803,348	888,372	258,257	47,312	2,419,588	3,227,775
2004	3,181,362	0	1,357,000	59,178	2,210,791	3,432,840
2003	3,557,555	65,000	1,455,000	0	2,019,316	3,636,826
2002	3,923,437	120,000	205,824	0	1,872,317	3,835,812
2001	3,400,000	25,000	267,154	0	1,743,501	4,024,798
2000	3,660,000	0	518,031	0	1,606,306	4,203,784
1999	3,905,000	0	201,634	1,108	1,393,709	4,377,770
1998	4,140,000	0	256,350	3,717	1,193,962	4,546,756

Business-Type Activities

OWDA Loans	OPWC Loans	Long-Term Notes Payable	Short-Term Notes Payable	Total Debt	Percentage of Personal Income	Per Capita
\$728,959	\$183,754	\$0	\$0	\$9,708,121	1.56%	\$229
769,093	197,012	0	57,350	10,436,447	1.68	247
809,955	170,370	114,700	50,000	10,789,677	1.73	255
239,881	181,728	179,460	68,000	10,910,240	1.75	258
176,308	193,086	305,947	0	11,409,038	1.83	269
63,075	204,444	0	432,433	10,657,342	1.71	252
70,335	215,802	0	200,000	9,946,590	1.60	235
0	0	0	0	9,988,121	1.60	236
0	0	0	0	9,879,221	2.40	246
0	0	0	0	10,140,785	2.46	253

PREBLE COUNTY, OHIO
RATIO OF GENERAL OBLIGATION BONDED DEBT TO ESTIMATED TRUE
VALUE AND BONDED DEBT PER CAPITA
LAST TEN YEARS

Year	Population (1)		Estimated True Values of Taxable Property (2)	Gross Bonded Debt
2007	42,337	b	\$2,458,959,811	\$2,040,145
2006	42,337	b	2,283,196,159	2,423,296
2005	42,337	b	2,201,267,519	2,803,348
2004	42,337	b	2,248,038,022	3,181,362
2003	42,337	b	2,216,414,016	3,557,555
2002	42,337	b	2,208,561,828	3,923,437
2001	42,337	b	2,039,757,902	3,400,000
2000	42,337	b	1,960,708,102	3,660,000
1999	40,113	a	1,979,665,810	3,905,000
1998	40,113	a	1,699,968,410	4,140,000

Sources:

(1) U. S. Bureau of Census, Census of Population.

(a) 1990 Federal Census

(b) 2000 Federal Census

(2) Preble County Auditor

Ratio of General Obligation Bonded Debt to Estimated True Values of Taxable Property	General Obligation Bonded Debt Per Capita
0.08%	\$48.19
0.11	57.24
0.13	66.22
0.14	75.14
0.16	84.03
0.18	92.67
0.17	80.31
0.19	86.45
0.20	97.35
0.24	103.21

PREBLE COUNTY OHIO
 PLEDGED REVENUE COVERAGE
 OWDA LOAN - SEWER FUND
 LAST TWO YEARS (1)

Year	Gross Revenues	Less: Operating Expenses (2)	Net Available Revenue	Debt Service Requirements Principal	Coverage
2007	\$141,168	\$74,058	\$67,110	\$40,134	1.67
2006	121,431	36,857	\$84,574	41,012	2.06

(1) 2006 was the first year the County made debt payments on the loan

(2) Direct operating expenses do not include depreciation expense.

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PREBLE COUNTY, OHIO
PRINCIPAL EMPLOYERS
2007 AND 2006

2007

Employer	Employees	Percentage of Total County Employment
Neaton Auto Products	688	3.32%
Henny Penny Corporation	467	2.26%
Parker Hannifin Corporation	462	2.23%
Lewisburg Container	250	1.21%
North American Nutrition	243	1.17%
Bullen Semi Conductors	216	1.04%
Iams Company	150	0.73%
Weyerhaeuser	115	0.56%
Bullen Ultrasonics	71	0.34%
Timken	63	0.30%
Total	<u>2,725</u>	<u>13.16%</u>
Total Employment within the County	<u>20,700</u>	

2006

Employer	Employees	Percentage of Total County Employment
Neaton Auto Products	767	4.63%
Parker Hannifin Corporation	543	3.28%
Henny Penny Corporation	459	2.76%
Lewisburg Container	286	1.73%
North American Nutrition	272	1.64%
Zumstein, Inc	251	1.52%
Iams Company	179	1.08%
Bullen Ultrasonics	125	0.75%
Weyerhaeuser	111	0.67%
Carlisle Engineered Products	89	0.54%
Total	<u>3,082</u>	<u>18.60%</u>
	28,077	
Total Employment within the County	<u>16,566</u>	

Source: Employer data provided to the County

Information prior to 2006 is not available.

PREBLE COUNTY, OHIO
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (2)</u>	<u>Personal Income Per Capita (1)</u>	<u>Preble County Unemployment Rate</u>	<u>Total Assessed Property Value</u>
2007	42,337	\$622,480,911	\$14,703	5.7%	\$794,076,150
2006	42,337	622,480,911	14,703	7.2	785,678,663
2005	42,337	622,480,911	14,703	5.4	739,322,660
2004	42,337	622,480,911	14,703	6.1	739,757,900
2003	42,337	622,480,911	14,703	6.0	729,136,590
2002	42,337	622,480,911	14,703	4.6	724,684,980
2001	42,337	622,480,911	14,703	4.5	667,028,410
2000	42,337	622,480,911	14,703	4.2	657,343,980
1999	40,113	412,201,188	10,276	4.1	645,654,590
1998	40,113	412,201,188	10,276	4.0	547,514,040

Sources:

(1) U. S. Bureau of Census, Census of Population.

(2) Computation of per capita personal income multiplied by population

PREBLE COUNTY, OHIO
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST SIX YEARS

	2007	2006	2005
General Government - Legislative and Executive			
Commissioners			
Courthouse - (square feet)	2,912	2,912	2,912
% of Total Courthouse (square feet)	6.56%	6.56%	6.56%
Auditor			
Courthouse - (square feet)	3,392	3,392	3,392
% of Total Courthouse (square feet)	7.64%	7.64%	7.64%
Recorder			
Courthouse - (square feet)	1,536	1,536	1,536
% of Total Courthouse (square feet)	3.46%	3.46%	3.46%
Treasurer			
Courthouse - (square feet)	704	704	704
% of Total Courthouse (square feet)	1.58%	1.58%	1.58%
Maintenance			
Courthouse - (square feet)	2,144	2,144	2,144
% of Total Courthouse (square feet)	4.83%	4.83%	4.83%
Prosecutor			
Courthouse - (square feet)	2,496	2,496	2,496
% of Total Courthouse (square feet)	5.62%	5.62%	5.62%
Building Department			
Courthouse - (square feet)	1,056	1,056	1,056
% of Total Courthouse (square feet)	2.38%	2.38%	2.38%
Records Commission/Microfilm Department			
Courthouse - (square feet)	3,328	3,328	3,328
% of Total Courthouse (square feet)	7.49%	7.49%	7.49%
Board of Elections			
Courthouse - (square feet)	384	384	384
% of Total Courthouse (square feet)	0.86%	0.86%	0.86%
General Government - Judicial			
Clerk of Courts			
Courthouse - (square feet)	1,536	1,536	1,536
% of Total Courthouse (square feet)	3.46%	3.46%	3.46%
Common Pleas Court			
Courthouse - (square feet)	3,968	3,968	3,968
% of Total Courthouse (square feet)	8.93%	8.93%	8.93%
Probate Court			
Courthouse - (square feet)	832	832	832
% of Total Courthouse (square feet)	1.87%	1.87%	1.87%
Law Library			
Courthouse - (square feet)	768	768	768
% of Total Courthouse (square feet)	1.73%	1.73%	1.73%
Juvenile Court			
Courthouse - (square feet)	1,792	1,792	1,792
% of Total Courthouse (square feet)	4.03%	4.03%	4.03%
Total Courthouse (square feet)	44,424	44,424	44,424

2004	2003	2002
1,728 3.89%	1,728 3.89%	1,728 3.89%
1,664 3.75%	1,664 3.75%	1,664 3.75%
1,536 3.46%	1,536 3.46%	1,536 3.46%
704 1.58%	704 1.58%	704 1.58%
2,144 4.83%	2,144 4.83%	2,144 4.83%
1,920 4.32%	1,920 4.32%	1,920 4.32%
1,056 2.38%	1,056 2.38%	1,056 2.38%
576 1.30%	576 1.30%	576 1.30%
384 0.86%	384 0.86%	384 0.86%
1,536 3.46%	1,536 3.46%	1,536 3.46%
3,968 8.93%	3,968 8.93%	3,968 8.93%
832 1.87%	832 1.87%	832 1.87%
768 1.73%	768 1.73%	768 1.73%
1,792 4.03%	1,792 4.03%	1,792 4.03%
44,424	44,424	44,424

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PREBLE COUNTY, OHIO
 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
 LAST SIX YEARS
 (CONTINUED)

	2007	2006	2005
Public Safety			
Sheriff			
Jail - (square feet)	21,519	21,519	21,519
Administrative Office - (square feet)	8,809	8,809	8,809
Disaster Services			
Administrative Office - (square feet)	3,350	3,350	3,350
Public Works			
Engineer			
Highway Department - (square feet)	4,480	4,480	4,480
Salt Storage Building - (square feet)	12,000	12,000	12,000
Administrative Office - (square feet)	7,448	7,448	7,448
Highway Garages - (square feet)	16,000	16,000	16,000
Bridge Department Garage - (square feet)	18,000	18,000	18,000
County Road Miles	253	253	N/A
Township Road Miles	426	426	N/A
State Route Miles	190	190	190
Human Services			
Children Services			
Children Services Administrative Offices - (square feet)	4,263	4,263	4,263
Child Support Enforcement Agency			
CSEA Administrative Offices - (square feet)	2,558	2,558	2,558
Public Assistance			
Job and Family Services Administrative Offices - (square feet)	8,526	8,526	8,526
Workforce Investment Act			
Workforce Investment Administrative Offices - (square feet)	1,705	1,705	1,705
Health			
Dog and Kennel			
Dog Pound - (square feet)	2,348	2,348	2,348
Enterprise Funds			
Sewer Department # 2			
Sewer Lines Laid - (in linear feet)	4,000	4,000	N/A
Sewer Department # 3			
Sewer Lines Laid - (in linear feet)	10,379	10,379	N/A
Landfill			
Department Office - (square feet)	2,100	2,100	2,100

Source: Preble County Departments
 Information was not available prior to 2002.

2004	2003	2002
21,519	21,519	21,519
8,809	8,809	8,809
3,350	3,350	3,350
4,480	4,480	4,480
12,000	12,000	12,000
7,448	7,448	7,448
16,000	16,000	16,000
18,000	18,000	18,000
N/A	N/A	N/A
N/A	N/A	N/A
190	190	190
4,263	4,263	4,263
2,558	2,558	2,558
8,526	8,526	8,526
1,705	1,705	1,705
2,348	2,348	2,348
N/A	N/A	N/A
N/A	N/A	N/A
2,100	2,100	2,100

PREBLE COUNTY, OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST SIX YEARS

	2007	2006	2005
General Government - Legislative and Executive			
Commissioners			
Number of Resolutions Passed	872	749	832
Number of Meetings	95	104	104
Auditor			
Number of Budgetary Checks Issued	29,013	26,890	26,545
Number of Personal Property Returns	410	1,772	N/A
Number of Exempt Conveyances	962	883	982
Number of Non-Exempt Conveyances	2,245	1,099	1,193
Number of Real Estate Transfers	3,207	1,982	2,175
Number of Parcels Billed	18,201	N/A	N/A
Prosecutor			
Number of Criminal Cases	262	252	N/A
Board of Elections			
Registered Voters	28,033	27,666	27,425
Registered Voters Last General Election	10,367	16,190	12,539
Percentage of Registered Voters that Voted	36.98%	58.52%	45.72%
Recorder			
Number of Deeds Recorded	2,085	2,083	2,340
Number of Mortgages Recorded	2,330	2,733	3,125
Number of Military Discharges Recorded	22	13	19
General Government - Judicial			
Probate Court			
Number of Marriage Licenses Issued	285	201	276
Number of Civil Cases Filed	5	7	8
Number of Estates Filed	232	232	243
Number of Guardianships Filed	42	24	32
Juvenile Court			
Number of Delinquent Cases	763	685	507
Number of Unruly Cases	67	95	82
Number of Traffic Cases	238	318	327
Number of Abuse, Dependency, or Neglect Cases	83	69	47
Number of Paternity Cases	4	9	16
Number of Custody Cases	102	104	88
Number of Adult Cases Only	9	5	13
Number of Other (Court Contempt, etc.) Cases	455	466	274
Municipal Court			
Number of Traffic Cases Filed	7,817	6,823	6,612
Number of DUI Cases Filed	305	315	341
Number of Criminal Cases Filed	1,003	1,021	1,205
Number of Felony Cases Filed	193	195	188
Number of Civil Cases Filed	872	585	590
Number of Small Claims Cases Filed	193	205	178
Number of New Garnishments Filed	275	N/A	N/A

2004	2003	2002
805	745	751
104	104	104
27,140	25,993	27,661
N/A	N/A	N/A
1,158	1,043	1,009
1,207	1,137	1,180
2,365	2,180	2,189
N/A	N/A	N/A
N/A	N/A	N/A
28,137	26,685	28,108
21,559	9,159	11,967
76.62%	34.32%	42.58%
2,408	2,324	2,372
3,337	4,671	4,195
15	24	14
270	297	301
15	4	18
270	265	280
33	20	41
531	555	728
75	78	74
300	327	401
37	51	43
9	20	39
87	71	65
15	15	16
402	662	446
6,851	9,465	N/A
241	249	N/A
1,032	1,032	N/A
159	128	N/A
570	705	N/A
172	103	N/A
N/A	N/A	N/A

(continued)

PREBLE COUNTY, OHIO
 OPERATING INDICATORS BY FUNCTION/PROGRAM
 LAST SIX YEARS
 (CONTINUED)

	2007	2006	2005
Public Safety			
Sheriff			
Average Daily Jail Census	66	71	N/A
Number of Prisoners Booked	2,124	2,283	N/A
Number of Prisoners Released	2,128	2,262	N/A
Number of Citations Issued	1,174	835	N/A
Number of Court Security Hours	4,160	4,160	N/A
Coroner			
Number of Autopsies Performed	36	53	N/A
Public Works			
Engineer			
Miles of Roads Resurfaced	14	14	N/A
Number of Bridges Replaced/ Improved	12	10	N/A
Number of Culverts Built/ Replaced/ Improved	54	62	N/A
Human Services			
MRDD			
Number of Individuals Enrolled in Early Intervention	34	32	N/A
Number of Individuals Enrolled in Case Management	279	326	N/A
Number of Individuals Enrolled in Residential Supports	61	61	N/A
Number Served by Adult Workshop	104	104	N/A
Public Assistance			
Average Client Count - Food Stamps	2,607	2,443	N/A
Medicaid Caseload	5,255	5,141	N/A
Average Client Count - Day Care	289	167	N/A
Child Support Enforcement Agency			
Open Child Support Cases	2,832	2,842	N/A
Percentage of Child Support Collected	73.33%	74.18%	N/A

Source: Preble County Departments
 Information was not available prior to 2002

PREBLE COUNTY, OHIO
COUNTY EMPLOYEES BY FUNCTION/PROGRAM
LAST TWO YEARS

Function/Program	2007		2006	
	Full-Time	All	Full-Time	All
Governmental Activities				
General Government				
Legislative / Executive	47	48	41	41
Judicial	30	31	29	29
Public Safety	80	96	70	71
Public Works	51	67	34	34
Health	2	2	7	8
Human Services	113	166	107	108
Community and Economic Development	3	3	1	1
<i>Total Governmental</i>	<u>326</u>	<u>413</u>	<u>289</u>	<u>292</u>
Business-Type Activities				
Sewer	1	1	3	3
Landfill	7	9	6	6
<i>Total Business-Type</i>	<u>8</u>	<u>10</u>	<u>9</u>	<u>9</u>
<i>Total Number of Employees</i>	<u>334</u>	<u>423</u>	<u>298</u>	<u>301</u>

Source: County Payroll Records

Information prior to 2006 was not available.



Mary Taylor, CPA
Auditor of State

FINANCIAL CONDITION

PREBLE 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
NOVEMBER 6, 2008**